



City Manager's Report
May 10, 2016 City Council Meeting
Prepared By: M. Cleve Morris
Item#: 8.5

Subject: Adopt a Resolution Authorizing the Director of Finance to Reimburse the Gold Bug Park Development Committee \$16,381.31 for the Gift Shop Inventory in Accordance with the Agreement with the Gold Bug Park Development Committee.

Background: On January 27, 2015, the City Council approved an agreement with the Gold Bug Park Development Committee to take over operations of the Gift Shop. As part of that agreement, the City agreed to reimburse the Committee for the value of the gift shop inventory. The agreement specified that the payments would be made to the Committee over a 5-year period. The first payment was to be made on September 30, 2015.

Discussion: Staff has been in discussions with the Committee regarding that payment. We are proposing that we repay the entire amount at this time rather than make payments over the five year period.

Options:

1. Make the full payment in the amount of \$16,381.31.
2. Direct Staff to make the first payment required by the contract and continue for the next 5 years.
3. Direct staff to make some alternate partial payment.

Cost: Cost to payoff the full amount is \$16,381.31.

Budget Impact: The \$16,381.31 was placed in reserve during Fiscal Year 2014/2015, and no budget action is necessary.

Recommendation: Adopt a Resolution Authorizing the Director of Finance to Reimburse the Gold Bug Park Development Committee \$16,381.31 for the Gift Shop Inventory in Accordance with the Agreement with the Gold Bug Park Development Committee.

M. Cleve Morris, City Manager

Attachments:

Resolution
January 2015 Agreement
Inventory List

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACERVILLE
AUTHORIZING THE DIRECTOR OF FINANCE TO REIMBURSE THE GOLD BUG
PARK DEVELOPMENT COMMITTEE \$16,381.31 FOR THE GIFT SHOP INVENTORY**

WHEREAS, in January of 2015 the City entered into an agreement with the Gold Bug Park Development Committee for the City to take over operation of the Gold Bug Park Gift Shop; and

WHEREAS, part of that agreement requires the City to reimburse the Committee for the value of the gift shop inventory over a 5 year period; and

WHEREAS, on January 29, 2015 the City and the Gold Bug Park Development Committee agreed that the total value of the inventory was \$16,381.31; and

WHEREAS, the City desires to reimburse the full amount of the inventory.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the City Council of the City of Placerville hereby authorizes the Director of Finance to reimburse the Gold Bug Park Development Committee for the full value of the gift shop inventory in the amount of \$16,381.31 as soon as practicable.

The foregoing Resolution was introduced at a regular meeting of the City Council of the City of Placerville held on May 10, 2016, by Councilmember _____ who moved its adoption. The motion was seconded by Councilmember _____.
The motion was passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor Trisha Wilkins

ATTEST:

Regina O'Connell, Deputy City Clerk

RESOLUTION NO. 8272


RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF PLACERVILLE AUTHORIZING THE EXECUTION
OF AN AGREEMENT WITH THE GOLD BUG PARK
DEVELOPMENT COMMITTEE, INC.

BE IT, AND IT IS HEREBY RESOLVED by the City Council of the City of Placerville that the City Manager is authorized and directed to execute on behalf of the City of Placerville an Agreement with the Gold Bug Park Development Committee, Inc., a copy of which Agreement is attached hereto and by reference made a part hereof.

BE IT FURTHER RESOLVED that the previous agreement adopted by Resolution Number 7206 is terminated and replaced by this agreement.


The foregoing Resolution was introduced at a regular meeting of the City Council of the City of Placerville held on January 27, 2015, by Vice-Mayor Patton, who moved its adoption. The motion was seconded by Councilmember Thomas. A poll vote was taken which stood as follows:

AYES: Borelli, Clerici, Patton, Thomas, Wilkins
NOES: None
ABSTAIN: None
ABSENT: None



Mayor Patty Borelli

ATTEST:



Susan Zito, MMC, City Clerk

**AGREEMENT BETWEEN THE CITY OF PLACERVILLE
AND HANGTOWN'S GOLD BUG PARK DEVELOPMENT COMMITTEE, INC.**

This Agreement is entered into on January 27, 2015, by and between the CITY OF PLACERVILLE, a municipal corporation, hereinafter referred to as "City," and HANGTOWN'S GOLD BUG PARK DEVELOPMENT COMMITTEE, INC., a non-profit organization dedicated to the support of Gold Bug Park, hereinafter referred to as "Committee." This Agreement is made for the purpose of establishing responsibilities and roles towards a coordinated effort in the planning, development and operation of Hangtown's Gold Bug Park, hereinafter referred to as "Park." The Committee's public and charitable purposes are to operate a nonprofit organization to promote, improve, develop, fund, furbish, preserve historic structures, collect historic objects, provide educational exhibits, and further the use of the Park in cooperation with the City of Placerville.

A. Hangtown's Gold Bug Park Development Committee, Inc. agrees to do the following:

1. Take a supportive role in promoting, celebrating, enhancing the Park, and seek the input and concurrence of Committee with respect to the planning and development of Capital Improvement Projects and improvement programs.
2. Maintain a non-profit status for the benefit of the Park development process.
3. Assist City in fundraising for Park development purposes.
4. At least twice per year, prior to preparation of the City's mid-year and fiscal year budgets, Committee's Board of Directors shall provide a recommendation to the Director of Community Services for special programs and/or projects to be considered. At least one of the meetings shall occur no later than December 31st of any year.
5. Make recommendations to the Recreation and Parks Commission on matters related to the Park. The Committee shall bring matters to the attention of City staff relating to recommendations for improvements to Park services as well as conditions in the Park which are potentially dangerous and require attention. Such recommendations may be oral but also shall be in writing.
6. Be ambassadors of the Park in promotional/program opportunities.
7. In promoting the Park, the Committee shall assist the City in recruiting volunteers to assist with Park operations and special events.
8. The Committee shall maintain liability insurance for the Hangtown's Gold Bug Park Development Committee, Inc. and its members, when providing services for the Park, for at least \$1,000,000.00, and name the City of Placerville as additionally insured. The Committee shall ensure that its directors and officers who use their personal automobiles

for Committee business maintain automobile liability insurance for at least \$100,000 per person/\$300,000 per accident, and Property Damage: \$50,000 per accident.

9. Committee members and volunteers for the Committee providing services in the Park or other City facilities shall be subject to background checks to be administered by City at no cost to Committee.
 10. Committee members and volunteers for the Committee providing services in the Park or other City facilities shall execute the City's standard waiver and assumption of liability agreement.
 11. Committee will indemnify and hold harmless the City, its City Council, officers, agents and employees from and against all claims, damages, losses, demands, liability, costs and expenses, including attorney fees arising out of or resulting from Committee services. Committee, at its own expense and risk, shall defend any and all actions, suits, or other legal proceedings that may be brought or instituted against City, the Council members of its City Council, its officers, agents, and employees, for any such claimed damages, losses, demands, liabilities, costs or expenses. These indemnity and hold harmless provisions shall include, but are not limited to, claims by Committee members, volunteers for the Committee and other non-Committee members providing services for the Committee. Committee shall not be obligated to City hereunder to the extent that such injury, harm or damage is caused by City, its City Council, officers, agents or employees.
 12. Committee members may be City employees but may not be voting members of the Committee.
- B. The City of Placerville agrees to do the following:
1. Take primary responsibility for the planning, development, operation, and maintenance of all functions of the Park, including, but not limited to, supervision of volunteers, operations of the Gift Shop, mine tours, trail tours, stamp mill, blacksmith shop and Meagher House, and associated accounting services, beginning January 30, 2015.
 2. The Community Services Director or his/her representative and the Gold Bug Park Maintenance and Operations Specialist shall be non-voting members of the Committee.
 3. Maintain levels of employees and volunteers that promote quality and timely maintenance, programs and development opportunities within budget constraints, and support fundraising efforts by the Committee. City will provide maintenance in a reasonable and timely manner to the extent of its ability.
 4. The Community Services Director or his/her designee will meet with Committee's Board of Directors at least twice per year to provide Park progress reports and to discuss issues and future development opportunities. Meetings related to requests and recommendations for consideration in the City's budget shall occur prior to December 31st of each year.

5. City and Committee shall agree on a value for the inventory of the Gift Shop as of close of business on January 29, 2015. The City shall continue to maintain the inventory as long as the Gift Shop continues in operation. The City will return the value of the inventory as determined on January 29, 2015, to Committee. Such payment shall be made to Committee in equal annual installments over a five-year period, with the first payment due by September 30, 2015. The funds paid to the Committee by City shall be used by Committee exclusively for the benefit of the Park.
6. City agrees to contribute a minimum of \$5,000 annually from the Gift Shop operations to new improvement programs/projects for the Park as long as all of the following conditions are met each fiscal year:
 - a. Direct Gift Shop expenditures do not exceed 95% of Gift Shop revenues.
 - b. Total Park operation's direct costs do not exceed total park revenues.

This Gift Shop contribution shall be reserved by the City and restricted to new programs and projects benefiting the Park.

C. Effective Date; Term; Renewal; Amendments:

This Agreement shall become effective upon final execution by both parties hereto, and shall automatically renew *each year* after the initial year for additional one- (1) year terms, upon the same terms and conditions set forth herein. Either party may terminate this Agreement by giving written notice to the other party sixty (60) days prior to the end of any term year of their intent to not renew the Agreement for the succeeding year. Amendments to this Agreement may be made at such times as approved by both parties hereto, and shall be in writing. Service shall be deemed completed when deposited in U.S. registered mail or personally delivered.

CITY OF PLACERVILLE:

By: M. Cleve Morris
M. Cleve Morris, City Manager

Date: 2/3/15

HANGTOWN'S GOLD BUG PARK
DEVELOPMENT COMMITTEE, INC.

By: Charles Basham
Print name: CHARLES BASHAM

Date: 2-3-15

Gold Bug Park Gift Shop
 Closing Inventory 2014
 Inventory Completed 01/29/15
 Summary of Inventory

	Value
Tee Shirts & Sweatshirts	\$2,777.63
Jewelry	\$909.06
Miscellaneous - Page 1	\$2,847.10
Miscellaneous - Page 2	\$4,316.12
Candy & Soda	\$994.33
Rocks	\$3,134.65
Books	\$177.22
Post Cards	\$1,225.20
Totals	\$16,381.31