

STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: ROBERT PERRAULT, CITY MANAGER

VIA: KATHY PETKER, PARKS AND RECREATION PROGRAM DIRECTOR

SUBJECT: CONSIDERATION OF AN AGREEMENT BETWEEN THE CITY AND THE ARROYO GRANDE & GROVER BEACH CHAMBER OF COMMERCE FOR THE STONE SOUP MUSIC FESTIVAL AND STREET FAIRE

BACKGROUND

The City and the Arroyo Grande & Grover Beach Chamber of Commerce have partnered to provide the Stone Soup Music Festival and Street Faire for numerous years. Originally the Stone Soup event was solely a City of Grover Beach event. Later the responsibility to host the event was contractually transferred to the Grover Beach Chamber of Commerce, with the City obligated to provide support services. Following the merger between the Grover Beach Chamber and the Arroyo Grande Chamber, the event has continued under the auspices of the combined Chamber and the City has continued to offer support services. Staff is recommending that the City enter into an agreement (please see Attachment 2) with the Arroyo Grande & Grover Beach Chamber of Commerce, which memorializes the roles and responsibilities of each entity as it relates to the Stone Soup event.

DISCUSSION

The Stone Soup Music Festival and Street Faire has been a highly successful two-day event traditionally held on the third weekend in August. Prior to the festival beginning on Saturday, the City hosts Dune Run-Run, a fun-run and walk along West Grand Avenue and the beach. The festival consists of musical acts held throughout the remaining weekend and evenings, and includes children's activities, food and artisan vendors. Attendees not only come from Grover Beach, but from all over the State with positive feedback heard throughout the weekend. A highlight to this year's scheduled event will be the Saturday evening musical act by the international band, The English Beat.

The Chamber promotes and markets the City as a destination for visitors and a recreational center for residents. In order to support the Chamber, and benefit the City, staff recommends partnering with the Chamber to hold the Stone Soup Music Festival and Street Faire and establish a formal Agreement. In the past, before the Grover Beach Chamber consolidated with the Arroyo Grande Chamber, the City had an Agreement with the Chamber outlining the partnership relationship for this event.

APPROVED FOR FORWARDING



ROBERT PERRAULT
CITY MANAGER

Please Review for the Possibility of a Potential Conflict of Interest:

- | | |
|--|----------------------------------|
| <input checked="" type="checkbox"/> None Identified by Staff | <input type="checkbox"/> Bright |
| <input type="checkbox"/> Shoals | <input type="checkbox"/> Nicolls |
| <input type="checkbox"/> Lee | <input type="checkbox"/> Shah |

Meeting Date: May 18, 2015

Agenda Item No. 8

The Agreement (please see Attachment 2) outlines responsibilities for the Chamber, as well as for the City. The City Manager shall represent or designate a representative who will act as the Chamber Liaison and Program Manager for this Agreement. The liaison shall attend meetings and provide input and updates as appropriate. The Chamber President/CEO shall represent the Chamber and have overall responsibility for the Chamber's performance of services described in this Agreement. The Chamber shall organize, manage, and host the Grover Beach Stone Soup Music Festival and Street Faire. The Faire will feature the diversity of Grover Beach and California with music, food, and vendor exhibits. In addition, the Chamber will provide the marketing, promotion, and operation of the event. The Chamber will also provide the City with a booth location, mutually agreed upon, at the event for purposes of promoting City events and programs.

The City will also provide support for the Stone Soup Music Festival and Street Faire event by providing the use of Ramona Garden Park Center and Ramona Garden Park, assistance and support for the surrounding street closures during the event, a representative to serve on the organizing committee, and allow the Chamber to use the City's banner poles along West Grand Avenue and North 4th Street.

ALTERNATIVES

The Council has the following alternatives to consider:

1. Adopt the Resolution to enter into an Agreement with the Arroyo Grande & Grover Beach Chamber of Commerce for the Stone Soup Music Festival and Street Faire; and authorize the Mayor to execute the Agreement on behalf of the City; or
2. Do not adopt the Resolution to enter into an Agreement with the Chamber of Commerce; or
3. Provide staff direction.

RECOMMENDED ACTION

It is recommended that the Council: 1) adopt the Resolution to enter into an Agreement with the Arroyo Grande & Grover Beach Chamber of Commerce for the Stone Soup Music Festival and Street Faire; and 2) authorize the Mayor to execute the Agreement on behalf of the City.

FISCAL IMPACT

The fiscal impact will be staff time to serve on the Chamber organizing committee, loss of revenue for fees associated with the street closures and encroachment permits, as well as overtime for the Public Works staff during the actual two day event. It is estimated the costs to the City will be under \$5,000.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

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ATTACHMENTS

1. Resolution No.15-XX
2. Draft Agreement with the Arroyo Grande & Grover Beach Chamber of Commerce for the Stone Soup Music Festival and Street Faire

RESOLUTION NO. 15-

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH
AUTHORIZING THE CITY TO ENTER INTO AN AGREEMENT WITH THE ARROYO
GRANDE & GROVER BEACH CHAMBER OF COMMERCE FOR THE STONE SOUP
MUSIC FESTIVAL AND STREET FAIRE**

WHEREAS, the Arroyo Grande & Grover Beach Chamber of Commerce and business community are active promoters of a healthy business climate and work to promote the economic vitality within the Grover Beach community; and

WHEREAS, the health, growth, and vitality of the local economy is a primary concern of the City of Grover Beach; and

WHEREAS, the Arroyo Grande & Grover Beach Chamber of Commerce has successfully partnered with the City of Grover Beach for over 20 years promoting and conducting the annual Stone Soup Music and Street Faire event that benefit the local economy, and the City desires to continue this partnership relationship to continue holding the Stone Soup Music Festival and Street Faire.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Grover Beach does hereby authorize entering into an agreement with the Arroyo Grande & Grover Beach Chamber of Commerce for the provision of the Stone Soup Music Festival and Street Faire.

Upon motion by _____, seconded by _____, and on the following roll-call vote, to wit:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

the foregoing Resolution was **PASSED, APPROVED**, and **ADOPTED** at a Regular City Council meeting of the City of Grover Beach, California, this 18th day of May, 2015.

JOHN P. SHOALS, MAYOR

DRAFT

Attest:

DONNA L. McMAHON, CITY CLERK

**AGREEMENT BETWEEN THE CITY OF GROVER BEACH
AND THE
ARROYO GRANDE & GROVER BEACH CHAMBER OF COMMERCE**

This Professional Services Agreement ("Agreement") is entered into effective May 19, 2015 (the "Effective Date") by and between the City of Grover Beach, California ("City"), having a principal place of business at 154 South 8th Street, Grover Beach, CA 93433, and the Arroyo Grande & Grover Beach Chamber of Commerce, a California non-profit organization ("Chamber"), having a principal place of business at 800A West Branch Street, Arroyo Grande, CA 93420.

WHEREAS, City desires the Chamber to promote and market the City as a destination for visitors, and a recreational center for residents; and

WHEREAS, Chamber is organized and equipped to develop and implement activities which will generally benefit the City, and positively affect the general perception of the City as a tourism destination and recreational outlet for visitors and residents

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties hereto agree as follows:

1. Management

- A. City Manager shall represent or designate a representative who will act as the Chamber Liaison and Program Manager for this Agreement. The liaison shall attend meetings and provide input and updates as appropriate.
- B. Chamber President/CEO shall represent the Chamber and have overall responsibility for the Chamber's performance of services described in this Agreement.

2. Term

The initial term of the Agreement shall be for a period of twelve (12) months, commencing on May 19, 2015, unless sooner terminated as provided under this Agreement (including any renewal term, the "Term"). Thereafter, this Agreement shall automatically renew annually unless either Party provides written notice to the other Party of its intent not to renew this Agreement at least thirty (30) days (but not more than ninety days) prior to the end of the initial or any renewal term.

3. Event

The Chamber shall organize, manage, and host one community event each year, identified as the Grover Beach Stone Soup Music Festival and Street Faire. It features the diversity of Grover Beach and California, with music, food and vendor exhibits. In addition the Chamber will include the marketing, promotion, and operation, as well as the Dune Run Run event, coordinated by the Parks and Recreation Department. The Chamber will provide the City with a booth at a mutually agreed location for purposes of

promoting City events and programs at the event. City shall provide the following support for Stone Soup Music Festival and Street Faire:

- a. Use of Ramona Garden Park Center and Ramona Garden Park
- b. The use of Ramona Avenue from 8th Street to 10th Street to 10th Street and 9th Street from West Grand Avenue to Brighton Avenue. Residents within the event operating areas will be given controlled access during the entire event, except during the Dune Run Run event.
- c. Provide use of selected City equipment and Public Works assistance to set up traffic pylons and fencing as well as limited facilities maintenance. Should the City need to rent additional equipment, the cost will be borne by the Chamber.
- d. A City representative to serve on the Chamber organizing committee.
- e. Chamber will have use of banner poles on West Grand Avenue and 4th Street during the months of July and August. The Chamber will comply with all permitting and insurance requirements.

4. Payment

In consideration of the services provided by the Chamber, the City agrees to the following consideration:

- A. A blanket Business Tax Certificate covering the entire event will be provided by the City. The final cost shall be calculated based on the total number of vendors.
- B. Chamber will make two lump sum payments to the City for a blanket Business Tax Certificate covering all vendors at the event. The first payment will take place July 1 and will include all vendors booked by that date. The second payment will take place no later than two weeks after the event and will include payment for any vendors added after July 1.
- C. City will utilize its promotional outlets whenever possible to promote the Stone Soup Music Festival and Street Faire.

5. Termination

The City reserves the right to terminate this Agreement for cause by providing sixty (60) days written notice, during which time the Chamber may remedy any issues identified by City. Should Chamber cure the identified issues, the contract shall continue in full force. Stated "prorated termination compensation" shall be determined by mutual agreement, and shall be negotiated in good faith by both parties. Should parties be unable to reach agreement of the prorated termination compensation within the 60 days, Chamber at its option may under reservation of rights pay the requested amount in order to keep the Agreement in effect. If such payment is made, Parties agree to mediate the disputed amount before a Court action is initiated and adjust the payment upon successful completion of the mediation. If Chamber chooses not to pay the prorated compensation, the Agreement will be terminated and the Parties may pursue any available legal remedies. By accepting the prorated termination compensation, the City does not waive

its rights to pursue any action to recover any other damages that it incurred as a result of the Chamber's breach of the terms of this Agreement.

6. Inspection

Chamber shall furnish and provide City access to information, events, personnel and any other reasonable request for City to ascertain that the services described in this Agreement are being performed. All work done and materials furnished, if any, shall be provided to City representative for inspection and will not relieve Chamber of its obligation to fulfill the remainder of this Agreement.

7. Notices

All notices hereunder shall be given in writing and mailed, postage paid by certified mail or other documented delivery carrier, to the addresses:

To Chamber: AGGB Chamber of Commerce
ATTN: President/CEO
800 A West Branch Street
Arroyo Grande, CA 93420

To City: City of Grover Beach
Attn: City Manager
154 S. 8th Street
Grover Beach, CA 93433

8. Interest

It is agreed that in the performance of this Agreement, the Chamber at all times is deemed an independent contractor and is not an agent or employee of the City. The Chamber represents that it has no current conflicts nor will it enter into any agreements that may cause conflicts of interest with the performance of this Agreement.

9. Indemnifications

Parties agree to mutually indemnify, defend and hold one another's partners, vendors, and suppliers harmless against all third party claims, liability, damages, costs and expenses, including but not limited to reasonable attorney's fees arising out of or related to any and all issues that may arise from the execution of this Agreement.

10. Insurance

Chamber shall provide the required proof of insurance in accordance with the City insurance requirements. Additionally, each Party will name the other as an additionally insured party on any applicable liability and property policies.

11. Binding Service Agreement

The provisions of this Agreement are for the benefit of the City and the Chamber and their agents, employees, citizens, and shall have the right to assert and enforce such provisions directly on their behalf. Other than as expressly stated in this Agreement, this

Agreement shall not be deemed to create any rights to third parties. The terms and conditions of this Agreement apply to and shall bind Parties, their subcontractors, executors, and administrators. The City reserves the right to cancellation or review should Chamber decide to substantially subcontract or outsource its responsibilities under this Agreement.

12. Applicable Law

This Agreement is made in the State of California. This Agreement and all of the Parties' respective rights and duties, including, without limitation, claims for violation of state consumer protection laws, unfair competition laws, and any claims in tort shall be governed by and construed in accordance with the laws of the State of California, in the United States, excluding conflicts of law provisions.

13. Waivers

The waiver by either Party of any breach or violation of any term, covenant, or condition of this Agreement of any provision, ordinance or law shall not be deemed to be a violation of the same or of any of term, covenant, condition, ordinance, or law. The subsequent acceptance by either Party of any fee or other consideration which may become due hereunder shall not be deemed to be a waiver or the acceptance of any preceding breach or violation by the other Party of any term covenant, condition of this Agreement.

14. Intentions

If any term of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or unenforceable, it shall be construed in such a way as to eliminate the offending aspects while still giving as much effect as possible to the intentions of such term. If this cannot be done and the entire term is invalid, illegal or unenforceable and cannot be so repaired, then the term shall be considered to be stricken from this Agreement as if it had not been included from the beginning. In any such case, the balance of this Agreement shall remain in effect in accordance with its remaining terms notwithstanding such invalid, illegal or unenforceable term. Parties may enforce or decline to enforce any or all of the terms of this Agreement in their sole discretion. In no event shall Parties be required to explain, comment on, suffer liability for or forfeit any right or discretion based on its enforcement, non-enforcement or consistency of enforcement of these terms. Captions used in this document are for convenience only and shall not be considered a part of this Agreement or be used to construe its terms or meaning.

15. Entire Agreement

This Agreement, as well as the additional appendices, future documents and attachments, specifically incorporated as a part of this Agreement, constitutes the entire and only Agreement with respect to its subject matter between the City and the Chamber.

Arroyo Grande & Grover Beach
Chamber of Commerce

City of Grover Beach

By:

By:

Judith Bean, President/CEO

John P. Shoals, Mayor

DRAFT

By:

Attest:

Joshua Martin, Chairman

Donna L. McMahon, City Clerk

By:

Approved as to Form:

Duke Sterling, Vice Chairman

Martin D. Koczanowicz,
City Attorney