

37700

January 17, 2014

TO: Board of Acquisition and Contract

FROM: Kathleen M. O'Connor, Commissioner
Parks, Recreation and Conservation

RE: AUTHORITY TO EXERCISE AN OPTION TO RENEW AN AGREEMENT WITH ZANZARELLA MARKETING CONSULTANTS ("ZANZARELLA"), 80 SPRING POND DRIVE, OSSINING, NEW YORK 10562 TO PURCHASE ADVERTISING FOR PLAYLAND AND THE DEPARTMENT OF PARKS, RECREATION AND CONSERVATION ("PRC") AND PROVIDE CONSULTATION ON MEDIA FOR AN AMOUNT NOT TO EXCEED \$945,000 PER YEAR FOR A TERM COMMENCING JANUARY 1, 2014 AND TERMINATING DECEMBER 31, 2018

Authority is requested of this Board to exercise an option to renew an agreement with Zanzarella Marketing Consultants ("Zanzarella"), 80 Spring Pond Drive, Ossining, NY 10562 to purchase advertising and promotional materials for Playland and the Department of Parks, Recreation and Conservation ("PRC") and provide consultation on media selection for an amount not to exceed \$945,000 per year for a term commencing January 1, 2014 and terminating December 31, 2018.

On March 12, 2009, this Honorable Board for the County of Westchester approved a resolution to enter into an agreement with Zanzarella Marketing Consultants ("Zanzarella"), 80 Spring Pond Drive, Ossining, NY 10562 to purchase advertising and promotional materials for Playland and the Department of Parks, Recreation and Conservation ("PRC") and provide consultation on media selection for an amount not to exceed \$945,000 per year for a term commencing April 1, 2009 and terminating December 31, 2013 with the option to renew the agreement for an additional five years commencing January 1, 2014 and terminating December 31, 2018. Authority is now requested to renew for the additional five year term.

Zanzarella will be compensated a base consultant fee of \$24,500 per year plus 1.5% of total advertising purchased in each year. In any year of the agreement, the fees to Zanzarella will not exceed \$38,104.

The balance of the \$906,896 maximum budget allowance in each year will be available to pay Zanzarella for advertising purchased on behalf of the County. The agreement includes any promotional materials associated with advertising as well as all forms of advertising including television, radio, print and internet.

Agency discounts obtained through Zanzarella's placement of advertising are of benefit to the County and only net amounts are reimbursed to Zanzarella. Payments to Zanzarella are made upon the submission of proper documentation. In addition, the 1.5% fee charged by Zanzarella is far less than the standard 15% charged by most advertising agencies.

Authority is also requested for the County to place additional advertising through this agreement from funding made available through private industry and sponsorships. The advantages to entering into a contract with Zanzarella include the consultation and review of media selection, saving on percentages and bulk purchases, and a simplification of procedures.

On April 18, 2013, the Westchester County Board of Acquisition & Contract awarded a contract to Sustainable Playland Inc. ("SPI") to manage, operate, repair, maintain, make improvements to and have financial responsibility for all costs and liabilities for all of Playland Park. SPI will take over management of Playland Park upon the Board of Legislators approval of the Playland Improvement Plan. It is anticipated that SPI will take control of day to day operations, including that of advertising during the term of this proposed contract. The Agreement will therefore provide that PRC shall have the right to terminate the portion of the Agreement related to Playland Park, upon thirty (30) days prior written notice, in the event that the day-to-day operations of Playland are transferred to SPI. Please note that the Playland portion of the proposed agreement is for an amount up to \$891,396 per year.

The goal of this agreement is to allow the County to advertise and promote PRC facilities in an effort to increase attendance and revenue. This agreement promotes fiscal responsibility as the County will receive agency discounts for advertising by placing ads through Zanzarella.

The objectives of this agreement will be monitored through revenue reports and evaluation from Parks, Recreation and Conservation staff members.

A resolution is attached for your favorable consideration.

RESOLUTION

Upon a communication from the Commissioner of the Department of Parks, Recreation & Conservation, be it hereby

RESOLVED, that the County of Westchester is authorized to exercise an option to renew an agreement with Zanzarella Marketing Consultants (“Zanzarella”), 80 Spring Pond Drive, Ossining, New York 10562 to purchase advertising and promotional materials for Playland and the Department of Parks, Recreation and Conservation (“PRC”) and provide consultation on media selection for a term commencing January 1, 2014 through December 31, 2018; and be it further

RESOLVED, that Zanzarella will be compensated an amount not to exceed \$945,000 in each agreement year including the net cost of advertising and promotional materials and compensation to Zanzarella at a base consultation fee of \$24,500 in each agreement year plus 1.5% of total advertising purchased and the fees to Zanzarella will not exceed \$38,104 in any year of the term of the agreement; and be it further

RESOLVED, that the balance of the \$906,896 maximum budget allowance in each year shall be available to pay Zanzarella for advertising purchased on behalf of the County; and be it further

RESOLVED, that the not to exceed amount of this contract shall now be increased by \$4,725,000 for a total contract amount not to exceed \$9,450,000; and be it further

RESOLVED, that the County has the option to purchase additional advertising through this agreement with funding made available through private industry and/or sponsorship; and be it further

RESOLVED, that the Agreement shall provide the County with the right to terminate the portion of the Agreement related to Playland Park, which amounts to \$891,396 per year, upon thirty (30) days prior written notice, in the event that day-to-day operations of Playland are transferred to a private operator; and be it further

RESOLVED, that this contract is subject to County Appropriations and is also subject to further financial analysis of the impact of any New York State Budget (the “State Budget”) proposed and adopted during the term of this contract. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of the State Budget or any amendments thereto, and for a reasonable period of time after such release(s) adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this contract or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

RESOLVED, that the County Executive or his authorized designee is hereby empowered to execute any and all instruments necessary to effectuate the purposes thereof.

Original Agreement \$4,725,000
 First Amendment \$
This Amendment \$4,725,000
 TOTAL \$9,450,000

Agreement # PRC-624

Account to be
 Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars	
165	42	5520	4630		\$891,396	2014
165	42	1100	4380		\$38,604	2014
165	42	7150	4380		\$15,000	2014
165	42	5520	4630		\$891,396	2015
165	42	1100	4380		\$38,604	2015
165	42	7150	4380		\$15,000	2015
165	42	5520	4630		\$891,396	2016
165	42	1100	4380		\$38,604	2016
165	42	7150	4380		\$15,000	2016
165	42	5520	4630		\$891,396	2017
165	42	1100	4380		\$38,604	2017
165	42	7150	4380		\$15,000	2017
165	42	5520	4630		\$891,396	2018
165	42	1100	4380		\$38,604	2018
165	42	7150	4380		\$15,000	2018

Budget Funding Year(s) **2014-2018** Start Date **1/1/2014** End Date **12/31/2018**
 (must match resolution)

Funding Source Tax Dollars _____ _____

State Aid _____

\$4,725,000 Federal Aid _____

(must match resolution) Other _____