



CITY COUNCIL ACTION REPORT

April 1, 2010

TO: Mayor and City Council

FROM: John Szerlag, City Manager
Cindy Stewart, Community Affairs Director

SUBJECT: Cancellation of Troy Daze Festival

As a follow-up to the Council comments from the March 15, 2010 City Council Meeting, we attended the March 23rd Troy Daze Festival Committee meeting with representatives from the Police, Fire, Parks and Recreation and Public Works Departments. The Festival Committee conducted a very thorough conversation related to administration's memo of March 8 re: cancellation of Troy Daze Festival.

The committee agreed that due to a reduction in available City resources as a result of budget cuts, the 2010 Troy Daze Festival, scheduled for September 16-19, 2010 be cancelled. A Motion was made that the Troy Daze Festival Committee agreed with City Staff that the Troy Daze Festival be cancelled indefinitely and no consideration be given to a private organization or company to facilitate a Troy Daze Festival within the City. This motion was approved unanimously.

The Troy Daze Festival Committee agreed that the event always received excellent in-kind service from all City departments including Parks & Recreation, Community Affairs, DPW, Police, and Fire. It has become a class event with team work on behalf of all the dedicated volunteers and City staff. The volunteer committee stressed that they would not be able to facilitate the four-day festival without the City's assistance.

A. CALL TO ORDER

A meeting of the Troy Daze Festival Advisory Committee was held Tuesday, March 23, 2010 at the Troy Community Center at 7 pm.

B. ROLL CALL

Members Present: Jeff Stewart
Mike Gonda
Bob Berk
Sandy Macknis
Jeff Super
Bob Preston
Jeff Super
Dan O'Brien
Alison Miller
Anuhya Bhogineni, student rep
Alice Liang, student rep

City Staff Present: Cindy Stewart
Jeff Biegler
Gerry Scherlinck
Tonya Perry
Tom Rosewarne

C. EXCUSE ABSENT MEMBERS

Jim Hattan

D. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the agenda.

E. APPROVAL OF MINUTES

A motion to approve the minutes from the October 27, 2009 meeting was made by Jeff Super and seconded by Alison Miller.

RESOLVED, that the minutes of October 27, 2009 are approved. MOTION CARRIED UNANIMOUSLY.

F. NEW BUSINESS

G. Recommendation to City Council regarding the 2010 Troy Daze Festival. The meeting was opened with remarks by the City Manager followed by questions from the committee members.

John Szerlag met with staff three weeks ago regarding the possibility of cancelling Troy Daze due to reduction in revenue. With the millage failing, there will be 56 full time employees laid off on July 1, 2010. Currently developing a three-year budget with a five-year outlook that calls for laying off 1/3 of the workforce. This involves privatizing, consolidating or eliminating almost all of the departments. Public sector demand is going up, but revenue is going down. Focused on three things to reduce costs: employee concessions, streamlining and gaining efficiencies, and cutting the workforce. The list of affected areas includes the Parks Department and there is a problem now with the festival proceeding.

Bob Berk noted the comments from City Council at their March 15th meeting regarding another option. Three years ago there was a split on the Troy Daze Committee on the approach for Troy Daze going forward and a discussion about taking private, changing things or cancelling. At this time, three options could be explored: (1) reduced operations; (2) go private out of city realm but at the same location; and (3) hold it outside of City property. He inquired as to John Szerlag's views on these options.

John Szerlag expressed that the conversation about this is very tough, but the reality that as of July 1, 2010 the City Staff will be reduced to approximately 380 employees. The reduction in employee resources is an important factor.

Mike Gonda reminded the committee that four years ago there was an incident at the festival which was very serious. The Festival Committee and City Staff came up with a new plan in an effort to reduce the possibility of similar incidents happening in the future. Working together the Committee and Staff put on a phenomenal festival since those negative issues were resolved and new plans developed by the Police Department and committee members put into place. He expressed his concern that it would be virtually impossible for a group of people to come in and simply take it over with a complete understanding of the ramifications of putting the festival on. He said this current committee would be very upset by anyone saying this operation could be put out privately and done like it has been done.

John Szerlag said that the reason he came to this meeting is that he is seeking information from the committee based on the memo. He said he was also told to look into finding out more from the group who broke off from the Troy Daze Committee to evaluate if they could take it over or could the festival be scaled back.

With reduction in staff on July 1, 2010, the question is how to assist with putting a festival together and paring it down to match the reduced resources. An additional question we have to ask is would it be better to allocate staffing for other services as we look at major reductions. Some sort of a hybrid festival

would still require funding for police, park maintenance, cleanup of the park, insurance, and the like.

A question about the City's willingness to let a group use or rent Boulan Park for this type of an event was raised. The issue is the condition of the park at the conclusion of the event and the resources required to restore it to its pre-event condition. If the City was to rent out the park for an entire week would this set a precedent or create a situation where other groups would be allowed the same access.

A problematic issue is the majority of the revenue for the festival is largely from the carnival and parking.

Defining what is meant by "hybrid" festival, John Szerlag said this would mean a festival run completely by a private entity. This would mean all issues would be handled by the private entity – purchasing, insurance, park maintenance, security, clean-up, set-up, etc. A great extension of a simple concept – ex. If a person wanted to rent the Museum site for a wedding and set up their own tent and brought in a caterer could be expanded to people wanting to rent Boulan Park for an event and bringing in tents, carnival rides and food.

Bob Berk said he is concerned about major, serious issues with the idea of a "hybrid," private company holding the festival. If this was to happen, the third option of a different event from the Troy Daze Festival at a separate location, Oakland Mall or Somerset Mall, for example might be the better option.

Sandy Macknis noted there are security issues to consider with the hybrid. She said she would not be comfortable with an event at another location with no police protection for the high school students she recruits as volunteers.

Bob Berk questioned the feasibility of downsizing the festival, but wondered about determining the events to be dropped. Reducing it to just a carnival makes it very different from the Troy Daze Festival that is much more of a community event.

Tonya Perry said that with the vote on the Special Election the people of the community spoke. Core services will have to be the priority. As a long-time City resident, she is considering the fact that there will be reductions in people on staff and cuts to services and she doesn't want Troy to have a festival given the cuts at the Nature Center, Community Center, the Museum, and the Library. As an employee, she knows we are going to have to do more with less.

John Szerlag noted that the City Staff being reduced by a large number of people on July 1 is a key factor considering that the City was never a large organization to begin with. These cuts represent approximately 290,000 hours a year we won't be able to provide the same services to the community.

Tonya Perry commented that this is why the volunteer Fire Fighters asked that the Fire Fighter Appreciation Banquet be cancelled.

John Szerlag said that the current economic scenario calls for public safety over quality of life right now.

Scherlinck noted that he wanted to reinforce Mike Gonda's caution about safety and security and the resources it takes to proactively manage this aspect of the festival. He is very concerned about inviting a situation similar to the negative incident a few years back if the direction this takes is privatization.

A Motion was made by Mike Gonda that the Troy Daze Festival Committee agrees with City Staff that Troy Daze Festival be cancelled indefinitely and no consideration be given to a private organization or company to facilitate a Troy Daze Festival within the City. Seconded by Jeff Stewart.

There was discussion about the terms for the advisory committee and it was noted that if the recession ends there could be a reallocation of revenue and the City Council could approach the existing committee for their assistance and feedback.

MOTION APPROVED UNANIMOUSLY.

G. Old Business

- a. Suggestions from 2009 Festival
No discussion.

H. Member Comment:

- Jeff Stewart agreed with Tonya Perry's comments and said it was great working with such excellent City Staff. He said this is very painful for us all.
- Tonya Perry noted that she grew up here in Troy and she sees this as a huge loss like the other quality of life services.
- Bob Berk reflected on the fact that, historically, Troy Daze was not always a City event, but due to insurance issues it had to come back to the City. The event always received excellent in-kind service from Parks & Rec, DPW, Police, and Fire. He noted that this can't be replicated today. Yes, the festival had been run "privately," but this could not have happened without the in-kind contributions of City Staff. He also noted that the festival did skip a few years in the early 1980s.

- Mike Gonda shared that running the festival was very different in recent years. It's become a class event with team work on behalf of all the dedicated volunteers and City staff.
- Cindy Stewart also thanked the Troy Daze Committee and volunteers for their dedication and commitment. It has been a pleasure working together on this community festival.
- John Szerlag thanked all of the volunteers on the committee for how much they care about the City. He said the City cannot function without such volunteers. These are tough times and we have to work through it.

Adjourn

A motion to adjourn was made by Jeff Super and seconded by Mike Gonda. The motion passed unanimously. Meeting adjourned at 8:33pm.

Bob Berk, Co-Chairperson

Cindy Stewart, Community Affairs Director



CITY COUNCIL ACTION REPORT

March 8, 2010

TO: John Szerlag, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance & Administration
Cindy Stewart, Community Affairs Director
Gary Mayer, Chief of Police
Susan A. Leirstein, Purchasing Director
Carol K. Anderson, Parks and Recreation Director

SUBJECT: Cancellation of Troy Daze Festival

Due to reduction in available City resources as a result of budget cuts, it is recommended that the 2010 Troy Daze Festival, scheduled for September 16-19, 2010 be cancelled. This community festival has operated with assistance from many City departments for the past 41 years. However, an anticipated reduction in City staffing levels and departmental budgets makes this recommendation necessary.

Background:

- The Troy Daze Festival, a community fair to showcase local organizations and businesses, has been organized by a dedicated group of volunteers who work throughout the year to prepare for the 4-day event which draws up to 100,000 visitors annually.
- Although coordinated by volunteers, the festival requires considerable resources by the following City departments: Community Affairs, Department of Public Works, Parks and Recreation, Risk Management, Purchasing, Finance, Treasurer, Fire, and Police.
- Revenues generated by the 2009 festival covered the costs of Park maintenance staff and DPW field staff, only. Maintenance personnel from Parks and DPW log an average of 1300 man/hours each year for set-up, festival maintenance, and take-down/clean-up. Costs for staff time of all other City departments involved in the festival have been absorbed in the budgets of those departments.
- The Police Department spent a significant amount of money to plan and staff the 2009 Troy Daze, with none reimbursed from festival revenue. The Police Department paid \$28,090.93 in straight time wages and \$11,158.89 in overtime wages to staff the event. In addition, the Police department spent \$7,750.00 in planning and other administrative costs. Equipment, maintenance and other incidental costs were \$6,634.00. Total non-reimbursed Police Department expenses for the 2009 Troy Daze Festival were \$53,633.82.

March 8, 2010

To: John Szerlag, City Manager
Re: Cancellation of Troy Daze Festival

Financial Considerations:

- The City has several multiple year contracts in place for various services that will be affected by the decision to cancel the Troy Daze Festival. However, only the contract with Mad Bomber Fireworks, which is in its final year, will require a 25% payment (\$1250.00) due to the festival cancellation. The contracts with the Police Explorers for security services and Fire Explorers for parking services will not result in any cost to the City. The vendor who provides the sound system for the festival, Advanced Lighting and Sound, has agreed to waive the last year of their contract. Finally, the contract with Arnold Amusement, which is also in its last year, will not result in compensation to that vendor since the contract calls for the vendor to pay the City based on ride and booth revenues. There is no provision in the Arnold Amusement contract for compensation due the vendor because of cancellation of the event.
- The City has recently opened bids for Troy Daze Tents and Electrical Services for the 2010 festival, but those contracts have not been awarded.

Recommendation:

- City Management recommends cancellation of the 2010 Troy Daze festival due to reduction in City staff and budget.

cc: Troy Daze Advisory Committee

Prepared by: [Jeff Biegler, Superintendent of Parks](#)