

**CITY OF SAN ANTONIO  
PARKS AND RECREATION DEPARTMENT  
Interdepartmental Correspondence Sheet**

AGENDA ITEM NO. \_\_\_\_\_

**72**

**TO:** Mayor and City Council

**FROM:** Malcolm Matthews, Director, Parks and Recreation Department

**THROUGH:** Terry M. Brechtel, City Manager

**COPIES:** Christopher J. Brady; Finance; Management and Budget; Legal; File

**SUBJECT:** Selecting the San Antonio Parks Foundation to Operate the 2004 Fiesta Event in the City's Market Square and Authorizes Staff to Negotiate and Execute an Agreement with SAPF

**DATE:** December 18, 2003

**SUMMARY AND RECOMMENDATIONS**

This ordinance selects the San Antonio Parks Foundation (SAPF) to operate the City's Market Square Fiesta event from April 16, 2004 through April 25, 2004 and authorizes staff to negotiate and execute an agreement with SAPF.

Staff recommends approval of this ordinance.

**BACKGROUND INFORMATION**

Since 1983, there has existed an agreement between the City and one or more of the tenant associations at the Market Square to host an annual Fiesta event in Market Square. This event was initiated in order to provide a reasonably priced Fiesta event for the entire community and to promote the Market Square. The most recent 5-year agreement with Fiestas Market Square, Inc. expired in April 2003, which paid the City a flat rate of \$50,000 annually after each Fiesta event.

From January through April 2003, a panel of the City's Ethics Review Board investigated a complaint filed against a Market Square Commissioner. The panel found that the commissioner and other Fiestas Market Square, Inc. members had received compensation for Fiesta del Mercado. The panel recommended that the City examine the license agreement and take appropriate action. Subsequently, this led to an audit of the Fiesta del Mercado event by the City Auditor as directed by the City Council Governance Committee in May 2003. The Auditor has determined that Fiestas Market Square, Inc. did not adhere to specific contract requirements. In October 2003, the Governance Committee directed staff not to negotiate with, or allow, the Fiestas Market Square, Inc. to operate the 2004 Fiesta event. At that same meeting, the Governance Committee directed staff to plan and coordinate a 2004 Fiesta event in Market Square and also transfer this issue to the Quality of Life Committee.

On December 4, 2003, staff met with the Quality of Life Council Committee to present the Governance Committee's directions regarding the Fiesta event in Market Square.

The Parks and Recreation Director advised the Quality of Life Council Committee that the Department was not staffed to operate or perform the administrative and regulatory procedures required for an event of this type. For events of this size and complexity, the City currently partners with the San Antonio Parks Foundation (SAPF) to function as the event coordinator. The SAPF, a non-profit organization dedicated to park improvements, has conducted other successful public events in coordination with the

City, including Jazz'SAlive in Travis Park, the New Year's Eve Celebration in HemisFair Park and the Fourth of July Celebration in Woodlawn Lake Park.

Staff has discussed with SAPF their interest and feasibility of coordinating this event under a one-year agreement. Lila Cockrell, President of the San Antonio Parks Foundation, has indicated that SAPF would be willing to serve as the event coordinator for this coming year. The Committee concurred with the selection of SAPF to operate the 2004 event, and requested review of the final agreement terms. Approval of this ordinance will select SAPF as the 2004 event operator and will allow staff to negotiate and execute an agreement that will be presented to the Quality of Life Committee in January after review from the City Attorney's Office. This will allow SAPF to proceed now with arrangements for the event. The agreement will include the following business points that have been discussed with SAPF, as outlined below:

- The agreement is only for the 2004 Fiesta event, April 16-25, 2004
- SAPF will be responsible for coordination of the entire event, including food and drink booths and entertainment.
- Area boundaries for the event will be the same as in the past, which include the Farmer's Market, El Mercado, Gateway Plaza, Pedestrian Mall and San Saba Street. Cattleman Square parking lot, which has been used for the event in the past, will not be used except for support equipment and vehicle storage.
- A competitive process must be used by SAPF to obtain supplies.
- The City will review all supply and services contracts associated with the event prior to their execution by SAPF.
- SAPF will pay all costs for set up and administration of the event.
- The City will provide its normal contingent of San Antonio Police Officers for event security. SAPF is responsible for all security associated with cash management, including finance room security.
- SAPF will pay the City 50% of net revenue after service contracts are paid, up to \$155,000.00. Beyond this amount, SAPF will retain all revenue.
- Permits and Licenses

Upon approval of this ordinance, SAPF will proceed with arrangements for the event. This will include service contracts with vendors, including food, drink, ice, dumpsters, fencing, toilets and cleanup. Also, SAPF will hire and schedule entertainment.

### **POLICY ANALYSIS**

Selection of the SAPF to operate the event at Market Square will assure that an affordable Fiesta event will occur in Market Square in 2004, as has been the custom for over twenty years. This action follows the direction provided by the Governance Committee on October 9, 2003 and the Quality of Life Committee during its meeting on December 4, 2003.

City Staff will prepare a Request for Proposals in 2004 for selection of a multi-year contractor to operate the Market Square Fiesta event after this one-year contract with SAPF.

### **FISCAL IMPACT**

SAPF will pay the City 50% of net revenue after service contracts are paid, up to \$155,000.00, which will be deposited to the Market Square Expendable Trust Fund and the City General Fund. Beyond this amount, SAPF will retain all revenue. In the past, the City received a lump sum payment of \$50,000.00 from Fiestas Market Square, Inc. that was dedicated to Market Square improvements and deposited in the Trust Fund. Also, they contributed to marketing expenses for Market Square. Because this is a one-

year agreement for an event that, for the first time in twenty years, will not be conducted by Market Square tenants, there is a concern that attendance and revenue may be less than in the past. SAPF is apprehensive that revenues may not cover their expenses, which is why the City will agree to the 50/50 division of net revenue up to \$155,000.00 for this one year only. As has been customary, the City provides Police Department security for the event at a budgeted cost of \$150,000.00.

**COORDINATION**

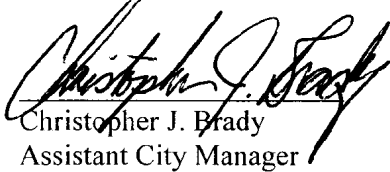
This item was coordinated with the City Attorney's Office.

**SUPPLEMENTARY COMMENTS**

An Ethics Ordinance disclosure statement completed by SAPF is attached.

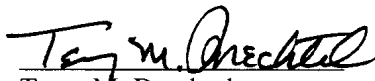


Malcolm Matthews  
Director of Parks and Recreation



Christopher J. Brady  
Assistant City Manager

Approved:

  
Terry M. Breehtel  
City Manager

## City of San Antonio Discretionary Contracts Disclosure\*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

\* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

### Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the city in the enforcement of provisions contained in the City Charter and the code of ethics, an individual or business entity seeking a discretionary contract from the city is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

Contract would be signed by: Lila Cockrell, President (on behalf of the Board) San Antonio Parks Foundation

(2) the identity of any business entity<sup>1</sup> that would be a party to the discretionary contract:

and the name of: San Antonio Parks Foundation

(A) any individual or business entity that would be a subcontractor on the discretionary contract;

Bill Drain, Backstage Attractions, will handle production  
Keith Hanson, Dreams Come True, will handle beverage concessions

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract;

Friends of the Parks (operates under the umbrella of the San Antonio Parks Foundation and will share some of the net revenue coming to the Foundation).

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

<sup>1</sup> A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.


### Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current or former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
The San Antonio Parks Foundation, Friends of the Parks, and Lila Cockrell have made NO political contributions totaling \$100 during this period. Sub-contractors Bill Drain and Keith Hanson have made NO political contributions totaling \$100 during this period.	\$0	

### Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question<sup>2</sup> as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

One of the members of the Board of Directors of the San Antonio Parks Foundation is Evangelina Flores, mother of City Councilman Roger Flores, District 1. Board members serve without pay, and she would receive no economic benefit from the contract, nor would Councilman Flores.		
Signature: 	Title: President Company: San Antonio Parks Foundation	Date: December 11, 2003

<sup>2</sup> For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.