



INDIAN RIVER COUNTY DEPARTMENT OF GENERAL SERVICES PARKS DIVISION

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DATE: January 12, 2017

TO: The Honorable Board of County Commissioners

THROUGH: Jason E. Brown, County Administrator

FROM: Michael Zito, Assistant County Administrator

General Services / Parks Division

SUBJECT: Agreement With The Indian River County Fair Association, Inc. And The Vero

Beach Firefighters Association, Inc. for Use Indian River County's Fairgrounds

BACKGROUND:

Since 1986, the Indian River County Fair Association, Inc. ("Fair Association") has contracted with Indian River County for use of the County Fairgrounds to host the annual Firefighters Fair. The Fair Association is organized under Florida Statutes, Chapter 616. The current agreement between the County and the Fair Association expired on October 31, 2016.

ANALYSIS:

In reviewing the terms of the prior Agreement, County staff worked with representatives of the Fair Association to propose a new Agreement. This process revealed that while the Fair Association owns and holds the license, the Vero Beach Firefighters Association, Inc. ("Firefighters Association") also has a significant role in the conducting the Fair operation. It is recommended that the County enter into a tripartite Agreement with both entities. All parties have mutually agreed to submit the attached agreement to the Board of County Commission for approval. The proposed Agreement converts the rental fee calculation due to the County from a 33.3% share of net profits to a 10% share of gross revenue. The conversion to a percentage of top line revenue simplifies the arrangement and is not expected to substantially impact the rental fee due to the County. Based upon a 10 year historical average of top line revenue, the annual fee is estimated to fall within the range of \$28,000 to \$32,000.

The proposed Agreement also updates the insurance requirements in accordance with current County Risk Management thresholds. The term of the proposed agreement runs from January 24, 2017 through October 31, 2019. The Agreement has been prepared and reviewed by the County Attorney, as well as advisors to the Fair Association and the Firefighters Association. The updated Agreement otherwise contains substantially the same material terms as the prior agreement. Essentially, the Indian River Fair Association and/or the Firefighters Association will pay the County 10% of gross revenue from any source in connection with the Fair in exchange for the exclusive use of the Fairgrounds facility during the time period reserved annually to set up, operate, and break down the Fair. Net profits from the Fair go to support the Indian River County Burn Fund, local high school scholarships, Fairgrounds improvements, and various other charitable organizations.

FUNDING:

Funding due to the County under the Agreement is identified by separate General Fund Account #001038-369960. The County uses these funds to make improvements to the Fairgrounds.

RECOMMENDATION:

Staff recommends the Board of County Commission approve the Agreement and authorize the Chairman to sign.

ATTACHMENTS: Agreement for Use of Indian River County's Fairgrounds