

To: James L. App, City Manager
From: Mike Compton, Director of Administrative Services
Subject: Special Event Appropriations
DATE: March 18, 2003

Needs:

For the City Council to consider adoption of a resolution providing budget appropriations for special event overtime by city staff.

Facts:

1. The City has an adopted policy of reviewing City fees in relation to service costs.
2. In fiscal year 2002, the Council appointed an ad hoc committee for the specific purpose of reviewing options for recouping the cost of City services provided for special events.
3. The results of the ad hoc committee were presented to the Council at their May 7, 2002 regular meeting.
4. The recommendation of the ad hoc committee was to continue subsidizing the special events.
5. The Council agreed with the ad hoc committee's recommendation but also agreed to allocate additional budget appropriations from General Fund reserves to cover the direct departmental costs.
6. The estimated amount of the needed appropriation is \$40,600.

Analysis &
Conclusion:

The request simply fulfills the direction given by Council to "hold harmless" the budgets of the Police Department and Public Works for direct costs associated with special events.

Fiscal
Impact:

The four-year financial plan projection update presented to the Council on June 18, 2002 indicated, assuming a worst case scenario, that the General Fund would experience a \$(1,255,000) operating loss for fiscal year 2003. Since that presentation, the Council has approved the following additional General Fund budget appropriations:

Public Safety Staffing	\$124,000
Downtown Trash Receptacles	17,000
Paso VCB Incentive Payment	66,500
City Speed Zone Survey	15,000
Pacific Waste Services	188,000
Paso Robles VCB	19,000
Employee Group Health Benefits	77,000
MS Software Licensing	13,500
Salinas River Enhancement	5,000

These additional appropriations plus this request for \$40,600 would increase the projected General Fund deficit to \$(1,820,600).

Options:

- a. Adopt Resolution No. 03-xxx approving a budget appropriation in the amount of \$40,600 from General Fund reserves; or
- b. Amend, modify, or reject the above option.

RESOLUTION NO. 03-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
APPROVING A BUDGET APPROPRIATION FOR SPECIAL EVENTS

WHEREAS, the Council appointed an ad hoc committee to review whether or not City fees should be assessed for to cover City costs for special events; and

WHEREAS, the ad hoc committee recommended that the City continue subsidizing special events given their importance to the community and their revenue generating impacts e.g. sales taxes and transient lodging taxes; and

WHEREAS, the Council further determined that the operating budgets of the affected departments should be held "harmless" for the direct costs associated with managing and holding special events.

THEREFORE BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles to approve a recurring budget appropriation from General Fund reserves in the amount of \$40,600 to be distributed among the following budget accounts as follows:

Parks Division	100-310-5103-178	\$ 7,400
Streets Division	100-310-5103-162	5,600
Police Department	100-210-5103-136	27,600

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 18th day of March 2003 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

INTEROFFICE MEMORANDUM

TO: DUANE PICANCO, GEORGE FINIGAN
FROM: GARY PERRUZZI, DENNIS CASSIDY
SUBJECT: SPECIAL EVENT ANALYSIS
DATE: 3/12/2003

As special events coordinator for the City of Paso Robles, it is my job to serve as the chairperson for special events sponsored by the City, and as the City's representative on the committees of those events sponsored independently, but utilizing City facilities. I, as well as the Paso Robles Police Department, have recently expressed concerns regarding special event issues. These issues refer to City policy and procedures as it relates to public/staff safety, and impacts on department budgets.

The public/staff safety issue concerns refer for the most part to the Police Department and their ability to provide for the public and their staff's safety during special events. Ensuring public safety is the responsibility of the public safety entities within a specific jurisdiction. In the City of Paso Robles, the Police and Department of Emergency Services are charged with that responsibility. Protection of life and property and improving quality of life is their mission.

Special events and planned activities create special needs above and beyond the normal scheduled resource deployment of City personnel and services that routinely seek to meet this mission. The number of additional personnel and services needed to ensure public safety at special events is determined by a number of factors. Those factors include, but are not limited to, the following: type of event, size of event, time and duration of event, alcohol and entertainment factors, conflicting events scheduled at the same time and history of the event. The amount of resources necessary to ensure public safety at special events must be determined by those providing that service, based on the above factors and the experience of the public safety professionals. For example, the West Coast Kustom Memorial Day Cruise and Car Show has changed dramatically from year to year in its numbers of both participants and spectators, and now requires outside agencies to assist in monitoring the event. Most special events are showing a rise in both participation and attendance, which impacts the City's ability to host such events with current staff.

There is also a considerable impact on department budgets. Attached please find a breakdown per event for expenses incurred for labor and materials for all special events not held during regular scheduled workdays.

There are several options that may be considered in order to provide for safer events for staff and the public, as well as for funding the staff needed to police and maintain these events. These options result in implications that may determine which will be considered for implementation.

Safety

Option: Work with the event promoters to reduce/control the size of the event and promote adherence to the entry criteria. For the Memorial and Labor Day car shows, criteria is established and enforced by West Coast Kustoms. It provides that all vehicles registered must be of 1961 vintage or older, that each vehicle registered must be accompanied by a photograph to insure compliance and that all vehicles registered must be complete, with no “under construction” cars allowed. For other events, criteria may be nothing more than confining the event to the area established by the City. That may determine the amount of attendees for static events (ex: festivals) that use City facilities, or entrants for mobile events (ex: parades) that require approved street closures.

Implications: Reducing the size of events may result in the promoter losing the break event point with regards to expenditures to put on the event. Promoters will insist on setting the cap. If their numbers are not acceptable to the City, then the possibility of the event seeking a new venue increases. If a major event is lost, it would follow that the Chamber of Commerce and Main Street will document loss of revenue by City merchants. At this point the decision will have to be made by the City as to whether compromising public and staff safety is offset by the desire to increase revenues.

Option: Allow events to expand in scope, participation and attraction of spectators regardless of impacts in order to be customer friendly to the promoters, participants and co-sponsoring organizations (Chamber, Main. St.).

Implications: With expansion of events and elimination of any type of control over how they expand, the City puts itself in the position of not being able to effectively police and maintain sites given current staffing levels. The result will make it necessary to seek outside assistance from public safety organizations.

Budget

Option: The City can continue to provide a 100 percent subsidy for all special events. This subsidy would include, but may not be limited to, funding all overtime required to police and maintain the event, and providing support materials for event operations (restrooms, trash bins, barricades, posting).

Implications: Current department overtime budgets (DPW) have become exhausted on or before May 1st in the last 2 fiscal years, meaning the major events in May are worked without an overtime budget. The Police budget expends approximately 15 percent of their overtime budget on the Memorial Day car show alone. There would continue to be a tremendous impact on department budgets with this option remaining in place. DPW could eliminate the special event overtime by adjusting schedules that would cause staff to work the events as part of their 40 hour work week, supplementing their weekday time off with part time staff.

Option: The City can approve budget appropriations to increase the overtime line item.

Implications: Appropriation of funds may do nothing more than assure that the overtime line item will not go in the red. Appropriations will come out of the General Fund.

Option: The City can create a special events budget separate from department maintenance and operations.

Implications: Using the cost estimates attached, a budget can be initiated to cover all costs associated with special events. Existing DPW overtime budgets could probably be decreased proportionately. This option will allow the City to better track actual expenditures for special events. Appropriations will come out of the General Fund.

Option: The City can institute a cost recovery program that would charge events promoters fees that would offset City expenditures. The fees could be any percentage of actual costs.

Implications: Depending on fee percentage charges to event promoters, there is a real risk that the promoters may decide on a change of venue. This would of course be limited to those events that can move. For example, a Paso Robles air show could not move locations, nor could a Vine St. event, and so on.

SPECIAL EVENTS (DPW)

Easter Egg Hunt

Date: week before Easter

Sponsor: Main Street

Parks: 1 staff MSII – 4 man hours @ 23.19	92.76	92.76
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Materials - 1 cs. can liners @ 23.49	(23.49)	
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No facility use fee.

No event fees paid to DPW.

Cinco de Mayo

Date: first week of May

Sponsor: Migrant Education Program

Parks: 1 staff MSII – 6 man hours @ 23.19	139.14	139.14
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Materials – 2 cs. can liners @ 23.49	(46.98)	
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No facility use fee.

No event fees paid to DPW.

Wine Festival

Date: May 19th (2001)

Sponsor: PRVGA

Parks: 6 staff MSII – 60 man hours @ 23.19	1391.40	
2 staff MSIII – 20 man hours @ 25.74	514.80	1906.20

Streets: 2 staff MSII – 5 man hours @ 23.19	115.95	
2 staff MSIII – 5 man hours @ 25.74	128.70	244.65

Materials – 8 cs. can liners @ 23.49	(187.92)	
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No facility use fee.

No event fees paid to DPW.

PRVGA pays for:

35 portable restrooms	(1750.00)
4 wash stations	(240.00)
2 roll-off trash bins	(216.30)

WCK (Memorial Day)

Date: May 25, 26, 27 (2001)

Sponsor: West Coast Kustoms Car Club

Friday cruise

Streets: 2 staff MSIII – 16 man hours @ 25.74	411.84	
4 staff MSII – 24 man hours @ 23.19	556.56	968.40

Saturday show

Parks: 2 staff MSIII – 12 man hours @ 25.74	308.88	
4 staff MSII – 24 man hours @ 23.19	556.56	865.44

Streets: 2 staff MSII – 10 man hours @ 23.19	231.90	231.90
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Sunday show

Parks: 2 staff MSIII – 12 man hours @ 25.74	308.88	
4 staff MSII – 20 man hours @ 23.19	463.80	772.68

Streets: 2 staff MSII – 10 man hours @ 23.19	231.90	231.90
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Materials – 8 cs. can liners @ 23.49 (187.92)

No facility use fee.

No event fees paid to DPW.

WCK pays for: 12 portable restrooms (600.00)
2 wash stations (120.00)
2 roll-off trash bins (216.30)

Volkswagon Car Show

Date: first week of June

Sponsor: VVCA

Parks: 1 staff MSII – 5 man hours @ 23.19	115.95	115.95
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Materials – 1 cs. can liners @ 23.49 (23.49)

No facility use fee.

No event fees paid to DPW.

WCK (Labor Day)

Date: Aug 31, Sept. 1, 2 (2001)

Sponsor: West Coast Kustom Car Club

Friday cruise

Streets: 2 staff MSIII – 16 man hours @ 25.74	411.84	
4 staff MSII – 24 man hours @ 23.19	556.56	968.40

Saturday show

Parks: 2 staff MSIII – 10 man hours @ 25.74	257.40	
4 staff MSII – 20 man hours @ 23.19	463.80	721.20

Streets: 2 staff MSII – 10 man hours @ 23.19	231.90	231.90
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Sunday show

Parks: 2 staff MSIII – 8 man hours @ 25.74	205.92	
4 staff MSII – 20 man hours @ 23.19	463.80	669.72

Streets: 2 staff MSII – 10 man hours @ 23.19	231.90	231.90
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Materials – 5 cs. can liners @ 23.49 (117.45)

No facility use fee.

No event fees paid to DPW.

WCK pays for: 10 portable restrooms (500.00)
2 wash stations (120.00)
2 roll-off trash bins (216.30)

Paso Robles Air Show

Date: Sept. 9 (2001)

Sponsor: Estrella Warbirds Museum

Airport: 1 staff MSIII – 40 man hours @ 25.74	1029.60	1029.60
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No facility use fee.

Event fee paid to City (approx. 2500.00 – Airport Ent. Fund).

Family Fun Day and Fun Run

Date: Sept. 30 (2001)

Sponsor: Heritage Oaks Bank, LRS.

Parks: 2 staff MSII – 14 man hours @ 23.19	324.66	324.66
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Streets: 2 staff MSIII - 16 man hours @ 25.74	411.84	
2 staff MSII – 16 man hours @ 23.19	371.04	782.88

Materials – 2 cs. can liners @ 23.49 (46.98)

No facility use fee.

No event fees paid to DPW.

HOB pays for: 7 portable restrooms (350.00)
1 wash station (60.00)
1 roll-off trash bin (108.15)

Golden Oak Festival

Date: Oct. 20 (2001)

Sponsor: Main Street

Parks: 1 staff MSII – 4 man hours @ 23.19 92.76 **92.76**

Streets: 1 staff MSII – 4 man hours @ 23.19 92.76 **92.76**

Materials – 2 cs. can liners @ 23.49 (46.98)

No facility use fee.

No event fees paid to DPW.

Pioneer Day

Date: Oct. 6 (2001)

Sponsor: Pioneer Day Committee, City.

Parks: 2 staff MSIII – 16 man hours @ 25.74 411.84
6 staff MSII – 48 man hours @ 23.19 1113.12 **1524.96**

Streets: 2 staff MSIII – 10 man hours @ 25.74 257.40
2 staff MSII – 10 man hours @ 23.19 231.90 **489.30**

Materials – 8 cs. can liners @ 23.49 (187.92)

No facility use fee.

No event fees paid to DPW.

Pioneer Day Committee pays for: 12 portable restrooms (480.00)
2 wash stations (120.00)
2 roll-off trash bins (216.30)

Light Up the Town

Date: Nov. 23 (2001)

Sponsor: Main Street

Streets: 4 staff MSII – 8 man hours @ 23.19 185.52 **185.52**

No facility use fee.

No event fee paid to DPW.

Vine Street Showcase

Date: Dec. 8 (2001)

Sponsor: Main Street

Parks: 2 staff MSII – 4 man hours @ 23.19 92.76 **92.76**

Streets: 2 staff MSIII – 10 man hours @ 25.74 257.40
4 staff MSII – 20 man hours @ 23.19 463.80 **721.20**

No event fees paid to DPW.

Christmas Parade

Date: Dec. 1 (2001)

Sponsor: Main Street

Parks: 1 staff MSII – 2 man hours @ 23.19	46.38	46.38
Streets: 2 staff MSII – 8 man hours @ 23.19	185.52	185.52

No facility use fee.

No event fees paid to DPW.

Parks Division: \$4000.00 adopted overtime budget
\$7364.61 potential special event expenditures

Street Division: \$5100.00 adopted overtime budget
\$5566.23 potential special event expenditures

Airport Div: \$6500.00 adopted overtime budget
\$1029.60 potential special event expenditures

The MOU that is in effect for SEIU members does allow for compensatory time off for employees in lieu of any cash payment for overtime. However, if all employees opted for cash payment for all special event overtime worked, then the allotted overtime funds would become exhausted without consideration given to all other situations that would require staff to work after hours. Examples of those situations would be storm related problems, facility/mechanical maintenance, traffic accidents, etc. that staff would be called out to work on.

SPECIAL EVENTS (POLICE)

Easter Egg Hunt

Date: week before Easter

Sponsor: Main Street

CVP: 5 staff – 15 man hours @ 0.00		
Expl: 6 staff – 18 man hours @ 0.00		
DARE: 1 staff – 3 man hours @ 54.40	163.20	163.20

Wine Festival

Date: May 19th (2001)

Sponsor: PRVGA

Officer: 8 staff – 52 man hours @ 54.50	2828.80	
CSS: 1 staff – 3 man hours @ 34.11	102.33	2931.13
CVP: 4 staff – 20 man hours @ 0.00		
Expl: 8 staff – 64 man hours @ 0.00		

WCK (Memorial Day)

Date: May 25,26,27 (2001)

Sponsor: West Coast Kustoms Car Club

Friday cruise

Officer: 8 staff – 48 man hours @ 54.40	2611.20	
CSS: 1 staff – 6 man hours @ 34.11	204.66	
CVP: 14 staff – 70 man hours @ 0.00		
Expl: 15 staff – 75 man hours @ 0.00		
Other: 13 staff – 78 man hours @ 54.40	4243.20	7059.06

Sat./Sun. show

Officer: 4 staff – 16 man hours @ 54.40	870.40	
CVP: 2 staff – 8 man hours @ 0.00		870.40

WCK (Labor Day DUI Checkpoint)

Date: Aug.31, Sept.1 (2001)

Sponsor: PRPD

Officer: 12 staff – 36 man hours @ 54.40	1958.40	
Expl: 10 staff – 30 man hours @ 0.00		1958.40

WCK (Labor Day)

Date: Aug 31, Sept.1, 2 (2001)

Sponsor: West Coast Kustoms Car Club

Friday cruise

Officer: 8 staff – 44 man hours @ 54.40	2393.60	
CSS: 1 staff – 5 man hours @ 34.11	170.55	

CVP: 14 staff – 56 man hours @ 0.00		
Expl: 8 staff – 32 man hours @ 0.00		
Other: 5 staff – 27.5 man hours @ 54.40	1496.00	4060.15

Sat./Sun. show

Officer: 4 staff – 16 man hours @ 54.40	870.40	870.40
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Paso Robles Air Show

Date Sept. 9th (2001)

Sponsor: Estrella Warbirds Museum

Officer: 5 staff – 40 man hours @ 54.40	2176.00	
CSS: 1 staff – 10 man hours @ 0.00		
Expl.: 13 staff – 195 man hours @ 0.00		
DARE: 1 staff – 3 man hours @ 54.40	163.20	2680.30

Family Fun Day and Fun Run

Date: Sept. 30 (2001)

Sponsor: Heritage Oaks Bank, LRS

Officer: 1 staff – 3 man hours @ 54.40	163.20	
CVP: 2 staff – 8 man hours @ 0.00		163.20

Pioneer Day

Date: Oct. 6th (2001)

Sponsor: Pioneer Day Committee, City of Paso Robles

Officer: 21 staff – 84 man hours @ 54.40	4569.60	
CSS: 1 staff – 8 man hours @ 34.11	272.88	
CVP: 10 staff - 40 man hours @ 0.00		
Expl.: 8 staff – 32 man hours @ 0.00		4842.48

Light Up the Town

Date: Nov. 23rd (2001)

Sponsor: Main Street

CSS: 1 staff – 2 man hours @ 34.11	68.22	
CVP: 5 staff – 10 man hours @ 0.00		68.22

Christmas Parade

Date: Dec. 1st (2001)

Sponsor: Main Street

Officer: 2 staff – 6 man hours @ 54.40	326.40	
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CSS: 1 staff – 4 man hours @ 34.11	136.44	
CVP: 14 staff – 42 man hours @ 0.00		
Expl.: 13 staff – 39 man hours @ 0.00		462.84

Vine Street Showcase

Date: Dec 8 (2001)

Sponsor: Main Street

Officer: 6 staff – 24 man hours @ 54.40	1305.60	
CSS: 1 staff – 4 man hours @ 34.11	136.44	
CVP: 5 staff – 20 man hours @ 0.00		
Expl.: 4 staff – 16 man hours @ 0.00		1442.04

PRPD: **\$27,571.82** special event annual expenditures.
 Figures do not include pre and post event meetings for CSS.
 Figures do not include posting of traffic control signs.

Total actual expenditures for City staff to work special events: **\$41,532.26**

TO: James L. App, City Manager
FROM: Gary Perruzzi, Recreation Services Manager
SUBJECT: Special Event Ad Hoc Committee Report
DATE: May 7, 2002

Needs: For the City Council to consider options for funding community special events.

- Facts:**
1. In the spring 2001, the City Council adopted a goal directing a complete review of City fees to cover service costs.
 2. On September 4, 2001, City Council appointed Councilmembers Duane Picanco and George Finigan to an ad hoc committee for the purpose of reviewing options for funding City staffing of/for community special events.
 3. A summary of City costs for major special events was reviewed along with information provided by the Paso Robles Visitors and Conference Bureau estimating City revenues generated from TOT and sales tax for these same events (cost analysis attached).

**Analysis
and**

Conclusion: A City Council appointed ad hoc Committee reviewed City policy pertaining to staffing City sponsored, co-sponsored and independent special events, and a cost analysis documenting expenditures of approximately \$42,000 a year for the Department of Public Works and Police Department for staffing 13 identified special events. These expenditures are generally incurred for staffing traffic control, park maintenance and police security, with an average expenditure of approximately \$3200 for services per event. The Committee expressed concerns that department maintenance and operation budgets were being impacted by special event staffing costs, and requested identification of costs specific to that staffing. After that information was presented to the Committee, they then compared it to figures provided by the Visitors and Conference Bureau identifying potential income from special events. It was discussed and determined by the Committee that there was a benefit to the community by way of increased special event tourism to the downtown area that outweighed staffing costs, and recommended that the full Council review and decide to what extent the City may continue to subsidize these events.

**Policy
Reference:** 2001 Council Goals.

**Fiscal
Impact:** Total expenditures identified for City staff to work special events are approximately \$42,000 per year.

- Options:**
- a. **(1)** Continue subsidizing all special events.
 - (2)** Continue subsidizing special events but adjust budgets to identify and allocate direct costs.
 - (3)** Institute a cost recovery program to recover special event expenditures.
 - b. Amend, modify or reject above options.

Attachments

Special event cost analysis