

34709

July 1, 2013

TO: Board of Acquisition and Contract

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

RE: **AUTHORIZATION TO ENTER INTO A LICENSE AGREEMENT WITH PEPSI COLA COMPANY, 700 ANDERSON HILL ROAD, PURCHASE, NY 10577 FOR THE EXCLUSIVE USE OF PLAYLAND PARK FOR ITS EMPLOYEES AND INVITED GUESTS ON SATURDAY, SEPTEMBER 7, 2013 (RAIN DATE – SUNDAY, SEPTEMBER 8, 2013) FROM 2:00 PM TO 8:00 PM FOR A MINIMUM SUM OF \$219,125 BASED ON 5,500 GUESTS, \$230,500 BASED ON 6,000 GUESTS, \$242,625 BASED ON 6,500 GUESTS AND \$254,000 BASED ON 7,000 GUESTS**

Authorization is requested to enter into a license agreement with Pepsi Cola Company, 700 Anderson Hill Road, Purchase, NY 10577 for the exclusive use of Playland Park for its employees and invited guests from 2:00pm to 8:00pm on Saturday, September 7, 2013 (Rain date – Sunday, September 8, 2013).

Pepsi Cola Company will pay a fixed fee of \$219,125 for 5,500 guests and \$39.25 for each guest over 5,500 up to 5,999 guests, \$230,500 for 6,000 guests and \$37.75 for each guest over 6,000 up to 6,499 guests, \$242,625 for 6,500 guests and \$36.65 for each guest over 6,500 up to 6,999 guests, \$254,000 for 7,000 guests and \$35.68 for each guest over 7,000. The fee covers costs for all Rides, 10 Prize Skill Games, Bonanza Shooting Gallery, Game Room, Mini-Golf and Cotton Candy.

Out of the \$219,125 fixed fee received by the County for 5,500 guests, concessions other than rides will be reimbursed by the County a total of \$70,750. The County will retain \$9,500 of the \$148,375 balance to cover the cost of employee food service and other expenses associated with hosting this event. The remaining \$138,875 will be ride revenue. Ride concessions will be reimbursed a portion of the \$138,875 based on actual ridership on the event date. Out of the \$39.25 for each guest over 5,500 up to 5,999, the County will reimburse concessions other than rides \$13.00 each. The County will retain \$1.00 of the \$26.25 balance for each guest over 5,500 up to 5,999 to cover additional expenses. Ride concessions will be reimbursed a portion of the remaining \$25.25 based on actual ridership on the day of the event.

Out of the \$230,500 fixed fee received by the County for 6,000 guests, concessions other than rides will be reimbursed by the County a total of \$76,750. The County will retain \$9,750 of the \$153,750 balance to cover the cost of employee food service and other expenses associated with hosting this event. The remaining \$144,000 will be ride revenue. Ride concessions will be reimbursed a portion of the \$144,000 based on actual ridership on the event date. Out of the \$37.75 for each guest over 6,000 up to 6,499, the County will reimburse concessions other than rides \$12.75 each. The County will retain \$1.00 of the

\$25.00 balance for each guest over 6,000 up to 6,499 to cover additional expenses. Ride concessions will be reimbursed a portion of the remaining \$24.00 based on actual ridership on the day of the event.

Out of the \$242,625 fixed fee received by the County for 6,500 guests, concessions other than rides will be reimbursed by the County a total of \$82,750. The County will retain \$11,000 of the \$159,875 balance to cover the cost of employee food service and other expenses associated with hosting this event. The remaining \$148,875 will be ride revenue. Ride concessions will be reimbursed a portion of the \$148,875 based on actual ridership on the event date. Out of the \$36.65 for each guest over 6,500, the County will reimburse concessions other than rides \$12.75 each. The County will retain \$1.00 of the \$23.90 balance for each guest over 6,500 to cover additional expenses. Ride concessions will be reimbursed a portion of the remaining \$22.90 based on actual ridership on the day of the event.

Out of the \$254,000 fixed fee received by the County for 7,000 guests, concessions other than rides will be reimbursed by the County a total of \$88,750. The County will retain \$11,750 of the \$165,250 balance to cover the cost of employee food service and other expenses associated with hosting this event. The remaining \$153,500 will be ride revenue. Ride concessions will be reimbursed a portion of the \$153,500 based on actual ridership on the event date. Out of the \$35.68 for each guest over 7,000, the County will reimburse concessions other than rides \$12.75 each. The County will retain \$1.00 of the \$22.93 balance for each guest over 7,000 to cover additional expenses. Ride concessions will be reimbursed a portion of the remaining \$21.93 based on actual ridership on the day of the event.

Since the above license fee does not include payment for food, employees of Pepsi Cola Company will be purchasing food from Playland's food concession on the day of the event. Playland will therefore, in addition to the license fee, receive 24.1% of the revenue generated from a separate food and beverage agreement between Pepsi Cola Company and CulinArt, Inc., the County's food concessionaire for Playland Park.

The goals and objective of private events like this are to generate additional revenue for the department and help to decrease the tax levy. This agreement therefore serves the public interest as it helps to ease the tax burden of Westchester County residents.

The goals and objective of this agreement will be monitored using attendance and revenue reports.

This agreement is exempt from the Westchester County procurement policy pursuant to Section 3(b) of that policy in that it is a license.

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 enter into a license agreement with Pepsi Cola Company, 700 Anderson Hill Road, Purchase, NY 10577 for the exclusive use of Playland Park for employees and invited guests from 2:00pm to 8:00pm on Saturday, September 7, 2013 (Rain date – Sunday, September 8, 2013); and be it further

RESOLVED, that for this privilege Pepsi Cola Company shall pay a license fee of \$219,125 as an all-inclusive license fee for 5,500 guests. Pepsi Cola Company also agrees to pay \$39.25 per guest for each guest over 5,500 up to 5,999. For this privilege, Playland will provide all Rides, 10 Prize Skill Games, Bonanza Shooting Gallery, Game Room, Mini-Golf and Cotton Candy; and be it further

RESOLVED, that for this privilege Pepsi Cola Company shall pay a license fee of \$230,500 as an all-inclusive license fee for 6,000 guests. Pepsi Cola Company also agrees to pay \$37.75 per guest for each guest over 6,000 up to 6,499. For this privilege, Playland will provide all Rides, 10 Prize Skill Games, Bonanza Shooting Gallery, Game Room, Mini-Golf and Cotton Candy; and be it further

RESOLVED, that for this privilege Pepsi Cola Company shall pay a license fee of \$242,625 as an all-inclusive license fee for 6,500 guests. Pepsi Cola Company also agrees to pay \$36.65 per guest for each guest over 6,500 up to 6,999. For this privilege, Playland will provide all Rides, 10 Prize Skill Games, Bonanza Shooting Gallery, Game Room, Mini-Golf and Cotton Candy; and be it further

RESOLVED, that for this privilege Pepsi Cola Company shall pay a license fee of \$254,000 as an all-inclusive license fee for 7,000 guests. Pepsi Cola Company also agrees to pay \$35.68 per guest for each guest over 7,000. For this privilege, Playland will provide all Rides, 10 Prize Skill Games, Bonanza Shooting Gallery, Game Room, Mini-Golf and Cotton Candy; and be it further

RESOLVED, that the County shall reimburse concessions other than rides from the license fee as follows:

<u>Concessions</u>	<u>5,500 People</u>	<u>Per Person Over 5,500-5,999</u>
Cotton Candy	\$ 13,750	\$ 2.50
Shooting Gallery/Game Room	\$ 4,750	\$ 1.00
10 Skill Games (Pepsi Cola to provide 5 coupons per person)	<u>\$ 52,250</u>	<u>\$ 9.50</u>
TOTAL	\$ 70,750	\$ 13.00; and be it further

RESOLVED, that the County shall retain \$9,500 of the minimum event fee and \$1.00 for each guest over 5,500 to cover costs associated with holding the event; and be it further

RESOLVED, that the County shall reimburse ride concessions a portion of the remaining \$138,875 for 5,500 guests and if applicable a portion of the remaining \$25.25 for each guest over 5,500 up to 5,999 (from the \$39.25 for each guest over 5,500 up to 5,999) based on actual ridership on the day of the event; and be it further

RESOLVED, that the County shall reimburse concessions other than rides from the license fee as follows:

<u>Concessions</u>	<u>6,000 People</u>	<u>Per Person Over 6,000-6,499</u>
Cotton Candy	\$ 15,000	\$ 2.50
Shooting Gallery/Game Room	\$ 4,750	\$.75
10 Skill Games (Pepsi Cola to provide 5 coupons per person)	\$ 57,000	\$ 9.50
TOTAL	\$ 76,750	\$ 12.75; and be it further

RESOLVED, that the County shall retain \$9,750 of the minimum event fee and \$1.00 for each guest over 6,000 to cover costs associated with holding the event; and be it further

RESOLVED, that the County shall reimburse ride concessions a portion of the remaining \$144,000 for 6,000 guests and if applicable a portion of the remaining \$24.00 for each guest over 6,000 up to 6,499 (from the \$37.75 for each guest over 6,000 up to 6,499) based on actual ridership on the day of the event; and be it further

RESOLVED, that the County shall reimburse concessions other than rides from the license fee as follows:

<u>Concessions</u>	<u>6,500 People</u>	<u>Per Person Over 6,500-6999</u>
Cotton Candy	\$ 16,250	\$ 2.50
Shooting Gallery/Game Room	\$ 4,750	\$.75
10 Skill Games (Pepsi Cola to provide 5 coupons per person)	\$ 61,750	\$ 9.50
TOTAL	\$ 82,750	\$ 12.75; and be it further

RESOLVED, that the County shall retain \$11,000 of the minimum event fee and \$1.00 for each guest over 6,500 to cover costs associated with holding the event; and be it further

RESOLVED, that the County shall reimburse ride concessions a portion of the remaining \$148,875 for 6,500 guests and if applicable a portion of the remaining \$22.90 for each guest over 6,500 (from the \$36.65 for each guest over 6,500) based on actual ridership on the day of the event; and be it further

RESOLVED, that the County shall reimburse concessions other than rides from the license fee as follows:

<u>Concessions</u>	<u>7,000 People</u>	<u>Per Person Over 7,000</u>
Cotton Candy	\$ 17,500	\$ 2.50
Shooting Gallery Game Room	\$ 4,750	\$.75
10 Skill Games (Pepsi Cola to provide 5 coupons per person)	\$ 66,500	\$ 9.50
TOTAL	\$ 88,750	\$ 12.75; and be it further

RESOLVED, that the County shall retain \$11,750 of the minimum event fee and \$1.00 for each guest over 7,000 to cover costs associated with holding the event; and be it further

RESOLVED, that the County shall reimburse ride concessions a portion of the remaining \$153,500 for 7,000 guests and if applicable a portion of the remaining \$21.93 for each guest over 7,000 (from the \$35.68 for each guest over 7,000) based on actual ridership on the day of the event; and be it further

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

Original Agreement \$219,125
 First Amendment \$
This Amendment \$
 TOTAL \$219,125

Agreement #

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
165	42	5520	9218		\$ 70,750
165	42	5520	9201		\$138,875
165	42	5520	9219		\$ 9,500

Budget Funding Year(s) 2013
 (must match resolution)

Start Date 9/7/2013

End Date 9/8/2013

Funding Source Tax Dollars _____

State Aid _____

\$219,125 Federal Aid _____

(must match resolution)

Other _____ Revenue _____

APPROVED BOARD OF ACQUISITION & CONTRACT - 07/25/2013 - JOMARY VIEIRA, SECRETARY