



REQUEST FOR COUNCIL ACTION

Title: Request for Council Action - MOU with Sweet Home Rotary Club for the annual Sweetheart Run

Preferred Agenda: May 26, 2020

Submitted By: Blair Larsen, CEDD Director

Reviewed By: Ray Towry, City Manager

Type of Action: Resolution ____ Motion X Roll Call ____ Other ____

Relevant Code/Policy: N/A

Towards Council Goal: V. WE ASPIRE to create an economically strong environment in which businesses and community members prosper.

Attachments: Sweetheart Run MOU between City of Sweet Home and Sweet Home Rotary Club

Purpose of this RCA:

The purpose of this RCA is to present for approval a Memorandum of Understanding (MOU) between the City of Sweet Home and the Sweet Home Rotary Club regarding the Sweetheart Run event.

Background/Context:

Every year around February 14th, the City hosts the Sweetheart Run, an event that attracts many runners and spectators from outside the City. In the past, the event has been run entirely by City Staff. However, in order to relieve pressure on City Staff and have the event run more by volunteers, the City has partnered with the Sweet Home Rotary Club to run the event. Essentially, the City acts as the fiscal agent for the event, applies for grant funds, and provides equipment and general office support, while the Rotary Club promotes the event, provides volunteers, and manages the event day activities in exchange for the net proceeds of the event for their scholarship fund, youth leadership training and Dolly Parton Imagination Library programs.

This arrangement has been in place for the last two events (2019 and 2020) and by all accounts appears to be working very well. Unfortunately, due to Staff turnover and the gradual change from a City-run event to a Rotary-run (and City supported) event, an MOU was never presented to the City Council for approval. We apologize for this oversight.

The Challenge/Problem:

How and with whom does the City make agreements for the operation of community events?

Stakeholders:

Citizens: Citizens deserve community events that are fun, develop pride in the community, and bring in visitors, all while carefully safeguarding public funds.

Councilors: It is the duty of the City Council to provide oversight on City activities and authorize formal agreements with other organizations.

City Staff: Benefit from events that are run, at least in part, by volunteers. Such events are often outside of the experience, skills, and job descriptions of our employees and take time away from regular duties.

Visitors: Community events that appeal to people outside of the City bring in visitors, who expect an enjoyable experience in exchange for their participation fee.

Issues and Financial Impacts:

The MOU includes a provision that the net proceeds of the event (participation fees, less costs incurred by the City for the event) will be paid to the Sweet Home Rotary Club for their scholarship, youth leadership training, and Dolly Parton Imagination Library programs. The estimated amounts are \$2,300 for 2019 and \$2,400 for 2020. We expect future amounts to be similar, with gradual growth as costs and participation increase. These funds come from participation fees paid by participants of the event, and not City funding.

Elements of a Stable Solution:

A stable solution would be an agreement that provides for the continuing operation of the Sweetheart Run that is funded from the proceeds of the event, and does the most good for the most people, for the longest period of time.

Options:

1. Do nothing
2. Make a motion to authorize the City Manager to sign the Memorandum of Understanding with the Sweet Home Rotary Club as presented.
3. Suggest changes to the Memorandum of Understanding and direct staff to bring it back to a future meeting with the changes.

Recommendation:

Staff recommends option 2: *Make a motion to authorize the City Manager to sign the Memorandum of Understanding with the Sweet Home Rotary Club as presented.*