

Agenda Summary Report (ASR)

Franklin County Board of Commissioners

DATE SUBMITTED: 9/28/2022	PREPARED BY: Shirley Jones
Meeting Date Requested: 10/04/2022	PRESENTED BY: Keith Johnson
ITEM: (Select One) <input type="checkbox"/> Consent Agenda <input checked="" type="checkbox"/> Brought Before the Board Time needed: 10 minutes	
SUBJECT: Authorizing Approval of Contract between FC and Simmons Venue Management, LLC (SVM) to provide Management Services for the Overall Operations of the HAPO Center	
FISCAL IMPACT: SVM management of the HAPO Center would alleviate the need to replace the Manager, Sales person and Event person. The current FC employee remaining would be promoted and be the sole FC employee for the HAPO Center.	
BACKGROUND: SVM is willing to use its best efforts to maximize revenues from the use of the HAPO Center facilities, including marketing and sales, event production and promotion and overall management of the HAPO Center. Due to the loss of the 3 management personnel, these vacancies would not be filled and the remaining FC employee would be promoted and be sole employee for the facility.	
RECOMMENDATION: Approve the resolution.	
COORDINATION: Keith Johnson, Administrator Jennifer Johnson, Prosecutor's Office	
ATTACHMENTS: (Documents you are submitting to the Board) ASR/Resolution/Contract	
HANDLING / ROUTING: (Once document is fully executed it will be imported into Document Manager. Please list <u>name(s)</u> of parties that will need a pdf) Administration Office Jen Johnson, Prosecutor's Office	

I certify the above information is accurate and complete.



Keith Johnson, Administrator

FRANKLIN COUNTY ORDINANCE _____

BEFORE THE BOARD OF COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON

***APPROVAL OF CONTRACT BETWEEN FRANKLIN COUNTY AND SIMMONS VENUE
MANAGEMENT, LLC (SVM) TO PROVIDE MANAGEMENT SERVICES FOR THE
OVERALL OPERATIONS OF THE HAPO CENTER***

WHEREAS, Simmons Venue Management, LLC is willing to use its best efforts to maximize revenues from the use of the HAPO Center facilities, including, without limitation, marketing and sales, event production and promotion and overall management of the HAPO Center; and

WHEREAS, the Franklin County Board of Commissioners and Simmons Venue Management, LLC recognize the importance of said arrangement and desire to enter into a contractual agreement; and

WHEREAS, the Franklin County Board of Commissioners constitutes the legislative authority of Franklin County and desire to enter into this arrangement as being in the best interest of the County.

NOW, THEREFORE, BE IT RESOLVED, the Franklin County Board of Commissioners hereby approves the contract with Simmons Venue Management, LLC.

BE IT FURTHER RESOLVED, the County Administrator is authorized to sign on behalf of the Board of Commissioners.

APPROVED this 4th day of October, 2022.

BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON

Chair

Chair Pro Tem

Member

ATTEST:

Clerk to the Board

CONTRACT

THIS AGREEMENT, made and entered into between the Shirley and Kyle Simmons, the principals of S&S Hospitality dba Simmons Venue Management, LLC hereinafter referred to as the "Contractor", and Franklin County, 1016 N 4th Avenue, Pasco, WA, 99301, do hereby agree as follows:

The Contractor wishes to propose all venue management at the HAPO Center by Simmons Venue Management, LLC (SVM), beginning as soon as October 4, 2022 and continuing through December 31, 2024.

Contractor proposes to enter an agreement with Franklin County, as an independent contractor to provide management services for the overall operation of the HAPO Center (HAPO). Contractor agrees to use its best efforts to maximize revenues from the use of the HAPO Center facilities, including without limitation, marketing and sales, event production and promotion and overall management of the HAPO Center in accordance with this agreement. Contractor acknowledges that it hereby owes a fiduciary obligation to Franklin County. Franklin County acknowledges that it will allow Contractor to operate the HAPO Center according to sound business practices and industry standards.

The parties to this agreement agree that Franklin County will retain title, ownership, and exclusive control of the HAPO Center and that Contractor will not acquire title to, any security interest in, or any rights of any kind in or to the HAPO Center (or any income, receipts, or revenues there from). The parties further acknowledge that the HAPO Center is a public entity, and this agreement conveys with it the expectation that both parties will protect the public trust.

Contractor shall not be deemed to be an employee, agent, joint venture, or partner of Franklin County. The authority of Contractor shall be limited to those matters that are specifically addressed in this agreement.

SCOPE OF WORK

MANAGEMENT SERVICES

Contractor will initially, and by the end of the current year, review and evaluate and develop improvement plans as needed for the following:

- Mission statement and goals and objectives
- Parking
- Security
- Ticketing and related processes
- Revenue opportunities such as sponsorship panels and advertising
- Web site
- Social media
- Marketing programs
- ADA compliance
- Signage
- Safety for users and staff
- Storage
- Operational efficiencies

- Vendors
- Contracts
- Patron experience
- Patron facilities and rest rooms
- User contracts
- Office, computers, and software
- Job descriptions
- Reporting practices
- Financial controls
- Rental rates and fees
- Payroll processing
- Emergency plans
- Review budgets and financials
- Reporting, accounting and audits
- Employment policies and handbook

Contractor will engage with community partners to develop promotional and marketing opportunities:

- Join the Pasco Chamber of Commerce
- Join the TC Regional Chamber of Commerce
- Join the Hispanic Chamber
- Join Visit Tri-Cities
- Pasco Downtown Development Authority
- City of Pasco Community and Economic Development
- Pasco City Council
- Columbia Basin College
- Agriculture community
- Port of Pasco
- Lodging Tax Advisory Committee
- Franklin County Commissioners
- Hanford Community
- Broader Tri-City Community

Contractor will develop and implement a Get to Know the HAPO Center and Contractor event in the first quarter of 2023

- Contractor will host an open house somewhere in the 4pm to 7pm time frame on a Thursday
- Food and drink will be available
- Tours and games will be offered
- Door prizes will be offered
- Event planners and hospitality professionals will be invited
- Elected officials from the broader Tri-City community will be invited
- The public at large will be invited

Contractor Ongoing Operational Management:

- Contractor will maintain a full time Sales Manager that is incentivized by commissions and bonuses
- Additional sales and management will be available that may or may not be on the HAPO Center premise
- Senior management will be Shirley Simmons and Kyle Simmons
- Market and Sell events and meetings
- Maintain and grow community relationships
- Bring new events to the HAPO Center
- Maintain schedules of events
- Execute existing contracts
- Work with event planners to ensure successful events
- Research competition prices and policies
- Establish rental prices and fees
- Attend event and tourism conferences
- Manage event setup, teardown, and storage
- Manage and oversee events execution
- Manage vendor contracts
- Manage food and beverage vendors
- Ensure that an MOD is present when users are in the facility
- Ensure that the facility is appropriately secured at all hours
- Manage the maintenance of the building, equipment, and grounds including, but not limited to custodial and cleaning services, pest control, snow removal, trash removal, landscaping and repairs
- Recruit, hire and train quality staff
- Prepare deposits, manage cash on hand, and prepare reports and invoices
- Report to the County auditor as required
- Create monthly reports
- Participate in quarterly performance reviews with County management
- Manage all aspects of ticket sales
- Arrange for security
- Make sure all licenses and permits are current
- Oversee the collection of all revenue and bank deposits on behalf of the County and in compliance with the policies of the County and County auditor
- Contractor will maintain a petty cash fund that is the property of Franklin County and will be returned to Franklin County upon termination of the contract
- Operate the HAPO Center according to the established budget and participate in the budgeting process
- Ensure that all subcontractors who perform work provide proof of adequate insurance coverage
- Ensure that all employees, regardless of employer, are covered by workman's compensation insurance

COMPENSATION

Contractor shall be paid a monthly management fee of \$12,500, invoiced monthly in advance. Contractor and Franklin County will negotiate additional incentives based on targeted performance objectives (revenue targets, attendance, number of space usages, etc.). Contractor shall be reimbursed within 30 days for operating expenses, payroll and related expenses, fees and supplies that are not otherwise directly billed to the HAPO Center or supplied by the HAPO Center. The HAPO Center shall pay third party vendors for services and products (such as caterers and other vendors) according to their contracts within 30 days. Contractor shall be entitled to a 20% commission for other sponsorships, new naming rights or fees received for marketing or advertising and the renewal of such sponsorships as long as Contractor.

Franklin County will keep all revenues from the HAPO Center, including:

- Event revenue
- Room Rental
- HAPO Center Sponsorship
- Ticket sales
- All fees/honorariums paid by caterers/food trucks
- All advertising revenue and other revenue except as noted under "compensation."

INSURANCE

Contractor shall purchase and maintain commercial general liability insurance with limits of \$4,000,000 per occurrence for bodily injury, personal injury, and property damage. Policy coverage shall include premises and operations. In addition, Contractor will secure crime insurance with the following limits:

- Employee dishonesty \$500,000
- Depositor's forgery \$500,000
- Money & Securities \$500,000 (Inside and outside)
- Computer theft \$500,000
- Wire transfer fraud \$500,000

However, if coverage is provided on a blanket basis, a blanket limit of \$500,000 shall be sufficient. Insurance coverage described herein shall be Franklin County expense and can be paid by Franklin County directly or if Contractor should be required to pay the premiums, Franklin County agrees to reimburse Contractor.

EMPLOYEES

With the exception of a HAPO Center liaison, or sub-contractor employees, all employees at the HAPO Center will be Contractor employees. Contractor will pay wages, salaries and related expenses as required by law to such employees to perform services on behalf of the HAPO Center and shall defend, indemnify and save Franklin County from any responsibility, therefore. Contractor will obey all applicable laws and ordinances, without limitation, referring to human rights and non-discrimination.

Contractor will take responsibility for its employees and defend, indemnify and SAVE Franklin County for responsibility of the conduct of its employees. Since employee expenses are to be reimbursed by Franklin County, Contractor will take the HAPO Center feedback into consideration when discipline or termination of an employee may be in order.

TERMINATION and DISPUTES

Either party can initiate contract termination with 60 day written notice to the other party. Should a dispute arise between the parties, both parties agree to try to come to an amicable resolution. In the event that a resolution cannot be arrived at, both parties agree to arbitration or mediation.

Dated this _____ day of October, 2022.

CONTRACTOR

FRANKLIN COUNTY **Franklin County, Washington**

Shirley Simmons

Keith Johnson, County Administrator

Approved as to Form:

Civil Chief Deputy Prosecuting Attorney