



City Council Report

Date: August 27, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal to the Term Contract for Audio-Visual Services for the Mesa Convention Center as requested by the Parks, Recreation and Community Facilities Department **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Parks, Recreation and Community Facilities Department and Purchasing recommend authorizing the renewal with JLG Enterprises, Inc. dba Premier Audio Visual (a Mesa business) at \$160,000.00, based on estimated usage.

Background / Discussion

This contract provides audio-visual services, including consultation services, rental equipment, and internet services to Mesa Convention Center clients. The agreement is non-exclusive, in that clients are permitted to bring their own equipment, but it is intended to assist all clients who require audio-visual services or rental equipment, and provides appropriate service and rental equipment through pre-agreed fees.

The contractor is responsible for setting up in-house mobile system that provides DSL Internet access for the reserved facility room. The City is the booking agent and has sole responsibility for the sales of rental space at the facility. Upon booking, the contractor contacts the client directly to follow up on audio-visual needs.

For agreements of this type (Concessions, Pipe-Draping, Audio-Visual, etc.) the City collects the money from exhibitors and event coordinators, and then issues a payment to settle with the concessionaire. These agreements are revenue generating for the City through the profit generated from the concession.

Premier Audio Visual agreed to renew the contract under the same terms, conditions and current pricing. Premier Audio Visual has provided quality service to Mesa Convention Center clients for a number of years. The adjacent Phoenix Marriott Mesa recently entered into a new agreement with Premier Audio. Having the same AV contractor at both facilities makes planning events between the two venues more seamless to our joint customers and provides a better experience. Premier has been a good partner to the City, offering complimentary or reduced rates for partnership events in an effort to attract more business to the Convention Center. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (1st of 2 possible)

Procurement Type: Request for Proposals

Contract Number: 2015294

Responses Received: 3

Original Council Award Date: 9/14/2015

Initial Contract Term: Three years

Funding Source: This contract is a revenue generator and there is no cost to the City

RENEWAL RECOMMENDATION
<p>55% Commission paid to the City based on monthly gross revenue from all Equipment Rentals. Contractor shall retain labor, services, installation and dismantlement charges. Sales items (flipchart pads, video tapes and other such items) are not commissionable.</p> <p>Annual Contract Amount: <u>\$160,000.00</u> (for City payment of sales paid to concessionaire)</p>