



TO: Mr. Dan Repay and Members of the Munster Park Board

FROM: Dustin Anderson, Town Manager

SUBJECT: 2020 Munster Ale Fest Contract

DATE: July 1, 2020

The updated Ale Fest contract is included in the Board packet. This would be the fourth contract since the inaugural event in 2014. The original contract included an initial retainer of \$12,000 to be paid to Maxx Marketing, plus a profit share.

Over time, our arrangement with Maxx Marketing evolved to paying a retainer of \$4,000 with a distribution of 60% of the profit to Maxx Marketing and 40% to the Town of Munster.

The contract presented for your consideration is very similar to the prior year's contract. The only material difference is the manner in which the retainer of \$4,000 is paid to Maxx Marketing. In prior years, the retainer was paid to Maxx Marketing from the receipt of ticket sales as those revenues were realized. Due to the cancellation of many events earlier in the year, the contractor does not have the typical working capital on hand and is requesting their retainer be paid up-front.

The contractor believes that there is a pent-up demand for events like this in the region, as everything around has been cancelled for months. The only other regional event currently on the schedule is Valparaiso's beer-tasting event in September.

One factor that will likely determine how successful the event will be is how well the contractor plans for – and communicates – the social distancing accommodations that will be in place.

The proposed contract is for one year with the option of renewing next year.

Recommendation

It is recommended that the Park Board approve the 2020 Ale Fest contract with Maxx Marketing, Inc.