



Town of Simsbury

933 HOPMEADOW STREET

P.O. BOX 495

SIMSBURY, CONNECTICUT 06070

Thomas F. Cooke - Director of Administrative Services

BOARD OF SELECTMEN MEETING AGENDA SUBMISSION FORM

1. **Title of submission:** Terms of Agreement with the Hartford Symphony Orchestra
2. **Date of submission:** October 14, 2013
3. **Date of Board Meeting:** October 28, 2013

4. **Individual or Entity making the submission:**

Thomas F. Cooke – Director of Administrative Services

5. **Action requested of the Board of Selectmen (Acceptance of gift, creation of reserve, approval of contract, information only, etc. Be as specific as possible with respect to the desired action of the Board.):**

The Individual or Entity making the submission requests that the Board of Selectmen:

Review and approve the proposed terms of a revised two-year contract with the Hartford Symphony Orchestra for the Talcott Mountain Music Festival

6. **Individual(s) responsible for submission (Please include complete contact information. The identified individual(s) should be prepared to present information to the Board of Selectmen at the Board Meeting.):**

Thomas F. Cooke – Director of Administrative Services – (860) 658-3230

Robert Hensley – Chair, Performing Arts Center Board – (860) 678-1090

7. **Summary of Submission** (Include in your summary (i) relevant dates and timelines; (ii) parties involved; (iii) a description of financial terms and conditions specifically identifying the financial exposure/commitment of the Town of Simsbury; (iv) whether or not contracts, licenses and other legal documents have been reviewed by the Town's counsel; and (v) other information that will inform the Board of Selectmen's consideration of your submission. Include any additional information in an attached memorandum.):

Revenues and expenses for the Talcott Mountain Music Festival were carefully reviewed in preparation for negotiations with the Hartford Symphony Orchestra by Tom Cooke, Bob Hensley, Tom Vincent and Gerry Toner. The recommendations of the Webb Report were also taken into consideration.

Consistent with the recommendations of the Webb Report, the proposed terms include a significant reduction in the license fees paid by the Hartford Symphony in exchange for a significant increase in facility (per ticket) fees and several other new sources of revenue for the Town. Based on last year's numbers, this would lead to a reduction in revenue of approximately \$3,000. Proposed expense reductions for the Town exceed \$12,000. With the exchange of fixed fees for ticket fees, there is an increase in risk with an accompanying increase in the potential benefit.

As explained in the attached term sheet, the contract is for two years and can be assigned by the Town of Simsbury.

8. **Description of documents included with submission** (All documents must be in final form and signed by the appropriate party.):

The following documents are included with this submission and attached hereto:

Term Sheet

FOURTH AMENDED LICENSE AGREEMENT FOR
THE TALCOTT MOUNTAIN MUSIC FESTIVAL TO ACCESS
LAND OWNED BY THE TOWN OF SIMSBURY

Summary of Modified Terms

Term of Contract

Two year contract covering 2014 and 2015

Number of Performances

Changed from six concerts to five to reflect current practice. Number of performances can only be changed by mutual agreement of the parties.

HSO has requested the following dates for the 2014 season:

- Friday June 27 (rain date Saturday June 28)
- Thursday July 3 (rain date Friday July 4)
- Friday July 11 (rain date Saturday July 12)
- Friday July 18 (rain date Saturday July 19)
- Friday July 25 (rain date Saturday July 26)

Use of Premises by Outside Promoters During the Concert Season

The Town will pay the HSO \$1,500 for each concert by an outside promoter to spread the burden of payment for leased equipment.

License Fee

The License Fee is reduced from \$67,600 to \$30,000. The fee is payable in two \$15,000 installments. The first is due on March 1 of the season year and the second is due on May 1 of the season year. These and all other payments under the contract are subject to a 2% penalty for each 30 days that payment is delayed.

Facility Fees

Facility fees are increased from \$2.00 to \$3.50 for adults. The facility fee for children twelve years and under shall be \$1.00.

In addition to all tickets sold, the facility fees shall apply to tickets provided to HSO cash sponsors who receive tickets as part of their sponsorship benefits. Sponsors who are provided complementary tickets for services in kind are not included in the facility fee calculation.

Financial Verification

Licensors shall have the right to inspect the sales records of Licensee in connection with Talcott Mountain Music Festival concert results and shall be provided with any and all reports prepared by Licensee for its Board of Directors and auditors. This right is limited to the right to verify the total number of tickets sold or provided to sponsors for Talcott Mountain Music Festival concerts.

Concessions and Beer and Wine Sales

The Town has the right to sell beer and wine (HSO patrons may continue to bring their own) in addition to other concessions. All proceeds shall go to the Town.

Parking

HSO will have control over parking, including sales of on-site parking spaces. HSO has agreed to share 50% of the proceeds from parking sales.

Fireworks

The Town will seek a sponsor for fireworks displays and related costs but is not responsible for the cost of presenting fireworks displays.

Venue Sponsors

The Town may seek venue sponsors with the understanding that the Town and the HSO will work together to maximize sponsorship values to both parties.

Assignment

The Town reserves the right to assign its rights and responsibilities under the contract.