

**CITY OF GREAT FALLS, MONTANA**

**AGENDA # 22**

**A G E N D A   R E P O R T**

**DATE September 2, 2003**

**ITEM**    Lease Agreement – ExpoPark Ticketing System

**INITIATED BY**    Fiscal Services

**ACTION REQUESTED**    Approve Lease Agreement between City of Great Falls and SMG

**PRESENTED BY**        Coleen Balzarini, Fiscal Services Director

**RECOMMENDATION:** Staff Recommends the City Commission approve the Lease Agreement.

**MOTION:** I move the City Commission approve the Lease Agreement for the ticketing system at the ExpoPark with SMG for \$1,830 per month for a period of time not to exceed six months, beginning July 1, 2003.

**SYNOPSIS:**    The City owns the ticketing system work stations necessary to assign seating and sell tickets at the ExpoPark and SMG desires to lease said ticketing systems for \$1,830 per month for a period of time not to exceed six months, beginning July 1, 2003.

**BACKGROUND:** The City installed the ticketing system while managing the ExpoPark. The City retained ownership of the ticketing system per the Termination and Transition Agreement between the City and Cascade County/SMG, dated December 17, 2002. Cascade County leased the ticketing system from January 1, 2003 through June 30, 2003 for \$1,830 per month. SMG would like to continue using the ticketing system pending a longer term plan. SMG has indicated that they are interested in going out for bids for ticketing services. Civic Center Events is in communication with SMG regarding this issue.

The City entered into an installment loan with Wells Fargo for the ticketing system on April 4, 2000. The final maturity date of the loan will be April 4, 2010. The City had an ending balance of \$76,221 on the loan as of June 30, 2003. The budgeted debt service for FY 2004 is \$13,858.

## **LEASE AGREEMENT**

This Lease Agreement, made and entered into as of the 23<sup>rd</sup> day of August, by and between SMG and the City of Great Falls;

### **WITNESSETH:**

**WHEREAS**, SMG has entered into Agreements with the County of Cascade to assume the operation and management of Cascade County Fairgrounds from and after January 1, 2003; and,

**WHEREAS**, The City owns ticketing system work stations necessary to assign seating and sell tickets at the Cascade County Fairgrounds; and,

**WHEREAS**, SMG desires to lease said ticketing systems for a period of time not to exceed six (6) months;

**NOW, THEREFORE**, the Parties hereto do hereby covenant as follows:

- 1) The City shall lease to SMG the ticketing work stations necessary to assign seating and sell tickets at the Cascade County Fairgrounds.
- 2) The term of lease shall begin July 1, 2003, and continue from month to month until said lease is terminated by mutual agreement of the parties but in any event, not to exceed six months from and after initiation of the lease.
- 3) SMG shall pay \$1,830 per month in consideration of the lease with the first payment due on or before July 1, 2003 and a like amount on the first day of each month thereafter for so long as the lease continues in effect.

4) Time is of the essence on this Agreement and each and every provision thereof. Should SMG default for a period of fifteen (15) days on any or all payments set forth above, then, and in that event, the full amount of delinquent rental payments shall become immediately due and payable to the City. Should it be necessary for either party to take any legal action to enforce this Agreement, the prevailing party shall be entitled to attorney fees and costs of litigation as allowed under Montana Law.

5) SMG shall hold harmless and indemnify the City for and against any and all claims, demands, or liability arising subsequent to July 1, 2003, and arising out of SMG's lease of the subject ticketing system. The City shall hold harmless and indemnify SMG for and against any and all claims, demands, or liability arising prior to July 1, 2003, and arising out of the City's use of the subject ticketing system.

6) Upon termination of the lease, SMG shall return the ticketing systems work stations in as good condition as received, reasonable wear and tear alone accepted.

7) The above stated provisions constitute the entire lease between the parties hereto and shall be binding upon their successors and assigns.

**IN WITNESS WHEREOF**, the parties hereto have caused this Lease Agreement to be executed as of the day and year above written.

SMG

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Bill Ogg, MT ExpoPark General Manager

CITY OF GREAT FALLS

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City Manager

ATTEST:

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Melodi A. Wald, Deputy City Clerk

(SEAL OF THE CITY)

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Approved as to Legal Content: City Attorney