

19-585

SL COUNTY BUDGET REQUEST / ADJUSTMENT FORM

Executive Summary

Request Item No: 3560991A01 For Fiscal Year: 2019
Requesting Organization: 35609900 EPEC CAPITAL PROJ Date of Request: 11-Apr-19
Budget Adjust Type(s): Existing Capital Project Ongoing (Y or N): N
If Yes, next year's CF impact: \$0
Net FTE Change: 0.00

Description and Justification:

Equipment Broker Services: Equestrian Park requests a transfer of \$18,000 from the equipment fund to operations. These monies will be used to pay an agent fee to a broker who facilitated a sponsorship agreement with the local John Deere dealer, Stotz. In exchange for a racetrack grooming tractor valued at \$180,000, Equestrian Park marketing rights (signs, displays and promotion) will be given to the sponsor for two years with an option to renew. Additionally, the tractor will be traded out every six months or after a certain number of usage hours is reached, minimizing maintenance costs.

Fund Impact

SUMMARY OF FUND IMPACT BY FUND

FUND:	186 EQUESTRIAN PARK FUND
Fund Impact (Budgetary)	\$0
Fund Impact (Transfers)	\$0
TOTAL FUND IMPACT	\$0

SUMMARY OF CNTY FUNDING IMPACT BY DEPT

DEPT	REVENUE	EXPENSE	BAL SHEET	CNTY FUNDING
3560000000 EPEC OPERATIONS PRGM	0	18,000	0	18,000
3560990000 EPEC CAPITAL PROJECTS PRGM	0	(18,000)	0	(18,000)
TOTALS	0	0	0	0

Approvals

Division Director:

Daniel Hays

Date: 4/11/2019

Dept. or Elected Fiscal Mgr:

LWAW

Date: 4.11.19

Dept. Dir. or Elected Official:

Abby M. Yoon

Date: 4-18-19

Facilities Division Director:
(Capital Projects Only)

[Signature]

Date:

Chief Financial Officer:

Kimberly Bernier
Approve

Date: 4/18/19

Mayor or Designee:

Date: 4/23/19

Council Action:

Date:

Approve

Budget Adjustment Detail

Budget Year: 2019 * Requesting Department: 35809900 EPEC CAPITAL PROJECTS
 Budget Period: Pro-June Interim * Req Item No: 350099A01 * Adjustment Title: Equipment Broker Services
 Adjustment Type(s): Existing Capital Project

Expense Budget String(s):

FUND	SUB-DEPT ID	EXPENSE ACCOUNT	PROG/ACT ID (OPT)	PROJECT ID (CAP)	AMOUNT
188	3580000000	639035			18,000
188	3580990000	615035		EQUIP	(18,000)

TOTAL EXPENDITURES Page 1: \$0
 TOTAL EXPENDITURES ALL PAGES: \$0

Revenue Budget String(s):

FUND	SUB-DEPT ID	REVENUE ACCOUNT	PROG/ACT ID (OPT)	PROJECT ID (CAP)	AMOUNT

TOTAL REVENUES Page 1: \$0
 TOTAL REVENUES ALL PAGES: \$0

Balance Sheet/Fund Unrestriction String(s):

☐ Bal sheet strings only required for Proprietary Fund adjustments or fund unrestrictions; check if applicable.

FUND	SUB-DEPT ID	BAL. SHEET ACCOUNT	AMOUNT
		BAL_SHT or 499999	
		BAL_SHT or 499999	
		BAL_SHT or 499999	

TOTAL BALANCE SHEET CHANGE: \$0

* Ongoing (Y or N): N
 If Yes, next year's CF impact: \$0

No. of New FTEs: 0.00 (2)
 No. of New Time Limited FTEs: 0.00 (2)
 No. of Transferred FTEs: 0.00 (2)
 No. of Abolished FTEs: 0.00 (2)

Fund Balance Transfers:

From Fund	From Dept ID	To Fund	To Dept ID	Amount

Description and Justification: (Attach additional pages as needed.)*

Equestrian Park requests a transfer of \$18,000 from the equipment fund to operations. These monies will be used to pay an agent fee to a broker who facilitated a sponsorship agreement with the local John Deere dealer, Stotz. In exchange for a racetrack grooming tractor valued at \$180,000, Equestrian Park marketing rights (signs, displays and promotion) will be given to the sponsor for two years with an option to renew. Additionally, the tractor will be traded out every six months or after a certain number of usage hours is reached, minimizing maintenance costs.

(1) If the request is for a grant, include the dates the grant will expire and what obligations are required of the County after the grant expires.



Sponsorship Agreement – Salt Lake County Equestrian Park and Event Center

This document shall serve as the agreement ("Agreement") between SMG ("SMG") as sales agent for the Salt Lake County Equestrian Park and Event Center (SLCEP) and NTRA, Stotz Equipment and John Deere ("Sponsor") for certain advertising and promotional rights and privileges.

SMG is a party to a certain management agreement (the "Management Agreement") dated as of December 3, 2013, with Salt Lake County (the "Owner"), whereby SMG has been retained to act as Owner's managing agent in respect to The Salt Lake County Equestrian Park, Event Center and Salt Lake County Fair. Pursuant to the Management Agreement, SMG has the express authority to enter into agreements on Owner's behalf relating to the use of the Facility.

John Deere Tractor will be the Official Tractor of the Salt Lake County Equestrian Park and Event Center which will entitle John Deere/NTRA and its designated stores (Stotz Equipment) the following amenities:

Official Designation

Official tractor of the Salt Lake County Equestrian Park & Event Center

This designation confers exclusivity in that the Salt Lake County Equestrian Park will not promote any other tractor during the term of the agreement. It is understood that individual events that lease the park may at times bring in or use different tractors due to an event sponsorship. In this instance, John Deere will have the right of first refusal and the opportunity to contact the individual event and request that it use John Deere equipment, at no additional expense to the event. SMG will advise event promoters of this opportunity as they book events at the facility. Should the event choose to retain their current sponsorship, both organizations will have a right to a presence at the event.

Signage

[All signage costs, including but not limited to, fabrication, graphics, shipping and materials are the responsibility of sponsor.]

- The opportunity to erect signage at the main entrance and one side entrance on the event center advertising the loan of this equipment by Stotz Equipment and John Deere.
- One permanent sign in the covered arena
- Two 20' portable banners to be displayed in outside arenas during large events

- SLCEP will obtain quotes for obtaining Stotz/John Deere wrapped trash receptacles. Stotz/John Deere will have the option to have the receptacles wrapped with advertising and will assume all costs pertaining to the graphics and wrapping of them.
- One (1) sign on the concourse advertising Stotz Equipment, John Deere and NTRA.

Display

- Booth space during the Salt Lake County Fair for both Stotz and NTRA Advantage during the larger events throughout the year (TBA).
- SLCEP will provide Stotz Equipment with a list of events scheduled. Stotz Equipment has the option of moving a piece of equipment to the site for display during the events.

Promotion

- John Deere will supply a 15-50 second digital media file that will be embedded in the programming for the SLCEP television inside the concourse area of the facility.
- Quarterly mailer inserts mailed with boarder statements.
- Inclusion on Salt Lake County Equestrian Park & Event Center web site as a corporate sponsor and equipment supplier for NTRA, Stotz Equipment and John Deere.
- Quarterly press release with content supplied by Stotz Equipment/John Deere and NTRA to be issued to Salt Lake Equestrian Park & Event Center email list. The press may be a part of a quarterly SLCEP update with a section entitled, "Equipment Improvements, sponsored by Stotz Equipment, John Deere and NTRA". The press may include a link to the Stotz Equipment, John Deere or NTRA which will highlight any promotions.
- Stotz and/or John Deere may provide SLCEP staff with branded clothing to be worn at events. The Salt Lake County Fair is not included in this provision.

In Exchange

In Exchange, Stotz Equipment will provide SLECP one (1) 6195R Tractor valued at \$180,000.00. Total monthly lease value for the 6195R Tractor is \$6,600/month and \$79,200 per year.

The Salt Lake County Equestrian Park & Event Center agrees to maintain Comprehensive and Liability Insurance on all equipment at all times. The Salt Lake County Equestrian Park & Event Center is completely liable for any lost, stolen or damages to all equipment.

The equipment provided by Stotz will be rotated every six months and will be permitted to have 600 hours of use per piece of equipment at the end of six months. The intent is to replace the tractors at this time, but if Stotz cannot replace the tractors, SLECP will communicate to Stotz the hours on each piece of equipment as well as supply Stotz a report on the maintenance performed on the loaned equipment as well as any problems with the equipment. In this circumstance, SLCEP will be permitted to continue operating the equipment, on a monthly basis, that is in their possession with the expectation to not exceed 100 hours per month or until Stotz replaces equipment and initiates a new 6 month window.

In either circumstance, a six (6) month look back period or a one (1) month period, SLECP will make commercially reasonable efforts to stay within the hourly goals. It is agreed that hours in excess of the agreed upon 100 hours/month per piece of equipment will be billed to SLECP at the rate of \$25/hour.

Stotz will assume costs of any damages in excess of normal wear and maintain the equipment in accordance with John Deere protocol.

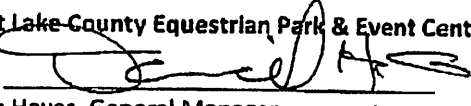
SLECP must follow factory maintenance protocol per John Deere's specifications in the owners' manual (provided by Stotz), document maintenance and dates and then provide that information to Stotz at every six month interval when the equipment is to be swapped. If equipment cannot be swapped per Stotz, Salt Lake needs to report the amount of hours at the six month mark along with documentation of the maintenance.

This agreement is between three parties shall commence upon the signing of all parties and shall remain in effect for two years. This agreement shall be auto-renewed subject to agreement by both parties. Should either party opt to terminate this agreement, the terminating party will notify the other party in writing and provide a six month notice of the termination of the agreement.

Entire Agreement: This agreement, including the terms and conditions attached hereto form the entire agreement, between the parties hereto and cancels and supplants all other written or oral agreements and understandings between them with respect to the transactions contemplated herein. The parties hereto shall not amend, modify or supplant this agreement, except by written instrument signed by all parties. This agreement shall be binding upon each of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned have caused this agreement to be duly executed as of the date signed by all parties.

Salt Lake County Equestrian Park & Event Center

By: 

Dan Hayes, General Manager

Date: 8/21/2018

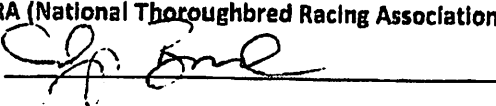
Stotz Equipment

By: 

Matt Webster, Sales Representative

Date: 8/15/18

NTRA (National Thoroughbred Racing Association) Advantage

By: 

Jeffrey Burch, Sr. Vice President

Date: 8/20/2018



Sponsorship Agreement

This Agreement, herein called "Agreement", is made effective this 18 day of April, 2018, between A Wynning Advantage, LLC located at PO Box 554, Ringoes, NJ, 08551 hereafter referred to as "AWA" and Salt Lake Equestrian and Events Center located at 2100 West 11400 South Jordan, UT 84095 referred to as "SLEC" for Sponsorship Sales for the SMG-managed venue.

The parties to this Agreement agree to the terms and conditions upon which AWA will perform sponsorship sales for SLEC.

OVERVIEW

SLEC recognizes the necessity for the generation of additional sponsorship sales and shall enter into a commissionable agreement with AWA to develop and offer "sponsorship packages" for the Salt Lake Equestrian and Events Center.

Inventory for "sponsorship packages" includes but is not limited to the following venue inventory: backlit signs, cling signs, column wraps, wall signs, product display, suites, webpage, email blasts, In-house TV network, LED board, step signs, private party packages, food & beverage packages, barns, etc.

COMPENSATION

As compensation for services to be performed hereunder, SLEC shall pay AWA commissions on gross cash sponsorship sales at a rate of 20% of the cash sponsorship for the term of the sponsorship agreement. In

addition, for all trade agreements (service and/or product), AWA will receive 10% commission for the term of the sponsorship agreement to be paid annually. The list of services and products will be reviewed with AWA.

Sponsorship payment and Commissions shall be paid as follows:

- a.) All cash sponsorship agreements must be paid in full, upon signing of the sponsorship agreement unless AWA has written approval from SLEC to negotiate a different payment option. Total commission shall be paid to AWA once SLEC is in receipt of the cash sponsorship check. Commission will be paid by comparing the signed sponsorship agreement with the payment received by the AWA.
- b.) All trade sponsorship sales (product and/or service) must be pre-approved prior to sponsorship being accepted. AWA must complete trade analysis upon initial trade discussions. Commission will be paid by comparing the signed sponsorship trade agreement with the value of the trade as agreed by both parties.
- c.) Commission after termination (with notice) will be commissionable as provided for above, during the term of the sponsorship agreement following termination providing correct information regarding sponsorship is submitted to SMG at time of termination. All commissions on multi-year contracts will be paid to AWA through the term of the sponsorship/trade agreements.
- d.) If AWA terminates the agreement without notice, AWA will only be paid for those sponsorship sales collected at time of termination.

STIPULATION

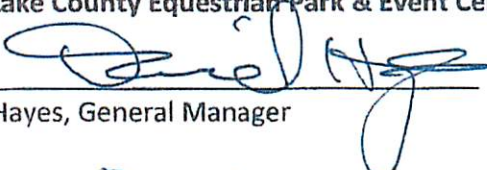
- a.) AWA is an independent sales person
- b.) AWA agrees to hold harmless and fully indemnify SLEC and its agents and employees against any and all claims arising out of this agreement.
- c.) AWA shall have no claim against SLEC hereunder or otherwise for vacation pay, sick leave, retirement benefits, health or disability benefits, unemployment insurance benefits, social security or other employee benefits of any kind.
- d.) AWA is solely liable and responsible for all income taxes relating to their fees from SLEC, and no payroll deductions or taxes of any kind will be made by SLEC.
- e.) AWA agrees to hold entirely confidential all information relating to the SLEC's financials and data during the period of this agreement.
- f.) All material and supplies provided to AWA are to be considered the property of SLEC and are subject to return upon the termination of this agreement.
- g.) AWA agrees to provide SLEC with contact information for all sponsorships for the purpose of fulfillment and relationship development.

Unless otherwise specified herein, this agreement shall be construed and interpreted under the laws of the State of Utah.

Entire Agreement: This agreement, including the terms and conditions attached hereto form the entire agreement, between the parties hereto and cancels and supplants all other written or oral agreements and understandings between them with respect to the transactions contemplated herein. The parties hereto shall not amend, modify or supplant this agreement, except by written instrument signed by all parties. This agreement shall be binding upon each of the parties hereto and their respective successors and assigns.

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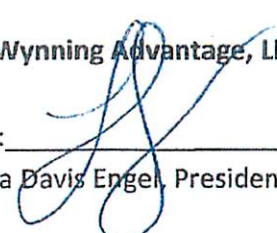
Salt Lake County Equestrian Park & Event Center

By: 
Dan Hayes, General Manager

Date:

3/4/19

A Wynning Advantage, LLC

By: 
Lisa Davis Engel, President

Date:

3/1/19