

REQUEST FOR COUNCIL ACTION

SUBJECT: Carnival proposals for review and consideration.

SUMMARY: Summary of proposals received for a possible 2015 carnival in Veterans Memorial Park July 2-4, 2015

FISCAL IMPACT: Carnival revenue could be a guaranteed \$10,000 to \$25,000 plus a fee for concession and food booths.

City expenses will total an estimated \$82,928.

STAFF RECOMMENDATION:

Staff does not have a recommendation.

MOTION RECOMMENDED:

“I move to accept carnival proposal # _____ and ask staff to complete the contract and to schedule staffing and other equipment as appropriate.”

Roll Call vote required

Prepared by:

Julie Brown
Julie Brown
Events Coordinator

Recommended by:

Bryce Haderlie
Bryce Haderlie
Interim City Manager

Reviewed by:

Darien Alcorn
Darien Alcorn
Deputy City Attorney

Paul Wellington
Paul Wellington
Purchasing

BACKGROUND DISCUSSION:

City Council asked for submission of proposals to bring back a carnival for Independence Day. Below are the revenue submission from the four proposals and the estimated expenses for the city to review. All companies offer a guaranteed payment. Most offer a percentage of sales or whichever is greater.

Carnival Proposals

- | | | |
|----|--|---|
| #1 | Guaranteed Revenue | \$12,500 or |
| | Additional Revenue | 25% of gross up to \$100,000
30% of gross above \$100,001 |
| | Revenue per Game | \$100 |
| | Revenue per Concession | \$250 |
| | Additional Revenue | n/a |
| | Cost of Tickets | \$1 |
| | Cost of Bulk Tickets | 20 tickets for \$18
30 tickets for \$23
\$25 all-day ride pass |
| | Cost per Ride | \$2-\$5 |
| | Notes: Offers advanced discount ticket sales (discount cost not listed). Also offers a multi-day wristbands at a greater value (offer not listed). | |
| #2 | Guaranteed Revenue | \$12,000 or |
| | Additional Revenue | 25% of presale ride tickets
20% on site ticket sales up to \$75,000
25% on site ticket sales from \$75,001 up to 150,000
30% on site ticket sales over \$150,001 |
| | Revenue per Game | \$100 |
| | Revenue per Concession | n/a |
| | Additional Revenue | \$2,500 for additional advertising |
| | Cost of Tickets | |
| | Cost of Bulk Tickets | |
| | Cost per Ride | |
| | Notes: Pre-sales promotions (to be determined). | |
| #3 | Guaranteed Revenue | \$10,000 plus |
| | Additional Revenue | 20% over \$60,000 less tax |
| | Revenue per Game | \$100 |
| | Revenue per Concession | \$100 |
| | Additional Revenue | \$1,000 for security costs |
| | Cost of Tickets | \$1.50 |
| | Cost of Bulk Tickets | 10 tickets for \$12
20 tickets for \$20
\$25 all-day ride pass |
| | Cost per Ride | \$3-\$6 |
| | Notes: Offers each ride for one ticket for a limited time on opening day to drive traffic. | |

#4	Guaranteed Revenue	\$25,000 or
	Additional Revenue	25% up to \$200,000
		30% from \$200,001 and up
	Revenue for Games	n/a
	Revenue for Concessions	n/a
	Revenue for Games & Concessions	\$2,000
	Additional Revenue	n/a
	Cost of Tickets	\$1
	Cost of Bulk Tickets	\$30 all-day ride pass
	Cost per Ride	\$3-\$5

Notes: Buddy Day promotion consists of buying one all-day ride pass on site at the regular price, and your Buddy rides for free (sold for a limited amount of time, to be agreed upon by both parties). Also offers an advance sale ticket for \$20 for an all-day ride pass.

City expenses are estimated for the carnival in 2012. I've added 5% to staffing to get us closer to what the cost might actually be.

ESTIMATED CITY EXPENSES		
ITEM	ESTIMATED EXPENSE	
MASS GATHERING PERMIT	\$500.00	
RESTROOMS	\$5,000.00	
RENTAL EQUIPMENT/TENTS	\$1,000.00	
SOLID WASTE PICKUP	\$500	
BARRICADES	\$550.00	
ADDITIONAL WATER/CUPS	\$150.00	
PARK STAFFING ESTIMATE	\$31,396.44	2012 total + 5%
FIRE STAFFING ESTIMATE	\$7,270.40	2012 total + 5%
POLICE STAFFING ESTIMATE	\$23,589.39	2012 total + 5%
ADMINSTRATION STAFFING	\$972.56	2012 total + 5%
ADVERTISING	\$12,000.00	
	\$82,928.80	