

CITY COUNCIL COMMUNICATION FORM

FROM: Wendy DuBord, Deputy City Manager (Ext.219)
Chris Wilson, Parks, Recreation and Open Space Director (Ext. 317)

THROUGH: Jon Roberts, City Manager (Ext. 228)

DATE: March 10, 2009

ITEM: Amend Triple Crown Contract to add an adult softball tournament for August 14-17, 2009

NEXT STEP: Motion from City Council to amend the contract

INFORMATION
 MOTION

I. REQUEST OR ISSUE:

Staff requests direction on whether to add an adult, softball tournament for August 14-17. This is in response to an "unsolicited" proposal to host more softball tournaments in Steamboat Springs.

II. FISCAL IMPACTS:

The below information provides estimates only. Revenue estimates come from the Chamber based on the numbers from the consulting firm that did the Financial Impact Analysis of Triple Crown for the Yampa Valley Economic Development Committee (YVEDC). Estimates for support costs from Parks and Rec. were provided by Parks Supervisor Ernie Jenkins.

50 teams x 20 people/team= \$1000 people for 3 days x \$76 = \$228,000

\$228,000 expenditure = \$10,260 in sales tax to City

Additional cost to Parks and Rec. to support the tournament= \$3,900

Net revenue to City= \$6,360

III. BACKGROUND INFORMATION:

Parks and Rec. received a proposal from two sports tournament operators. Council discussed this and initially indicated they were not interested in a large adult tournament. Because of the current economic conditions and large reductions in sales tax, Council asked staff to investigate the possibility of adding some more tournaments early and late in the summer season when business is slow.

Dave King, President of Triple Crown Sports, heard about the other proposals and has offered to host a tournament August 14-17. He indicates that he could provide 50-60 teams. Steamboat Springs could handle this number of teams without using fields in Hayden or Craig. Dave King is adamantly opposed to the City contracting with another company. That is not the City's concern; however, the City has no experience with any other firms and we do not have the luxury of time to do much due diligence research into the background, financial capacity, references, experience, etc. of another company. Marketing should begin very soon for an August tournament to be successful.

IV. LEGAL ISSUES:

The legal department will complete the contract amendment for signature by City Council or City Manager. Staff recommends a one year contract with a one-year option to renew, if everything goes well with the additional tournament.

V. CONFLICTS OR ENVIRONMENTAL ISSUES:

The major conflict is the possible negative impacts of this tournament to local citizens. Triple Crown has aroused significant controversy and there will likely be many citizens who do not approve of adding this tournament in August.

Triple Crown indicated that using another company for a Memorial Day tournament would negatively impact Triple Crown events in June. He obviously does not support using another company; however, the City is free to do that. Memorial Day weather will often not allow diamond sports which would cancel that event.

Using another company with whom we have no experience will take a great deal more time and effort from staff to research and implement the tournament. We are cutting staff and will not have any extra resources. Parks and Rec. will also need to seek additional resources to support the addition of the August tournament.

VI. SUMMARY AND ALTERNATIVES:

Council has several options:

1. Approve moving forward with more detailed discussion of this contract amendment that authorizes Dave King to move forward with an additional August tournament.- Put on Mar. 17 Council Agenda.
2. Deny this request and do not add an August event by Triple Crown or any other company.
3. Start the due diligence on another firm and try to enter into a contract quickly.
4. Other direction, comments, recommendations from City Council.

Please feel free to contact Jon, Wendy or Chris with questions