



Las Vegas

Agenda Item No.: 55.

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: JUNE 6, 2007

DEPARTMENT: ADMINISTRATIVE SERVICES
DIRECTOR: CHRISTOPHER KNIGHT

Consent Discussion

SUBJECT: Discussion and possible action approving a Professional Services Agreement with Active Network, Inc. regarding a corporate partnership program for the City of Las Vegas (\$75,000 - General Fund) - All Wards

Fiscal Impact

No Impact Augmentation Required

Budget/Funds Available

Amount: \$75,000

Funding Source: General Fund

Dept./Division: Office of Administrative Services

PURPOSE/BACKGROUND:

During the 2005 City of Las Vegas Centennial Celebration, the City had the opportunity to seek outside sponsors to offset the costs for the centennial celebration special events and activities. City staff believes that the sponsorship activities were successful and should be duplicated to enhance funding opportunities for the City. A corporate partnership program will provide a large range of opportunities to increase revenue streams for the City of Las Vegas.

The Active Network, Inc., a leading provider of application and marketing services for community service organizations has proposed the following:

Phase 1 - \$75,000 Active Network Marketing Group will develop corporate marketing packages and revenue generating programs and provide support to the city in negotiations with potential partners.

Phase II 12% commission on all revenues raised Active Network Marketing Group will develop corporate marketing packages and revenue generating programs, provide identification and solicitation of sponsorship and advertising partners, and provide support to the City in negotiations with potential partners.

RECOMMENDATION:

It is recommended that the City Council accept staffs recommendation and approve the Professional Services Agreement.

BACKUP DOCUMENTATION:

1. Professional Services Agreement with Active Network, Inc.
2. Submitted at meeting Market Based Revenue Opportunity Program PowerPoint presentation by staff

CITY COUNCIL MEETING OF: JUNE 6, 2007

Motion made by GARY REESE to Approve

Passed For: 7; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

BRENDA J. WILLIAMS, LOIS TARKANIAN, LARRY BROWN, OSCAR B. GOODMAN, GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

CHRIS KNIGHT, Director of Administrative Services, said that staff has identified the opportunity to hopefully support the City's revenue stream by entering into a corporate partnership program with Active Network, Inc. to do a sponsorship program with the City. Active Network has been in business for several years, has worked with other cities and has an understanding of the City's policies, rules and regulations. He requests approval in order to identify revenue-generating opportunities.

DR. DAN SCHULTE, JUDY ANDERSON and CYRIL HENRIETAS, all with Active Network, Inc., were present. DR. SCHULTE gave a detailed Power Point presentation, a copy of which is made a part of the minutes, to go over the proposed package. He noted that sponsorship programs offer a great opportunity to raise revenues without raising taxes.

MAYOR GOODMAN stressed that the members of this Council are very covetous of the Las Vegas brand, and he has been told that it is sold only to Google.

COUNCILMAN BROWN asked if the asset package would include parks, vehicles, buildings and mailings, as well as whether existing contracts include revenue growth and cost savings. DR. SCHULTE replied that, as aggregators, the company looks at all possibilities. Some contracts do include in-kind services; for example, Active Network was able to get free vehicles for the lifeguards on Huntington Beach. COUNCILMAN BROWN inquired if it is solely revenue growth or cost savings and the DR. SCHULTE responded that it could work both ways.

COUNCILMAN BROWN said that he is very excited about this prospect. However, he suggested the process start with the City Attorney's office to assure all the legal parameters, because the last time a similar endeavor was attempted a lot of legal issues were raised.

COUNCILMAN WOLFSON asked if the timeframe is reasonable, because, from the presentation, it seems there is a lot to accomplish. MS. ANDERSON indicated that the company is confident in the experience it has acquired in the past few years. Also, she pointed out that, as the corporate partnership program builds, it will grow as more assets become available, such as the arena. MAYOR GOODMAN expressed great satisfaction about this because he wants the contract to reserve the naming rights to the arena to the City of Las Vegas. DR. SCHULTE fully agreed with the Mayor.

At the request of COUNCILMAN WOLFSON, DR. SCHULTE named some of the other clients, such as the Cities of San Diego, Huntington Beach and San Jose, California. MR. KNIGHT assured COUNCILMAN WOLFSON that ESTHER CARTER of Leisure Services

CITY COUNCIL MEETING OF: JUNE 6, 2007

visited with the City of San Diego to assess Active Network's performance, and she was very impressed.

COUNCILMAN BROWN directed that the Council members be included in the BlueSky meetings.

