

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
FEBRUARY 20, 2007 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Heritage Festival - Beer Garden Vendor Contract	✓ Resolution Ordinance Motion Discussion Only	Mary Scalzetti Director Community Events

SYNOPSIS

A resolution has been prepared to authorize an agreement with the Downers Grove Rotary Club to operate as the vendor of the beer garden at the 2007 Heritage Festival.

STRATEGIC PLAN ALIGNMENT

Downers Grove Vision 2021 identified the principles of an *Authentic Downtown and Hometown Feeling* with the supporting means of: *Vibrant Community Focal Point for Bringing Residents and Guests together; Destination for Eating and Entertainment Both Indoor and outdoor and Strong Community Events Bringing Residents and Generations Together.*

FISCAL IMPACT

The FY07 General Fund budget provides \$401,800 for Heritage Festival expenses and anticipates offsetting revenue of \$429,700. The beer garden is projected to generate \$88,500 in revenue after expenses.

UPDATE AND RECOMMENDATION

Due to weather, the Village Council did not discuss this item as a part of the February, 13, 2007, Council Workshop meeting. Public comments were heard on February 13, 2007.

Therefore, it is recommended that the Village Council approve a single motion at the start of the February 20, 2007, Village Council meeting to waive the traditional one-week waiting period to allow for action on appropriate items.

Subject to approval of the motion to waive the traditional one-week waiting period, staff recommends Council discuss this item and proceed with approval, provided there is consensus for support of this item.

BACKGROUND

Staff prepared and sent out Request for Proposals (RFP) for not-for-profit organizations to operate the 2007 Beer Garden at Heritage Festival. Specifically, the RFP was mailed out to the Downers Grove Rotary Club and to the Knights of Columbus, both organizations have expressed interest in operating the beer garden and both who have operated the garden in the past. In addition, the RFP was noticed on the Village web site under procurement, in the Village Corner and on DGTV Channel 6.

The Downers Grove Rotary Club was the only Not –For-Profit organization to the Village Request for Proposals. The Rotary Club has operated the Beer Garden since 2001 providing excellent service. The contract provides that the proceeds from the beer garden are split 60/40 with 60% going to the Village. The Downers Grove Rotary Club, out of their portion, will pay for the cost of the alcoholic beverages, ice

and cups, vending equipment & cooling trucks, tickets stamps or bracelets, serving staff, signage, local license fees and dram shop insurance.

ATTACHMENTS

2007 Beer Garden Vendor Agreement

2007 Beer Garden Guidelines

VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY

INITIATED: Community Events **DATE:** February 20, 2007
(Name)

RECOMMENDATION FROM: _____ **FILE REF:** _____
(Board or Department)

NATURE OF ACTION:

- Ordinance
- Resolution
- Motion
- Other

STEPS NEEDED TO IMPLEMENT ACTION:

Motion to Adopt "A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE AND THE DOWNERS GROVE ROTARY CLUB", as presented.

SUMMARY OF ITEM:

Adoption of the attached resolution shall authorize an agreement between the Village of Downers Grove and the Downers Grove Rotary for the operation of the 2007 Heritage Festival Beer Garden.

RECORD OF ACTION TAKEN:

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING EXECUTION OF AN
AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE
AND THE DOWNERS GROVE ROTARY CLUB**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Agreement (the "Agreement"), between the Village of Downers Grove (the "Village") and the Downers Grove Rotary Club (the "Vendor"), for the operation of the 2007 Downers Grove Heritage Festival Beer Garden, as set forth in the form of the Agreement submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Village Manager and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:

Attest: _____

Village Clerk

2007 DOWNERS GROVE HERITAGE FESTIVAL
BEER GARDEN AGREEMENT

WHEREAS, this agreement made and entered into this _____ day of _____, 2007 by and between the Village of Downers Grove (the “Village”) and The Downers Grove Rotary Club (hereinafter referred to as “Vendor”).

WHEREAS, Vendor has been chosen to operate the 2007 Downers Grove Heritage Festival Beer Garden.

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

1. Vendor shall be responsible for operating the 2007 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 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’s proposal shall provide estimates as to the amount of each type of alcohol to be purchased and shall include quotes for the cost of at least the following types of alcohol:
 - a. mass produced beer - Miller, Budweiser
 - b. Lite beer - Miller, Budweiser
 - c. premium and/or local craft brewed beer
 - d. wine and/or wine coolers
 - e. Mike’s hard lemonade products

The Vendor shall charge \$4.50 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 Vendor shall work with the Community 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, 2007. 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 Thursday, June 15, 2007. The Vendor shall comply with all state laws and Village ordinances concerning the sale and service of alcohol.
8. The Vendor shall supply a list of staff 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.
9. 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.
10. 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.
11. 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.
12. 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.
13. 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.

14. Beer Garden hours shall be Thursday, June 21, 2007, from 5:00 p.m. to 10:00 p.m., Friday, June 22, 2007, from 4:00 p.m. to 11:00 p.m.; Saturday, June 23, 2007, from 12:00 noon to 11:00 p.m.; and Sunday, June 24, 2007, 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.
15. The Vendor and the Village shall jointly 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.
16. Within thirty (30) days of the conclusion of the 2007 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.

17. 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
State License Fees

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

18. Within thirty (30) days of the conclusion of the 2007 Heritage Festival, the Vendor shall provide the Village with a check in the amount of 60% of the gross proceeds from the Beer Garden.
19. 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 or State of Illinois and such violation constitutes a serious deficiency.
20. 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.
21. 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 for 2008, provided that the Village Council authorizes the 2008 Heritage Festival and the re-negotiated costs/revenue and expenses for the Village do not exceed two percent (2%) of the original 2007 Agreement.

VENDOR:

BY: _____

Subscribed and sworn to before me
this ____ day of _____, 20____.

Notary Public

VILLAGE OF DOWNERS GROVE

BY: _____
Village Manager

ATTEST: _____
Village Clerk