



The Corporation of the Town of Tecumseh

Parks & Recreation Services

To: Mayor and Members of Council

From: Kerri Rice, Manager Recreation Programs & Events

Date to Council: May 28, 2019

Report Number: PRS-2019-05

Subject: All Canadian Entertainment Contract for the 2019 Corn Festival

Recommendations

It is recommended:

That an Agreement **be entered** into with All Canadian Entertainment for the purpose of providing the Midway Carnival for the 2019 Tecumseh Corn Festival, at the rates set out below:

25% of the Ride Gross less HST
50% of the Concession Revenue or \$5,000, whichever is greater
\$2,500 for Advertising
100 VIP Passes

And that the Agreement include an option for renewal for the 2020 Tecumseh Corn Festival provided that the terms and conditions as outlined in Section 4.8 of Policy Number 17, Purchasing Policy have been met;

And further that By-Law No. 2019-43 authorizing the Mayor and Clerk to execute the Agreement with All Canadian Entertainment, for the purpose of providing the Midway Carnival for the 2019 and 2020 Tecumseh Corn Festival, at the rates set out above, **be adopted**.

Background

Over the years, the Town of Tecumseh has entered into agreements with Carter Shows Limited to supply and operate amusement rides for the Tecumseh Corn Festival. In 2012, a five-year agreement was entered into under which Carter agreed to supply and operate 15 or more amusement rides and concessions at Lacasse Park on the weekend prior to Labour Day

weekend for the years 2012 to 2016. In return, Carter agreed to provide 20% of the ride gross, 50% of the concession rent, plus \$2,500 for advertising.

Following the 2016 Festival, the Town was exploring options to transition the operations of the Corn Festival to an outside organization, therefore a one-year extension was negotiated with Carter Shows Ltd for the 2017 Corn Festival. After attempts to secure an outside community group or organization to take over the operations of the Corn Festival were unsuccessful, Council directed that the 2018 Corn Festival be managed by the Parks and Recreation Department as a department program and as an alcohol-free, 3-day event.

At the Regular Council Meeting on March 27, 2018, the Members directed the following (RCM-59/08):

That an Agreement be entered into with Carter Shows Limited for the purposes of providing the Midway Carnival for the 2018 Tecumseh Corn Festival, at the rates set out below:

25% of the Ride Gross less HST;
50% of the Concession Revenue or \$5000, whichever is greater;
\$2,500 for Advertising;
100 VIP Passes;

And that the Clerk be directed to prepare a By-Law for Council's consideration at their next regular public meeting to authorize the Mayor and Clerk to execute an Agreement with Carter Shows Limited for the purposes of providing the Midway Carnival for the 2018 Tecumseh Corn Festival, at the rates set out above, satisfactory in form and content to the Town's Solicitor.

On November 13, 2018, Administration provided a Post Event Report to the Members respecting the 2018 Tecumseh Corn Festival. The report summarized the successes and challenges of the festival. The report indicated that the inclement weather experienced on the Saturday of the festival weekend negatively affected the festival's overall attendance levels and overall revenues, including the carnival revenue.

At the Regular Council Meeting on November 13, 2018, the Members directed the following (RCM-240/18):

That Parks and Recreation Services Report PRS-2018-22 respecting the 2018 Tecumseh Corn Festival Post Event Report be received;
And that as long as the Tecumseh Corn Festival continues, it will be an alcohol-free 3-day event managed by the Parks and Recreation Department.

Comments

In May 2019, Administration received notification from Mr. Bruce Brock, owner of Carter Shows Limited, that he has decided to retire from the midway carnival business and has sold its equipment to another midway provider - All Canadian Entertainment [ACE] - and that ACE would be taking on the shows previously provided by Carter Shows Limited. Mr. Brock informed Administration that the owner of ACE, Mr. Geordie Todd, is a former employee of

Carter Shows Limited and that Mr. Todd and ACE is familiar with the operating needs of the Tecumseh Corn Festival.

Since receiving this notification, Administration has been in communication with Mr. Todd as it relates to the requirements of the 2019 Tecumseh Corn Festival. Mr. Todd has provided Administration with a copy of the business license and Certificate of Incorporation for ACE. Mr. Todd has agreed to the same terms and conditions previously agreed upon by Carter Shows Limited as they relate to the Tecumseh Corn Festival including:

- Provide 15 (or more) amusement rides for the Tecumseh Corn Festival
- Ensure the premises used by ACE will be kept clean and sanitary
- Provide the Town 25% of the Ride Gross less HST
- Provide the Town 50% of the Concession Revenue or \$5000, whichever is greater
- Provide the Town \$2,500 for Advertising
- Provide the Town with 100 VIP Passes

Purchasing Policy:

Section 3.9 Non-Competitive Purchases

- a) The requirement for competitive bid solicitation for goods, services and construction may be waived under joint authority of the appropriate Department Director and the Purchasing Coordinator and replaced with negotiations by the Department Director under the following circumstances:
 - II. where due to abnormal market condition, the goods, services or construction required are in short supply;
 - III. where only one source of supply would be acceptable and cost effective;
 - IV. where there is an absence of competition for technical or other reasons and the goods, services or construction can only be supplied by a particular supplier and no alternative exists

Section 4.8 Exercise of Contract Renewal Options

- a) Where a contract contains an option for renewal, the Department Director may exercise such option provided that all of the following apply:
 - a. The supplier's performance in supplying the goods, services or construction is considered to have met the requirements of the contract;
 - b. The Department Director and the Purchasing Officer agree that the exercise of the option is in the best interest of the Town;
 - c. Funds are available in appropriate accounts within Town Council approved budget including authorized revisions to meet the proposed expenditure; and
 - d. A valid business case has been completed.
- b) Where a contract does not contain an option for renewal, the Department Director may consider an extension for no more than the term of the original contract provided that all of the criteria as outlined in 4.8 a) apply. The extension in this case to be approved by Council.

- c) The business case shall be authorized by the Department Director and shall include written explanation as to why the renewal is in the best interest of the Town and include comment on the market situation and trend.

Through research with other festivals of similar size, Administration is of the opinion that the proposed contract prices represent a competitive fee for this service. In addition, Administration reviewed the schedules of other competitive amusement supplier/operators and notes that their services are already scheduled for other events the weekend of the 2019 Tecumseh Corn Festival.

Taking into consideration the limited availability of other midway operators to service the 2019 Tecumseh Corn Festival, as well as the recommendation by the festival's former midway operator, it is Administration's recommendation that a contract be negotiated with ACE to provide the midway operations for the 2019 Tecumseh Corn Festival.

The terms and conditions of this agreement between the Town of Tecumseh and All Canadian Entertainment are found in By-Law No. 2019-43.

Consultations

Financial Services
Corporate Services & Clerk

Financial Implications

The chart below reflects annual revenue from the last four years as it relates to the contract with Carter Shows Limited.

	Ride Gross	Advertising	Concession	Total	Comments
2015	\$ 21,515.49	\$ 2,500.00	\$ 5,000.00	\$ 29,015.49	4-day event with alcohol
2016	\$ 13,984.96	\$ 2,500.00	\$ 5,000.00	\$ 21,484.96	4-day event with alcohol
2017	\$ 21,334.74	\$ 2,500.00	\$ 3,061.00	\$ 26,895.74	4-day event with alcohol
2018	\$ 11,558.19	\$ 2,500.00	\$ 3,186.00	\$ 17,244.19	3-day event no alcohol

Although the 2018 Festival budget included \$25,000 revenue for the carnival, the inclement weather during the festival weekend negatively impacted the festival's overall revenues including the carnival revenue.

The 2019 Corn Festival budget includes \$25,000 revenue for the midway carnival.

Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☒

Website ☐ Social Media ☐ News Release ☐ Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Kerri Rice
Manager Recreation Programs & Events

Reviewed by:

Paul Anthony, RRFA
Director Parks & Recreation Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
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None	
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