

Agenda Summary Report (ASR)

Franklin County Board of Commissioners

DATE SUBMITTED: 12/03/2022	PREPARED BY: Shirley Jones
Meeting Date Requested: 12/13/2022	PRESENTED BY: Duane Davidson
ITEM: (Select One) Consent Agenda X Brought Before the Board Time needed:	
SUBJECT: Amendment No. 1 extending the contract term with Simmons Venue Management, LLC to continue management of the HAPO Center	
FISCAL IMPACT: SVM management of the HAPO Center alleviated the need to replace the Manager, Sales person and Event person. The current FC employee remaining was promoted and be the sole FC employee for the HAPO Center. The addendum will allow time to gather data regarding the overall fiscal impact for potential future contract extensions.	
BACKGROUND: On October 4, 2022, the Franklin County Commissioners approved a contract with Simmons Venue Management, LLC, 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 (Res. 2022-251). The contract will expire December 31, 2022.	
RECOMMENDATION: Approve the resolution to extend the contract.	
COORDINATION: Duane Davidson, Interim County Administrator Shirley Simmons, Simmons Venue Management, LLC Jen Johnson, Deputy Civil Prosecuting Attorney	
ATTACHMENTS: (Documents you are submitting to the Board) ASR/Resolution	
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) County Administration	

I certify the above information is accurate and complete.

_____ Duane Davidson, County Administrator

FRANKLIN COUNTY RESOLUTION _____

**BEFORE THE BOARD OF COUNTY COMMISSIONERS, FRANKLIN COUNTY,
WASHINGTON**

***AMENDMENT EXTENDING THE CONTRACT TERM WITH SIMMONS VENUE
MANAGEMENT, LLC TO CONTINUE MANAGEMENT OF THE HAPO CENTER***

WHEREAS, on October 4, 2022, the Franklin County Commissioners approved a contract with Simmons Venue Management, LLC, 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 (Resolution 2022-251); and

WHEREAS, the contract is set to expire December 31, 2022; and

WHEREAS, the Franklin County Board of Commissioners and Simmons Venue Management, LLC recognize the importance of said arrangement and desire to extend the contract for an additional six months, expiring June 30, 2023; and

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

NOW, THEREFORE, BE IT RESOLVED that the Franklin County Board of Commissioners hereby approves the extension of the contract between Franklin County and Simmons Venue Management, LLC through June 30, 2023.

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

APPROVED this 13th day of December, 2022.

**BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON**

Chair

Chair Pro Tem

Member

Attest:

Clerk to the Board

**FIRST CONTRACT AMENDMENT TO
CONTRACT BETWEEN FRANKLIN COUNTY AND
SIMMONS VENUE MANAGEMENT, LLC (SVM)**

THIS FIRST CONTRACT AMENDMENT (hereinafter "First Amendment") is made and entered into by and between **FRANKLIN COUNTY**, a political subdivision with its principal offices at 1016 North 4th Avenue, Pasco, WA 99301, and **SIMMONS VENUE MANAGEMENT, LLC**, doing business at The Hapo Center, (hereinafter "CONTRACTOR").

WHEREAS, per Franklin County Resolution No. 2022-251, the parties entered into a contract beginning October 1, 2022 and ending December 31, 2022 (hereinafter the “CONTRACT”), whereby CONTRACTOR agreed to provide complete venue management at The Hapo Center; and

WHEREAS, both parties wish to extend the arrangement for another six months.

NOW THEREFORE, the parties agree that all provisions of the CONTRACT remain in full force and effect, except for the following amendments:

The “Agreement End Date” specified in the second paragraph of the CONTRACT shall be amended and replaced in their entirety with the following:

Agreement End Date..... June 30, 2023

IN WITNESS WHEREOF, the parties have caused this First Amendment to the CONTRACT to be signed by their duly constituted legal representatives and it is effective on the last date signed.

FRANKLIN COUNTY:**CONTRACTOR:**

Duane Davidson
County Administrator

Date

Shirley Simmons
Owner

Date

APPROVED AS TO FORM:

Franklin County Deputy Prosecuting Attorney,
Civil

2022-251

FRANKLIN COUNTY RESOLUTION

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

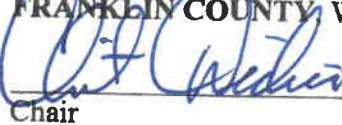
WHEREAS, the Franklin County Board of Commissioners constitutes the legislative authority of Franklin County and desire to enter into this arrangement as being in the best interest of the County.

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

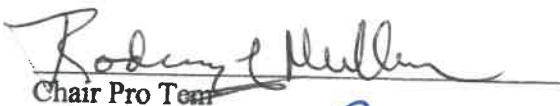
BE IT FURTHER RESOLVED, the County Administrator is authorized to sign on behalf of the Board of Commissioners.

APPROVED this 11th day of October, 2022.

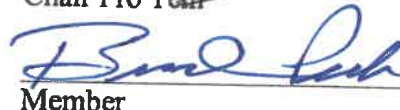
BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON



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 1, 2022 and continuing through December 31, 2022.

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 intent is for Contractor to operate as an Independent Contractor. The County has the right to control or direct only the result of the work and not what will be done and how it will be done. 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, evaluate, develop and implement 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 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."
- Contractor shall remit all revenues generated from the HAPO Center to the County in a manner directed by the County and at monthly intervals and shall provide all accounting related to revenues generated consistent with any and all state and federal requirements.

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 crime insurance 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 hold harmless Franklin County for responsibility of the conduct of its employees, subcontractors, vendors, patrons, or lessees. This indemnification by Contractor constitutes an express waiver of employer immunity under Title 51 RCW, but only to the extent the County is not comparatively negligent. 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; provided, that the obligation to mediate or arbitrate disputes shall not limit the parties' ability to terminate the agreement for any reason upon providing 60 days' notice. The County shall have the power to terminate the contract immediately for good cause, including, engaging in any activity which has an adverse effect on public perception of the HAPO facility or County, such as the commission of a felony by employees or agents of Contractor.

RECORDS

Contractor shall keep all records generated by Contractor related to performance of Contractor's duties under this agreement, consistent with the parties' duties under the Public Records Act, RCW 42.56, et. seq. The Contractor shall make any such records available upon 10 days' notice from the County in the format requested by the County. Contractor shall maintain any records generated under this agreement for a minimum of 10 years. This clause shall survive termination of the agreement.

Dated this 1 day of October, 2022.

CONTRACTOR

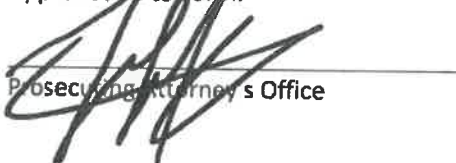

Shirley Simmons

FRANKLIN COUNTY

Franklin County, Washington


Keith Johnson, County Administrator

Approved as to form:


Prosecuting Attorney's Office

Agenda Summary Report (ASR)**Franklin County Board of Commissioners**

DATE SUBMITTED: 10/05/2022	PREPARED BY: Shirley Jones
Meeting Date Requested: 10/11/2022	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 Jeff Briggs, 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) Shirley Jones, Administration Office Jeff Briggs, Prosecutor's Office	

I certify the above information is accurate and complete.



Keith Johnson, Administrator