



MANAGER'S MEMO ITEM

ITEM: 2005 Heritage Festival Beer Garden Vendor
WORKSHOP DATE: December 14, 2005
PREPARED BY: Mary Scalzetti, Director Tourism and Events
BID AMOUNT: \$ _____ **ACCOUNT:** _____
BUDGET AMOUNT: \$ _____

PURPOSE: To inform the Mayor and Council that on November 18, 2004, the Tourism and Events Commission recommended extending the 2004 beer garden vendor agreement with the Downers Grove Rotary Club, to operate the 2005 Heritage Festival Beer Garden.

BACKGROUND:

Through the RFP process in 2004, the Downers Grove Rotary Club was selected as the organization to operate the 2004 Heritage Festival Beer Garden. The Tourism and Events Commission unanimously recommended extending the agreement for the 2005 festival.

ATTACHMENTS:

2005 Beer Garden Vendor Agreement
2005 Beer Garden Guidelines
Memo to Mayor regarding waiver of application fee

STAFF RECOMMENDATION:

Concurrence with the Tourism and Events Commission in selecting the Downers Grove Rotary Club as the 2005 Heritage Festival Beer Garden Vendor.

REQUESTED COURSE OF ACTION:

Concurrence with staff and the commission recommendations.

2005 DOWNERS GROVE HERITAGE FESTIVAL
BEER GARDEN AGREEMENT

WHEREAS, this agreement made and entered into this _____ day of _____, 2005 by and between the Village of Downers Grove (the "Village") and The Downers Grove Rotary Club (hereinafter referred to as "Vendor").

WHEREAS, after a Request for Proposal (RFP) process, Vendor was chosen to operate the 2004 Downers Grove Heritage Festival Beer Garden. The parties agree to extend the 2004 contract for the operation of the 2005 Downers Grove Heritage Festival.

NOW, THEREFORE in consideration of the mutual promises, covenants and conditions, the parties agree as follows:

1. Vendor shall be responsible for operating the 2005 Downers Grove Heritage Festival Beer Garden in conformance with the standards and conditions set forth herein. Customer service shall be a priority and the Beer Garden shall be operated in a family oriented and courteous manner.
2. Alcoholic beverage sales at the Beer Garden shall be limited to beer, Mike's hard lemonade products, wine coolers and wine. No bottles or cans shall be sold.
3. The Vendor shall be responsible for providing all alcoholic beverages for sale at the Heritage Festival, such costs shall be deducted from Vendor's portion of the proceeds.
The Vendor shall charge \$4.00 to the customer for each drink. The Vendor shall establish a procedure whereby drink tickets are sold only to customers over the age of 21 (by checking the customer's driver's license) and will then issue the customer a bracelet or stamp verifying that he or she is old enough to be served alcohol. No bracelet or stamp shall be given to anyone under the age of 21 years. The service of alcohol will be at another location. No alcohol shall be served at the location where tickets are sold. The Vendor shall be responsible for supplying the tickets and stamps and/or bracelets, such costs shall be deducted from Vendor's portion of the proceeds.
4. The Vendor shall be responsible for supplying all cooling trucks and/or ice necessary to preserve and maintain the alcoholic beverages at the Beer Garden, such costs shall be deducted from Vendor's portion of the proceeds. The cooling trucks and/or ice shall be used exclusively by the Vendor and cannot be sold to or used by other Vendors at the Heritage Festival.

5. The Village shall be responsible for supplying all tents, fences, tables and chairs for patrons within the Beer Garden area, such costs shall be deducted from the Village's portion of the proceeds.
6. The Village shall have the right to have its officials, including uniformed police officers, in all areas of the Beer Garden.
7. The Village shall have the right to approve beer and wine drink prices, which approval shall be given no later than April 1, 2005.
8. The Vendor shall work with the Events sub-committee of the Tourism & Events Commission to apply for a Downers Grove Special Event Liquor License for the Beer Garden. Application for such license shall be made no later than May 1, 2005. Upon issuance of a Downers Grove Special Event Liquor License, the Village shall apply to the Illinois State Liquor Commission for the required State liquor license. The Vendor shall obtain dram shop insurance in statutory amounts in a form acceptable to the Village's Risk Manager, naming the Village as additional insured. A copy of the certificate of insurance shall be provided to the Village by Tuesday, June 21, 2005. The Vendor shall comply with all state laws and Village ordinances concerning the sale and service of alcohol.
9. The Vendor shall supply a list of man power per shift (4 hour shifts). During the hours of 6:00 p.m.-11:00 p.m. there will be a minimum of four (4) people selling tickets to minimize lines. All personnel shall attend a training workshop conducted by the Village. Any costs associated with obtaining personnel to operate the Beer Garden shall be the Vendor's responsibility and such costs shall be deducted from Vendor's portion of the proceeds.
10. The Vendor shall designate a manager who shall be the primary contact person with the Village for all issues and questions related to operation of the Beer Garden.
11. The Vendor shall have on duty at all times not less than two (2) individuals as managers of the Beer Garden area. Their role will be to patrol the area in order to preserve the Heritage Festival family Beer Garden as a place where visitors can enjoy food, spirits, and entertainment in a lively wholesome, and legal manner.
12. All persons working at the ticket booths or dispensing alcoholic beverages within the Beer Garden shall be twenty-one (21) years of age or older.
13. Shirt and shoes must be worn at all times in the Beer Garden.
14. No person shall be served alcoholic beverages who does not have a bracelet or stamp verifying that the individual is twenty-one (21) years of age or older.

15. The Vendor shall supply and post sufficient signage and crowd control equipment to ensure efficient and orderly operation of the Beer Garden. Any costs associated with signage shall be the Vendor's responsibility and such costs shall be deducted from Vendor's portion of the proceeds.
16. Beer Garden hours shall be Friday, June 24, 2005, from 4:00 p.m. to 11:00 p.m.; Saturday, June 25, 2005, from 12:00 noon to 11:00 p.m.; and Sunday, June 26, 2005, from 12:00 noon to 10:00 p.m. The Village shall have the absolute right to order the immediate closing of the Beer Garden at any time it is determined to present a danger to the public health, safety or welfare.
17. The Vendor and the Village shall conjointly establish a bank account exclusively for Beer Garden purposes. Each night after the closing of the Beer Garden the Vendor shall deposit the proceeds from the Beer Garden into such account.
18. Within thirty (30) days of the conclusion of the 2005 Heritage Festival, the Vendor shall provide a financial statement, including bank statements showing all deposits into the bank account established for Beer Garden purposes. The financial statement shall account for all sales and expenses incurred in operation of the Beer Garden. The financial statement shall at a minimum include the following information:
 - a. the number of drink tickets sold and the gross revenue therefrom
 - b. the amount of alcohol served
 - c. an itemized list of all expenses incurred in the operation of the Beer Garden including copies of all invoices and/or paid receipts

The Village shall have the right to review all records and documents of the Vendor pertaining to the operation of the Beer Garden. The Village shall have the right to have a person present at all times during the Beer Garden operation to observe and participate in the accounting of the proceeds. Failure to provide any of the above mentioned documentation may result in the Vendor forfeiting all or a portion of its share of the proceeds.

19. The gross proceeds of operation of the Beer Garden shall be divided between the Vendor and the Village (60% to the Village, 40% to the Vendor).

From the Vendor's 40% portion the following expenses shall be deducted:

Expenses Paid by Vendor

Alcoholic Beverages
Ice and Cups
Vending Equipment & Cooling Trucks
Tickets and Stamps or Bracelets
Serving Staff
Signage
Local License Fees
Dram Shop Insurance

From the Village's 60% portion the following expenses shall be deducted:

- Expenses Paid by Village
- Costs of Tents, Tables and Chairs
- Cost of Daily Clean Up
- Entertainment and its associated costs
- State License Fees

The responsibility of any other expense not specifically mentioned shall be determined by the Events sub-committee of the Tourism & Events Commission.

20. Within thirty (30) days of the conclusion of the 2005 Heritage Festival, the Vendor shall provide the Village with a check in the amount of 60% of the gross proceeds from the Beer Garden.
21. The Village shall have the right to terminate its agreement with Vendor in the event it is determined that the continued operation presents an immediate hazard to the health, safety or welfare of its citizens or if it is determined that the Vendor is in violation of any ordinances or laws of the Village of Downers Grove and such violation constitutes a serious deficiency.
22. Vendor shall indemnify, keep and hold harmless the Village of Downers Grove where a loss occurs due to the acts or omissions of the Vendor, its employees or subcontractors.
23. Pursuant to Village policy, Village contracts may be extended for two (2) years following the original agreement provided that the cost to the Village does not exceed two percent (2%) of the original price. Therefore, the Village is entitled to enter into an extension of this contract for 2006, provided that the Village Council authorizes the 2006 Heritage Festival and the re-negotiated costs/revenue and expenses for the Village do not exceed two percent (2%) of the original 2004 Agreement.

VENDOR:

VILLAGE OF DOWNERS GROVE

BY: _____

BY: _____
Village Manager

Subscribed and sworn to before me

ATTEST: _____
Village Clerk

this ____ day of _____, 20____ .

Notary Public

2005 DOWNERS GROVE HERITAGE FESTIVAL
BEER GARDEN GUIDELINES

The Downers Grove Rotary Club has been chosen to operate the 2005 Downers Grove Heritage Festival Beer Garden (hereinafter referred to as "Vendor") and shall comply with the following rules

1. Vendor shall be responsible for operating the 2005 Downers Grove Heritage Festival Beer Garden in conformance with the standards and conditions set forth herein. Customer service shall be a priority and the Beer Garden shall be operated in a family oriented and courteous manner.
2. Alcoholic beverage sales at the Beer Garden shall be limited to beer, Mike's hard lemonade products, wine coolers and wine. No bottles or cans shall be sold.
3. The Vendor shall be responsible for providing all alcoholic beverages for sale at the Heritage Festival, such costs shall be deducted from Vendor's portion of the proceeds. The Vendor shall charge \$4.00 to the customer for each drink. The Vendor shall establish a procedure whereby drink tickets are sold only to customers over the age of 21 (by checking the customer's driver's license) and will then issue the customer a bracelet or stamp verifying that he or she is old enough to be served alcohol. No bracelet or stamp shall be given to anyone under the age of 21 years. The service of alcohol will be at another location. No alcohol shall be served at the location where tickets are sold. The Vendor shall be responsible for supplying the tickets and stamps and/or bracelets, such costs shall be deducted from Vendor's portion of the proceeds.
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VENDOR:

VILLAGE OF DOWNERS GROVE

BY: _____

BY: _____
Village Manager

Subscribed and sworn to before me

ATTEST: _____
Village Clerk

this ____ day of _____, 20____ .

Notary Public

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12/8/2004

Mayor Brian J. Krajewski, Liquor Commissioner
Village of Downers Grove
801 Burlington
Downers Grove, Illinois 60515

Dear Mayor Krajewski:

At their November 18th meeting the Tourism and Events Commission unanimously agreed to extend the 2004 Beer Garden Vendor Agreement with the Downers Grove Rotary Club.

Attached please find the agreement for the operation of the 2005 Heritage Festival, along with the Beer Garden Guidelines. The Downers Grove Rotary Club has operated the beer garden for the past several years without any disruptions or problems. Please consider waiving the \$100 application fee. Feel free to contact me at 434.5559 should you have any questions.

Sincerely,

Mary Scalzetti,
Director of Tourism and Events

VILLAGE OF DOWNERS GROVE