

**City of Fayetteville Staff Review Form**

**2018-0698**

**Legistar File ID**

**12/18/2018**

City Council Meeting Date - Agenda Item Only  
N/A for Non-Agenda Item

Justin Clay

11/30/2018

PARKING MANAGEMENT (430)

**Submitted By**

**Submitted Date**

**Division / Department**

**Action Recommendation:**

Approving an ordinance to waive the requirements of competitive bidding and authorize two 6 month contracts for educational, entertainment, and administrative services in 2019 to the Walton Arts Center Council, Inc. approved in the 2019 Budget for the amount of \$250,000

**Budget Impact:**

2130.430.9131-5719.00

2130

Account Number

Fund

Project Number

Project Title

**Budgeted Item?** Yes

Current Budget \$ 250,000.00

Funds Obligated \$ -

Current Balance **\$ 250,000.00**

**Does item have a cost?** Yes

Item Cost \$ 250,000.00

**Budget Adjustment Attached?** NA

Budget Adjustment

Remaining Budget **\$ -**

V20180321

**Purchase Order Number:** \_\_\_\_\_

**Previous Ordinance or Resolution #** 5749

**Change Order Number:** \_\_\_\_\_

**Approval Date:** \_\_\_\_\_

**Original Contract Number:** \_\_\_\_\_

**Comments:**



**DECEMBER 18, 2018**

**TO:** Mayor and City Council

**THRU:** Don Marr, Chief of Staff

**FROM:** Justin Clay, Parking Manager

**DATE:** December 4, 2018

**SUBJECT: Approving an ordinance to waive the requirements of competitive bidding and authorize two 6 month contracts for educational, entertainment, and administrative services in 2019 to the Walton Arts Center Council, Inc. in the amount of \$250,000**

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**RECOMMENDATION:**

Staff recommends waiving competitive bidding and approving a prior contractual commitment to the Walton Arts Center's 2018/2019 Fiscal year beginning in July of 2018 and ending June 2019 and renewing the contract for the provision of educational and administrative services between the City of Fayetteville and the Walton Arts Center Council, Inc., for one additional (6) six month period for the Walton Arts Center 2019/2020 Fiscal year to get the contract on a calendar year consistent with the City of Fayetteville's calendar year budget and to additionally provide adequate notice for future funding planning when the City Council moves to a arts funding grant program from a dedicated parking revenue funding earmarked for the Walton Arts Center.

**BACKGROUND:**

In 2010, the City Council approved a line item budget in which \$250,000 of parking revenues were allocated to the Walton Arts Center for arts education services, discounted space and administrative services (marketing, promotion, administration) for local arts organizations, and discounted and free tickets for art festivals and visual arts exhibits. This contract was updated in 2015 by Ordinance 5749 and is automatically renewable through the end of 2018.

**DISCUSSION:**

This proposed contract is for two six (6) month contracts for completion of a prior WAC fiscal year contract for services which will be completed June 30, 2019. During the 2019 Budget discussions the City Council amended the budget to retitle the earmarked revenue of the Walton Arts Center to Arts Programming Funding and directed the Mayor to develop an arts grant program with the funding of 250,000 from some budget source for the funding of art education, services, performance allowances, etc. since there are now multiple arts organizations that could provide such services, the Council wanted to see a competitive process for the distribution of funds, and to have the funding source evaluated as to an appropriate area rather than a continued commitment of Parking revenues. This timing would also provide the Walton Arts Center adequate time for future operational funding planning, without the parameters changing prior to at least 12 months of notice. This is the first step of such changes, reflecting the wishes of a majority of the City Council to fund services for the last two (2) quarters of the Walton Arts Center's current 2019 fiscal year (ending June 30, 2019) and the first two quarters of fiscal year 2020 (though December 31, 2019). Based on

discussions during the City Council's 2019 budget approval process, Beginning in 2020 budget preparation The City Staff will develop the 2020 budget with the intentions of future funding for these types of services will be competitively bid pursuant to the City's procurement policies and that funding authorization will continue to be contingent upon the existence of sufficient excess parking revenue, or the identification of a new funding sources and budget approval of the City Council. Attached to the contract is an example of the types of services to be provided by the Walton Arts Center during the term of this contract. The estimated cost to the Walton Arts Center for providing these services for calendar year 2019 is \$973,874.

**BUDGET/STAFF IMPACT:**

This contract will utilize the \$250,000 of funding designated for arts vitality, which was approved in the 2019 Parking Budget.

**Attachments:**

WAC Contract for Educational Services

Exhibit A – WAC Schedule of City Services Provided for 2018

## CONTRACT

FOR THE PROVISION OF EDUCATIONAL, ENTERTAINMENT AND ADMINISTRATIVE SERVICES FOR CITIZENS OF THE CITY OF FAYETTEVILLE, ARKANSAS TO BE PROVIDED BY THE WALTON ARTS CENTER COUNCIL, INC.

THIS CONTRACT made and entered by and between the City of Fayetteville, Arkansas, an Arkansas municipal corporation, and the Walton Arts Center Council, Inc., and Arkansas nonprofit corporation, WITNESSESSTH:

IN CONSIDERATION of the mutual promises and obligations of the parties contained herein, and other good and valuable consideration, **the City of Fayetteville and the Walton Arts Center Council, Inc. hereby agree** as follows:

1. The City of Fayetteville agrees to purchase educational services for its citizens, discounted and free tickets for its citizens, discounted space and administrative services for its citizen/artists and other educational and entertainment services for its citizens in 2019.
2. The Walton Arts Center Council, Inc. agrees to provide educational services for Fayetteville citizens, discounted and free tickets for Fayetteville citizens, discounted space and administrative services for Fayetteville citizens/artists and other educational and entertainment services for Fayetteville citizens. These services are more particularly described in the *Walton Arts Center Schedule of City Services Provided for Calendar Year 2018* attached as Exhibit 1.
3. To accomplish both the goals of Fayetteville and the Walton Arts Center, Fayetteville agrees to pay Walton Arts Center, and Walton Arts Center agrees to accept quarterly payments of Sixty-Two Thousand Five Hundred Dollars (\$62,500) on or before January 1, April 1, July 1, and October 1 each year the contract is in effect for services identified in paragraph 2 above.
4. The term of this Contract shall be one (1) year from January 1, 2019 to December 31, 2019 and shall cover the final two quarters of the Walton Arts Center's 2018-2019 fiscal year and the first two quarters of the 2019-2020 fiscal year. Both parties may terminate this contract without penalty by giving the other party thirty (30) days written notice of its intent to terminate. For purposes of notice required by this paragraph, notice shall be sent by the parties via first-class U.S. Mail to the addresses indicated below, or otherwise delivered to the administrative office of the other party:

To Fayetteville:

City of Fayetteville  
Mayor's Office  
113 W. Mountain St.  
Fayetteville, AR 72701

To the Walton Arts Center:      The Walton Arts Center Council, Inc.  
c/o Walton Arts Center Executive Director  
P.O. Box 3547  
Fayetteville, AR 72702-3547

5. The Walton Arts Center shall invoice Fayetteville quarterly for services provided herein. Payments by Fayetteville shall be made within thirty (30) days of the receipt of the Walton Arts Center invoice.
6. Changes, modifications or amendments to the scope, price or fees dictated by this Contract shall not be allowed without a prior formal Contract amendment approved by the Mayor and the City Council of Fayetteville **in advance** of the change.
7. Freedom of Information Act: City contracts and documents prepared while performing city contractual work are subject to the Arkansas Freedom of Information Act (FOIA). If a FOIA request is presented to Fayetteville, the Walton Arts Center will do everything possible to provide the documents in a prompt and timely manner as prescribed in the FOIA (Ark. Code Ann. § 25-19-101, *et seq.*). Only legally authorized photocopying costs pursuant to the FOIA may be assessed for this compliance.
8. Jurisdiction: Legal jurisdiction and venue for the resolution of any legal or equitable disputes arising under this Contract lie exclusively in the Circuit Court of Washington County, Arkansas.

**THE WALTON ARTS CENTER  
COUNCIL, INC.**


**CITY OF FAYETTEVILLE,  
ARKANSAS**

By:  \_\_\_\_\_  
**Authorized Agent**

By: \_\_\_\_\_  
**Lioneld Jordan, Mayor**

Date: December 4, 2018

Date: \_\_\_\_\_

WITNESS:  \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
**Sondra E. Smith, City Clerk-Treasurer**

**Walton Arts Center  
Schedule of City Services Provided  
For Calendar Year 2018**

**Net Cost**

**Learning & Classroom**

WAC learning programs directly served thousands of children this year from Fayetteville schools - many of whom would not otherwise have access to performing arts programs. In addition, WAC provided teacher development programs in Fayetteville school classrooms to improve learning which will impact thousands of students.

<i>Classroom Series ticket price subsidy</i>	\$	55,731
<i>Bus transportation subsidy</i>	\$	3,364
<i>In-school residencies and teacher development</i>	\$	21,000

**Public Performances**

Performances in Fayetteville that will be either free to the attendees or have a subsidized ticket price of \$10 or less, including Artosphere Festival and 10x10 events. Visual arts exhibitions are free and support local artists as well as bringing nationally prominent artists to Fayetteville.

<i>Take-A-Seat ticket giveaways - free tickets for social service groups in Fayetteville</i>	\$	2,940
<i>Free or subsidized (\$10 or less ticket price) events and performances</i>	\$	542,845
<i>Visual arts - free exhibits</i>	\$	10,706

**Community Support**

Walton Arts Center subsidizes rent and professional services (marketing, PR, administration) for growing local arts organizations to promote a strong cultural infrastructure in the City of Fayetteville. These include TheatreSquared, Community Creative Center, Symphony of Northwest Arkansas, and Trike Theatre.

<i>Resident company lease subsidies, marketing support, and provided box office and ticketing services</i>	\$	337,287
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<b>Total Net Cost of Services Provided</b>	<b>\$</b>	<b>973,874</b>
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\*Estimates for calendar year 2018 based on actual costs from WAC's fiscal year 2018 (July 1, 2017-June 30, 2018)