

MEETING DATE: 04/4/22

ITEM: 10D

AGENDA ITEM SUMMARY

Subject: RAGBRAI overnight town agreement

Background Summary:

Charles City has been selected as an overnight town for this year's annual RAGBRAI event. They have submitted an agreement to be executed between them and the city that outlines all of the obligations for each organization. This agreement has been reviewed by city attorney Brad Sloter and our insurance agent Bob Ingram and both are okay with it. Once this agreement is executed and sent back to them, they can then issue us the initial \$15,000 check to help defray some of the costs associated with putting on this event.

We recommend approval of the resolution.

CITY OF CHARLES CITY

RESOLUTION NO. 46-22

RESOLUTION APPROVING RAGBRAI OVERNIGHT TOWN AGREEMENT

WHEREAS, the city of Charles City has been asked to be an overnight town for the annual RAGBRAI event happening this summer, and

WHEREAS, an agreement has been submitted from the RAGBRAI organization that spells out the obligations for both parties,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charles City, Iowa, meeting in regular session on the 4th day of April, 2022, that the Agreement between the City of Charles City and RAGBRAI be approved.

COUNCIL MEMBER moved the adoption of the foregoing Resolution;

COUNCIL MEMBER seconded the motion to adopt, and on roll call the voting was as follows:

AYES:

NAYS:

Passed and approved this 4th day of April, 2022.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk

2022 OVERNIGHT TOWN AGREEMENT

This Agreement is effective 3/14/2022 (the "Effective Date") by and between 105 MILWAUKEE MALL, CHARLES CITY, IA 50616, known as CHARLES CITY (hereafter, the "Town"), and Ventures Endurance, LLC d/b/a RAGBRAI (hereafter, "RAGBRAI", and together with Town, the "Parties").

Whereas RAGBRAI desires to temporarily rent, occupy and make use of the Town for the purpose of hosting the RAGBRAI Expo (after, the "Event"), a multi-day bicycling ride involving music, food, beer and other entertainment, on THURSDAY, JULY 28, 2022 (hereafter, the "Event Day"); and

Whereas, Town agrees to such rental, occupation and use in consideration of certain payments and covenants herein enumerated and subject to the terms and conditions herein stated;

Now, therefore, the Parties agree to the following terms and conditions:

1. **Rental Term.** RAGBRAI will have access to and use of the Town for 3 days, from WEDNESDAY, JULY 27, 2022 to FRIDAY, JULY 29, 2022 for the purpose of planning, setting up, hosting and breaking down the Event, which may span both THURSDAY, JULY 28, 2022 and FRIDAY, JULY 29, 2022 (hereafter, the "Rental Term"). Town will provide RAGBRAI with any keys or codes necessary to give RAGBRAI such access no later than 9:00 a.m. on WEDNESDAY, JULY 27, 2022.
2. **Rental Fee.** RAGBRAI will pay the Town a total of \$15,000 as a supplement to their Event budget no later than 60 days prior to the Event Day.
3. **Charitable Donation.** RAGBRAI will donate to a charitable organization(s) of the Town's choice no later than 30 days upon the completion of the Event the sum of \$15,000. The designated charitable organization must be registered not for profit with the Internal Revenue Service and/or the State of Iowa. The organization(s)'s EIN(s) must be provided to RAGBRAI no later than 6/1/2022.
4. **Termination.** RAGBRAI may terminate this Agreement up to thirty days before the Rental Term by informing the Town in writing
5. **Town's Obligations.** Town agrees to the following obligations:
 - (a) Town will provide RAGBRAI up to 200 linear feet of expo space in the Town's festival area for the RAGBRAI merchandise trailers and RAGBRAI Premier partners. This location shall be no greater than 200 ft from the main stage.
 - (b) Town will provide up to 400 linear feet of expo space in the Town's festival area for RAGBRAI's retail bike shop partners.
 - (c) Town will provide up to 3000 square feet for the 2022 Presenting Sponsor for the Event.
 - (d) Town will be responsible for creating, managing, and fulfilling all requirements of the Town Committees as outlined in the official RAGBRAI Overnight Town Handbook guide, including attending all scheduled RAGBRAI official meetings with RAGBRAI.

- (e) In consultation with RAGBRAI and with respect to the official RAGBRAI Overnight Town Handbook guide, Town will be responsible for recruiting and providing all volunteers for the event.
- (f) Town will be responsible for trash clean-up/gathering and disposal in accordance with local laws and ordinances. RAGBRAI will have full use of the Town's trash disposal system, including dumpsters, during the setup and breakdown of the event.
- (g) Town will provide parking for 3,000 cars & recreational vehicles at location to be mutually agreed upon on each day of the Event and will provide staff for all parking areas in numbers adequate to ensure safe and orderly parking.
- (h) Town will sell, or arrange for a third party to sell, beer to participants and spectators of the Event and will be entitled to all profits from such sales. If RAGBRAI is party to a beer sponsorship agreement, Town will work with the beer sponsor and RAGBRAI to make the beer sponsor's beer available non-exclusively at the Event wherever possible.
- (i) In connection with the obligation to sell beer, Town will (i) obtain all licenses and permits required under local law for the sale of beer, (ii) provide staffing sufficient to adequately serve the expected number of participants and spectators and (iii) obtain insurance which covers any liability arising from such sales (if Town's current insurance policy does not already cover such sales). Beverage service must be capable of handling at least 15,000 people in four hours with minimal lines. RAGBRAI is not guaranteeing any level of revenues or profits.
- (j) Town will sell, or arrange for a third party to sell, food and beverages to participants and spectators on the day(s) of the Event and will be entitled to all profits from such sales. Such a food and beverage service must be capable of handling at least 40,000 people in four hours with minimal lines. RAGBRAI is not guaranteeing any level of revenues or profits.
- (k) Town will make potable water (including related irrigation methods) and electricity available to RAGBRAI, for use throughout the duration of the Event, and (ii) all vendors, sponsors and other invited third parties during the day(s) of the Event. Town is not obligated to create new access points for either water or electricity.
- (l) Town will secure live entertainment for the Event for up to 25,000 participants and spectators. Spectator and participant counts are strictly an estimate and, except for the main staging provided by RAGBRAI as outlined in Section 6, Town is responsible for all aspects, management, and safety & health requirements of the live entertainment. Town is responsible for all entertainment production (A/V, sound, lighting, etc.) costs and management.
- (m) Town agrees to adhere to RAGBRAI guidelines regarding the use of the RAGBRAI trademark and logo. Further, Town agrees to promptly advise RAGBRAI of and cooperate with RAGBRAI regarding the unauthorized use of the RAGBRAI logo at any time of the logo or the unauthorized promotion or sale of merchandise bearing the RAGBRAI logo.
- (n) In consultation with RAGBRAI, the Iowa State Patrol, RAGBRAI-designated Emergency Medical Services providers, County Sheriff Offices, County Engineers, and other Public Safety officials, Town agrees to provide an appropriate number of local Public Safety personnel for the duration of the Event including but not limited to local Law Enforcement and local Emergency Medical Services providers in sufficient numbers for the safe operation of the Event.

- (o) Town will not advertise or promote any competing event, product or service, nor allow a third party to advertise or promote any competing event, product or service, within the Town, including but not limited to the parking lots, campgrounds, expo area, and entertainment areas during the day(s) of the Event without the prior written consent of RAGBRAI.
 - (p) Town will not sell sponsorship or advertising for the Main Entertainment stage provided by RAGBRAI. A large LED sign provided by RAGBRAI will be placed adjacent to the stage for local town sponsorship.
6. **RAGBRAI'S Obligations.** RAGBRAI agrees to the following obligations:
- (a) RAGBRAI will conduct all activities to build out and modify the Town in a safe, lawful, good and workmanlike manner, using safe and serviceable equipment and materials.
 - (b) RAGBRAI will work with local, County, and State Public Safety Officials toward the safe operation of the event.
 - (b) Town accepts that normal event operations, including but not limited to pedestrian traffic, vehicle traffic and adverse weather conditions, may damage and/or destroy grass and other similar vegetation. RAGBRAI will use reasonable efforts to limit such damage but will not be liable for re-sodding or replacing such grass and/or vegetation.
 - (d) RAGBRAI will provide event staging for the Main Entertainment area only for the Event and as such will promote their sponsors on the stage banners.
 - (e) RAGBRAI will provide enough portable bathrooms at the Main Campground only.
 - (f) RAGBRAI will provide the Town access to a custom web page on the RAGBRAI website that will include information about the Event pertaining to the Town.
 - (g) RAGBRAI will provide informational signage for the Event to be set & placed by the Town prior to the Event. Town will remove informational signage at the completion of the Event.
7. **Event Liability.** RAGBRAI assumes all responsibility, liability and risk associated with the participants in, the conduct of, and the activities associated with, the Event except to the extent caused by the negligence or willful misconduct of Town. RAGBRAI will obtain an insurance policy for the Event in the amount of one million dollars (\$1,000,000) per occurrence and five million dollars (\$5,000,000) aggregate, upon which Town will be listed as a named insured. RAGBRAI will provide proof of insurance within ten days of the Event. Limits may be fulfilled using a combination of primary and excess liability.
8. **Event Revenue.** RAGBRAI will keep all revenue generated from the Event, including, but not limited to, RAGBRAI participant registration fees, RAGBRAI merchandise sales, and RAGBRAI sponsorship fees where applicable, unless RAGBRAI otherwise determines to assign any income generating activity to Town or a third party. This provision excludes all revenue generated from the food & beverage vendor fees, sale of food, Event vendor fees, sale of beer, sale of local/non-RAGBRAI-branded merchandise at the Event as set forth in Section 4 above.
9. **No Partnership.** This Agreement does not constitute and shall not be construed as constituting or creating a partnership, joint venture or agency relationship between RAGBRAI and Town. Neither

Party shall have any right to obligate or bind the other party in any manner whatsoever, except as authorized by the other Party in advance in writing. Under no circumstances shall either Party, in its dealings with third parties, undertake to act or hold itself out as the other Party's agent or authorized representative, nor shall either Party incur financial or legal obligations on behalf of the other Party.

10. Force Majeure. Neither Party will be liable in damages for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to, natural disasters, government restrictions, wars, acts of terrorism or any other cause beyond the reasonable control of the party whose performance is affected.

Without limiting the generality of the foregoing, if Town is unable for any reason to provide RAGBRAI with the necessary facilities, at the capacities and/or occupancy contemplated herein (or if not expressly contemplated otherwise, then at full/maximum occupancy (as existed as of January 1, 2022)), by reason of any strike, labor controversy, civil tumult, government ordinance or restriction, court order, administrative ruling, the failure to obtain any of the licenses, permits or approval or other cause beyond the Town's or RAGBRAI's reasonable control, so as to render it impractical, illegal or impossible for RAGBRAI to conduct the Event on the date scheduled hereunder in a manner contemplated by RAGBRAI, RAGBRAI may elect to cancel the Event and this Agreement, or RAGBRAI may elect to postpone or move the Event. If the Event and this Agreement is cancelled pursuant hereto, all monies paid by RAGBRAI shall be immediately refunded.

11. Jurisdiction. RAGBRAI hereby stipulates and agrees that the state or federal court having jurisdiction in FLOYD COUNTY, IOWA shall be for all purposes related to this Agreement the only fair, convenient and proper forum for any proceeding relating to any dispute arising out of the terms or conditions of this Agreement.

12. Severability. In the event that any court of competent jurisdiction determines that any provision contained in this Agreement is unreasonable or unenforceable in any respect, then such provision will be deemed limited to the extent that such court deems it reasonable and enforceable, and as limited shall remain in full force and effect. In the event that such court shall deem any provision wholly unenforceable, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.

Ventures Endurance, LLC d/b/a RAGBRAI

By: _____
Name: _____
Title: _____

_____ Date

CHARLES CITY, IOWA by
Contact Person, Title

_____ Date