



APPROVED  
BY THE CITY COUNCIL

JAN 12 1999

1.19

OFFICE OF THE  
CITY CLERK

THOMAS V. LEE  
DEPUTY CITY MANAGER  
DOWNTOWN DEPARTMENT

CITY OF SACRAMENTO  
CALIFORNIA

1030 15<sup>TH</sup> STREET  
SUITE 250  
SACRAMENTO, CA  
95814-4009

PH 916-264-8109  
FAX 916-264-7279

AG 99-008  
AG 99-009  
AG 99-010

January 5, 1999

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT: SACRAMENTO SPORTS COMMISSION: REPORT BACK AND  
AUTHORIZATION TO EXECUTE AGREEMENTS**

**LOCATION AND COUNCIL DISTRICT:** Sacramento Sports Commission,  
City-Wide

**RECOMMENDATION:**

It is recommended that Council, by Resolution, authorize the City Manager to execute three agreements regarding the Sacramento Sports Commission (SSC). These agreements are: (1) a four-party Memorandum of Agreement (MOA) between the City of Sacramento, the County of Sacramento, the Sacramento Convention and Visitors Bureau (SCVB), and the SSC; (2) an annual County Funding Agreement; and (3) an annual Professional Services Agreement with SCVB for Sports Commission services. It is further recommended that Council, by resolution, authorize the City Manager to execute a City budget amendment to augment the City's budget to match the County's contribution to the SSC.

**CONTACT PERSON:** Barbara Bonebrake, Downtown Department Manager,  
264-7733;  
John McCassey, Director, Sacramento Sports Commission,  
264-7718

**FOR COUNCIL MEETING OF:** January 12, 1999

**SUMMARY:**

Two of the proposed agreements are annual agreements: the County funding agreement which permits the City to accept the County's share of its annual funding for the Sports Commission and the Professional Services Agreement with the SCVB which provides the services of the Sports Commission to the City. The County has agreed to increase its present year funding (FY 1998-99) to \$100,000 from its FY 1997-98 level of \$50,000. The proposed City budget amendment will increase the City's FY 1998-99 funding from \$50,000 to \$100,000 to match the County's contribution. The MOA formalizes management, reporting and funding issues relative to the SSC. The only substantive changes to existing operational policies presented in the MOA are that: (1) a separate fund shall be established to hold SSC monies separate from those of the SCVB (2) The SSC Director shall have signature authority for expenditures from the SSC budget with the approval of the SSC.

**COMMITTEE/COMMISSION ACTION:**

The SCC Board of Directors reviewed and approved the proposed MOA at their regular meeting on October 8, 1998. The County Board of Supervisors heard and approved the report on the organizational structure (attached as Exhibit A) at their meeting on December 10, 1998.

**BACKGROUND INFORMATION:**

- Established in 1988 by the City Council and the Sacramento County Board of Supervisors to attract professional sports franchises and major professional and amateur sporting events to the Sacramento region, on November 25, 1997, the Council and the Board of Supervisors adopted a Resolution recognizing the SSC as an independent City and County funded commission and recognized the Director of the SSC as an employee of the SCVB on assignment to the SSC;
- The proposed Memorandum of Agreement (MOA), is intended to continue to define the direction of the SSC as an independent commission with direct reporting responsibility to the City Council and the Sacramento County Board of Supervisors, and to further specify issues relating to its management, funding and accountability;
- The proposed annual County funding agreement authorizes the City to accept County funding, and the annual Professional Services agreement contracts with the SCVB for the services of the SSC;
- The proposed budget amendment increases the City's FY 1998-99 contribution to the SSC to \$100,000 to match the County's contribution.

**FINANCIAL CONSIDERATIONS:**

The City and the County each provided \$50,000 in funding for the SSC in Fiscal Year 1997-98. The County has amended the current FY 1998-99 funding to a total of \$100,000. Under the proposed City budget action, the total City support to the SSC will be \$100,000 from the Community Center Fund. This represents an increase of \$50,000 over the City's \$50,000 FY 1997-98 Community Center Fund support. Funding for the SSC is used to develop and attract sporting events that have an economic benefit to the Sacramento area.

**ENVIRONMENTAL CONSIDERATIONS:**

The proposed funding agreement is exempt from CEQA review pursuant to Section 15378(b)(3), "general policy and procedure making".

**POLICY CONSIDERATIONS:**

The proposed agreements are consistent with the annual joint funding agreements between the City and the County for recognition of and support of the SSC. The proposed budget amendment will enable the City to match the County's SSC funding as in past years.

**MBE/WBE:**

None.

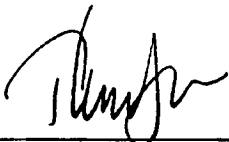
Respectfully submitted,



---

Thomas V. Lee,  
Deputy City Manager

**RECOMMENDATION APPROVED:**



---

William H. Edgar  
City Manager

#4

**COUNTY OF SACRAMENTO  
Inter-Department Correspondence**

**DATE:** December 10, 1998

**TO:** Robert P. Thomas, County Executive  
William H. Edgar, City Manager

**FROM:** *A. J. Jof* Cindy H. Turner, Clerk  
Board of Supervisors

**SUBJECT: Item 4, December 10, 1998, Agenda  
Status Report On The Organizational Structure Of The Sacramento  
Sports Commission (Report Back)**

The Board of Supervisors, at a special meeting held on Thursday, December 10, 1998, approved Recommendation No. 1 by Resolution No. 98-1465 with the change that the hiring and firing of the Executive Director is handled through the County Executive and the City Manager in confirmation through the Board and Council of those actions and adding an Ex-officio member to the commission that would be reserved for a member of the Convention Visitors Bureau Board contingent upon the Convention Visitors Bureau doing the same.

**CITY OF SACRAMENTO -- COUNTY OF SACRAMENTO**



Office of the City Manager  
915 "I" Street, Room 101  
Sacramento, CA 95814-2684

Office of the County Executive  
700 "H" Street, Room 7650  
Sacramento, CA 95814-1280

(916) 264-5704

(916) 874-5833

To: Board of Supervisors  
Honorable Members in Session

From: Robert P. Thomas, County Executive  
William H. Edgar, City Manager

Subject: STATUS REPORT ON THE ORGANIZATIONAL STRUCTURE OF  
THE SACRAMENTO SPORTS COMMISSION (Report Back)

Contact: Paul Hahn (874-5889)  
Tom Lee (264-8888)

**RECOMMENDATION:**

1. Approve the reporting and organizational relationships between the Sacramento Sports Commission (SSC) and the County, City, and the Sacramento Convention and Visitors Bureau (SCVB) outlined in this report.
2. As to Sacramento City Council, approve the attached resolution to contribute an additional \$50,000 to the Sacramento Sports Commission for Fiscal Year 1998-99.

**DISCUSSION:**

On March 10, 1998 the Board of Supervisors and City Council directed staff to develop a plan to better define the roles, responsibilities and relationships between the Sacramento Sports Commission and the Sacramento Convention and Visitors Bureau. In addition, the Board and the Council directed staff to make recommendations on an organizational structure consistent with their roles and responsibilities. Finally, the role and organization should reflect the independent

**STATUS REPORT ON THE ORGANIZATIONAL STRUCTURE OF  
THE SACRAMENTO SPORTS COMMISSION (Report Back)**

Page 2

nature of the Sports Commission while respecting the obvious coordination between the Sacramento Convention and Visitors Bureau and the Sports Commission.

**CURRENT ORGANIZATIONAL STRUCTURE:**

The Sacramento Sports Commission is a nine member advisory body whose task is to solicit and promote sporting events in the Sacramento area and make recommendations surrounding sports policy. The Board of Supervisors and the City Council appoint eight of the nine members. The ninth member is chosen by the eight appointments and confirmed by both governing bodies.

Responsibility for providing staff support and administrative oversight to the Sports Commission is handled by the Sacramento Convention and Visitors Bureau through a contractual relationship. The Executive Director of the Sports Commission is an employee to the SCVB and presently reports directly to the Director of the SCVB.

The City, County and SCVB fund the Sports Commission. Currently, the County contributes \$100,000 annually (recently increased from \$50,000); the City is requesting City Council authorization to increase its present Community Center Fund contribution of \$50,000 to \$100,000 to match the County's contribution. The City's additional \$50,000 contribution would be achieved by reducing the Community Center Fund Contingency budget by \$30,000 and increasing the loan proceeds from the Risk Management Fund by \$20,000. The SCVB contributes \$50,000 toward the Executive Director's salary, as well as in-kind services. The proposed total budget of the Sports Commission is \$200,000 and \$50,000 toward sports marketing from the SCVB.

**PROPOSED ORGANIZATIONAL STRUCTURE:**

The Sports Commission is an advisory body to the Board and City Council. As previously stated both governing bodies appoint members of the Sports Commission except for the public member. As an appointed Advisory Board it does not have any legal or formal status as would a Joint Powers Agency (JPA) or a separate legal entity. The Sports Commission staff is also SCVB staff and therefore, work under the aegis of the SCVB Executive Director. In order to formally separate the Sports Commission (staff) from the Sacramento Convention and Visitors Bureau another JPA or legal entity would have to be created. This option would necessitate the creation of another entity that duplicates many of the same efforts of the SCVB and potentially increases the cost without adding any real value or benefit.

There appears to be advantages and disadvantages to divesting the Sports Commission from the SCVB. From an operations point of view separating the Sports Commission and the SCVB would be much cleaner because each entity would be solely accountable and responsible for its activities and programs.

**STATUS REPORT ON THE ORGANIZATIONAL STRUCTURE OF  
THE SACRAMENTO SPORTS COMMISSION (Report Back)**

**Page 3**

However, the creation of a completely separate entity would likely result in higher costs because of duplicative overhead/ fixed charges and probably lack of coordination. Also, it may create overlapping goals and missions and could cause unnecessary competition to attract the same or similar sporting events.

Therefore, it appears that a compromise solution may provide an optimum alternative that utilizes the resources of the County, City, and SCVB. The proposed structure will allow the Executive Director of the Sports Commission to be accountable directly to both the Sports Commission Advisory Board which is appointed by the Board of Supervisors and City Council as well as the County Executive and City Manager. Under the proposed structure there is no reporting relation between the Sports Commission staff and the SCVB.

However, it is important that the Sports Commission and the SCVB continue to coordinate activities because they have common goals. Jointly, they should be able to leverage expertise, personnel, and information to pursue mutual interests. Simply, the main goal for both organizations is to solicit and hold events that draw visitors to the Sacramento region. The Sports Commission, however, is the lead for sports events and it will continue to target and specialize in amateur athletics and professional sporting events. It is critical that the Sports Commission and the SCVB continue to work together and cooperate to market sporting events and activities for the Sacramento Region.

Due to limited funding sources, the County, City and SCVB should all continue to finance the Sports Commission and its activities. City and County monies will continue to be deposited with the SCVB to hold the funds as a trustee on behalf of the Sports Commission. The Sports Commission will oversee actual spending decisions; the SCVB will act only as a depository for the funds. The SCVB will have no control over the Sports Commissions funds; nor will they have any liability on the expenditures either. The SCVB will continue to provide support services to the Sports Commission under a formal Memorandum of Understanding. While the Executive Director will technically remain an employee of the SCVB, the Executive Director will only be accountable and report to the Sports Commission. Simply, the SCVB will provide a "home" for the Sports Commission staff but will not directly control their activities or work priorities. This would be similar to the relationship that Local Agency Formation Commission (LAFCo) has with the County of Sacramento.

If approved by your respective Boards, the Sports Commission and its Executive Director will be independently responsible and accountable for its budget, expenditures, and programs. The Sports Commission will be allowed to act independently of the SCVB and it will hold the SCVB harmless from its actions.

It is recommended that the Sports Commission develop an annual work plan, set priorities and forward this plan to the SCVB for informational and planning purposes. The SCVB shall be allowed to place matters on the agenda of the Sports Commission requesting assistance and support on high priority events.

**STATUS REPORT ON THE ORGANIZATIONAL STRUCTURE OF  
THE SACRAMENTO SPORTS COMMISSION (Report Back)**

**Page 4**

Likewise, the Sports Commission should be allowed to request additional staff and/or financial assistance from the SCVB on a project by project basis. Basically, each agency must work hand in hand to develop a mutual sports marketing program to benefit the Sacramento region.

The Executive Director of the Sports Commission essentially will have three different sets of responsibilities. The Executive Director will report directly to the Sports Commission and the Sacramento Region Sports Education Foundation (the private non-profit with oversight responsibility for the 2000 Olympic Trials). Finally, the Sports Commission and its Executive Director will partner and collaborate with the SCVB to promote and market sport conventions and activities that are in the best interest of the SCVB and the Sacramento region.

The County Executive and City Manager shall make the appointment of any future Executive Director of the Sports Commission subject to confirmation by the Sports Commission. Mr. McCassey shall continue to serve in the capacity of Executive Director of the Sports Commission.

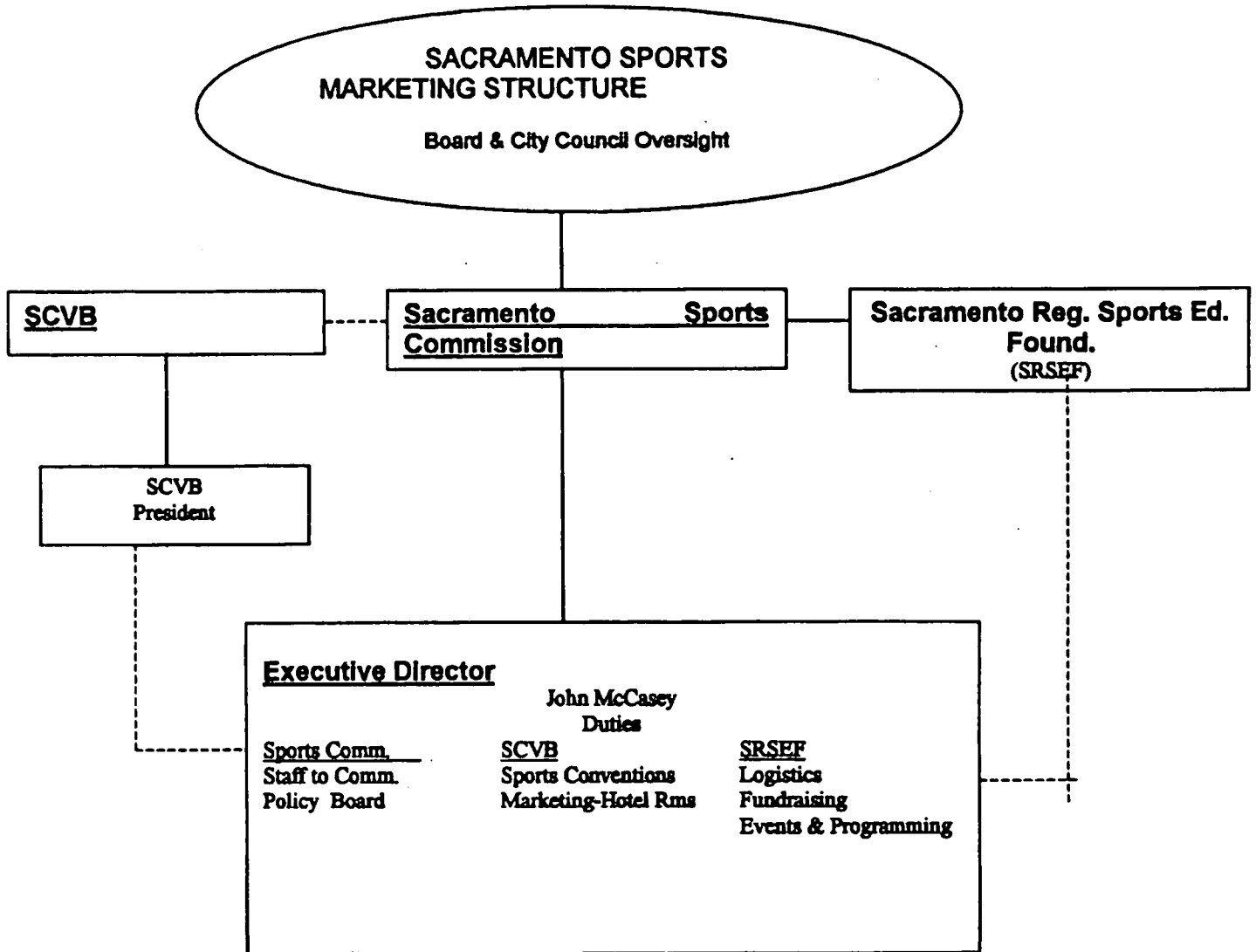
Initially, it is recommended that one of the directors of the Sports Commission be appointed as an ad hoc Board member of the SCVB. Eventually, a Board member of both the SCVB and Sports Commission should become a member of the respective Boards. This should provide oversight and the development of joint missions of each organization.

**ORGANIZATIONAL STRUCTURE:**

The following organizational chart illustrates the relationship and roles between the Sports Commission, SCVB, and the Sacramento Regional Sport Education Foundation (SRSEF):



**STATUS REPORT ON THE ORGANIZATIONAL STRUCTURE OF  
THE SACRAMENTO SPORTS COMMISSION (Report Back)  
Page 5**



**STATUS REPORT ON THE ORGANIZATIONAL STRUCTURE OF  
THE SACRAMENTO SPORTS COMMISSION (Report Back)**

Page 6


**CONCLUSION:**


The Sacramento Sports Commission has become the "major player" for promoting and marketing sporting events and activities in the Sacramento Region. Staff and operations of the Sports Commission are funded by three different entities, the City, County and SCVB; but Sports Commission staff is employed by the SCVB. This organizational and funding structure has raised a number of issues but principally of accountability. The most significant issue is who does the Sports Commission and its staff report to and who has control over these activities.

The Sports Commission is an independent body of the City and County and should be solely responsible to these respective entities. The proposed new structure - elimination of the SCVB from the reporting hierarchy should allow the Sports Commission and its staff to operate independently. However, the continuation of the staff relationship and ancillary support from the SCVB is essential. It will provide continuity between the SCVB and Sports Commission because they have shared goals and missions. Therefore, it is recommended that your Board and Council approve the new proposed structure.

Respectfully submitted,

Concur:

  
RS/ ROBERT P. THOMAS  
County Executive

  
jr WILLIAM H. EDGAR  
City Manager

PB:afm (w:\agenda\sportscommissionreportback.bdm)

cc: Sacramento Convention and Visitors Bureau  
Sports Commission

RESOLUTION NO. 98-1465

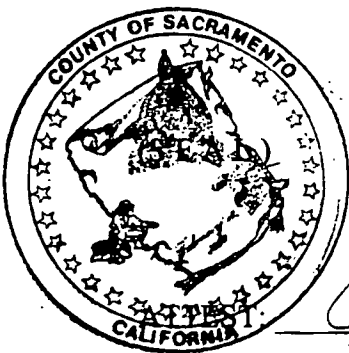
WHEREAS, the County of Sacramento and the City of Sacramento, the Sacramento Sports Commission, and the Sacramento Convention and Visitors' Bureau agree to enter into a Memorandum of Agreement for the Management and Funding of the Sacramento Sports Commission,

NOW, THEREFORE, BE IT RESOLVED, that the Sacramento County Board of Supervisors hereby authorize the County Executive to enter into the attached Memorandum of Agreement for the Management and Funding of the Sacramento Sports Commission.

On a motion by Supervisor, Dickinson, seconded by Supervisor Johnson, the foregoing resolution was passed and adopted by the BOARD OF SUPERVISORS, County of Sacramento, State of California, this 10th day of December, 1998, with the following vote, to wit:

- AYES: Supervisors Dickinson, Johnson, Nottoli, Collin
- NOES: Supervisors None
- ABSENT: Supervisors None

Gene Collins  
Chairman, Board of Supervisors



Cindy H. Turner  
Clerk, Board of Supervisors

In accordance with Section 25103 of the Government Code of the State of California a copy of this document has been delivered to the Chairman of the Board of Supervisors, County of Sacramento on

DEC 10 1998  
Sandra Leiby  
Deputy Clerk, Board of Supervisors

FILED

DEC 10 1998

BOARD OF SUPERVISORS  
BY Cindy H. Turner  
CLERK OF THE BOARD

APPROVED  
BY THE CITY COUNCIL

JAN 12 1999

**RESOLUTION NO.** *[Handwritten Signature]*  
ADOPTED BY THE SACRAMENTO CITY COUNCIL

OFFICE OF THE  
CITY CLERK

ON DATE OF \_\_\_\_\_

**STATUS REPORT ON THE ORGANIZATIONAL  
STRUCTURE OF THE SACRAMENTO SPORTS  
COMMISSION**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO THAT:

- The operating budget for the Sacramento Sports Commission shall be augmented by an additional contribution of \$50,000 from the Community Center Fund by reducing the Community Center Fund Contingency budget by \$30,000 and increasing the loan proceeds from the Risk Management Fund as follows:

419-430-4321-4258	\$50,000 (Community Center Operating Budget)
419-710-7012-4999	(\$30,000) (Community Center Fund Contingency)
419-430-4321-3716	\$20,000 (Loan Proceeds/Risk Management Fund)

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

(w:\agenda\sportscommissionreportback.res)

\_\_\_\_\_  
FOR CITY CLERK USE ONLY

RESOLUTION NO: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

**MEMORANDUM OF AGREEMENT**

**BETWEEN THE CITY OF SACRAMENTO,  
THE COUNTY OF SACRAMENTO,  
THE SACRAMENTO CONVENTION AND VISITORS' BUREAU, AND  
THE SACRAMENTO SPORTS COMMISSION  
for the  
MANAGEMENT AND FUNDING OF  
THE SACRAMENTO SPORTS COMMISSION**

**"Clean" Draft Dated 12/4/98**

This Memorandum of Agreement is entered into on \_\_\_\_\_, 1998, between City of Sacramento ("City"), the County of Sacramento ("County"), the Sacramento Convention and Visitors' Bureau ("SCVB"), and the Sacramento Sports Commission ("SSC").

**RECITALS**

WHEREAS, the SSC was established in 1988 by the City and the County of Sacramento to act as the coordinating and facilitating body to augment the efforts of the private and public sectors in attracting professional sports franchises and major professional and amateur sporting events to the Sacramento region; and

WHEREAS, on November 25, 1997, the City Council and the Sacramento County Board of Supervisors adopted a Resolution reaffirming the relationship between the City and the County and the SSC; and

WHEREAS, the Resolution of November 25, 1997 recognized the SSC as an independent City and County funded commission, and recognized the Director of the SSC as an employee of the SCVB on assignment to the SSC;

NOW, THEREFORE, pursuant to the Resolution of November 25, 1997, the City, the County, the SCVB and the SSC agree and covenant as follows:

**AGREEMENT**

**Article I. Objective.**

The purpose of this agreement is to set forth and to clarify issues pertaining to the management, accountability, and funding of the SSC.

**Article II. Term of Agreement.**

This agreement shall be effective as of the date first above written, and shall continue in full force and effect until either the dissolution of the SSC, or until terminated by any of the parties with 90 days written notice to any of the other parties.

**Article III. Responsibilities of the Parties.**

**1. Staff.**

- a. Director. The Director of the SSC shall continue as an employee of the SCVB on assignment to the SSC. The Director shall report only to the SSC. The SSC shall continue in its advisory role to the City Council and the County Board of Supervisors.
- b. Accountant. The bookkeeper for the SCVB shall continue to provide accounting services for the SSC at no charge to the SSC.

**2. Funding and Budget.**

- a. Separate Fund. A separate fund number shall be established by the SCVB bookkeeper for the SSC to prevent co-mingling of SSC monies with those of the SCVB.
- b. Budget Authority. The SSC Director shall have signature authority for expenditures from the SSC budget with the approval of the SSC. The SCVB shall not be obligated for any deficit spending, or encumbrances by the SSC, or to monitor the budgeting or expenditures of SSC funds.
- c. Joint Efforts. The SSC and the SCVB may jointly pursue sports marketing for Sacramento and predetermine their respective fiscal contributions on a case by case basis.
- d. Staff Salaries. The SCVB shall continue to contribute 50% of the funding not exceeding Fifty Thousand Dollars (\$50,000) for the salaries and benefits for the SSC Director. SCVB shall not charge the SSC rent for one office for the Director and office space for one Secretary. SCVB shall not charge the SSC rent for in-kind services such as the reasonable and normal use of telephones, fax and copying machines and office supplies.

- 3. Hold Harmless. City and County shall indemnify and save harmless, SCVB, its officers, employees, and agents, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any attorney's fees reasonably incurred by SCVB's staff attorneys or outside attorneys and any fees and expenses incurred (hereafter collectively referred to as "liabilities"), to which any or all of them may be subjected, as a direct or indirect result of any act or omission of SSC, its officers, employees, subconsultants, subcontractors or agents in connection with the performance or nonperformance of this Agreement.

CITY OF SACRAMENTO,  
A Municipal Corporation,

COUNTY OF SACRAMENTO

\_\_\_\_\_  
William H. Edgar,  
City Manager

\_\_\_\_\_  
Robert P. Thomas,  
County Executive

15  
3

c:\speccom-mgmt-agr-clean

W. Austin Cooper, Counsel,  
Sacramento Convention  
& Visitors Bureau, Inc.

APPROVED AS TO FORM:

Deputy County Counsel

APPROVED AS TO FORM:

County Executive

Ron Berger,  
Chairman of the Board

SACRAMENTO CONVENTION  
& VISITORS BUREAU, INC.

Chair of the Board

SACRAMENTO SPORTS COMMISSION

Diane B. Bailer  
Deputy City Attorney

APPROVED AS TO FORM:

City Manager

# RESOLUTION NO. 99-022

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

## SACRAMENTO SPORTS COMMISSION MANAGEMENT AGREEMENT (MOA)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO THAT:

- A. The City Manager is authorized to execute the following:
  1. A Memorandum of Agreement between the City of Sacramento, the County of Sacramento, the Sacramento Convention and Visitors Bureau (SCVB), and the Sacramento Sports Commission for management and funding of the Sacramento Sports Commission;
  2. A funding agreement between the City and the County in which the County provides \$100,000 for support of the Sacramento Sports Commission;
  3. A Professional Services Agreement between the City and the SCVB which provides Sports Commission Services to the City.

B. The FY 1998-99 operating budget for the Sacramento Sports Commission shall be augmented from the Community Center Fund in the amount of \$50,000 over FY 1997-98 funding. This augmentation shall be accomplished by reducing the Community Center Fund Contingency budget by \$30,000 and increasing the loan proceeds from the Risk Management Fund. The \$50,000 augmentation shall be transferred to the account of the Sacramento Sports Commission as follows:

419-430-4321-4258	\$50,000 (Community Center Operating Fund)
419-710-7012-4999	(\$30,000) (Community Center Fund Contingency)
419-430-4321-3716	\$20,000 (Loan Proceeds/Risk Management Fund)

16

FOR CITY CLERK USE ONLY

RESOLUTION NO: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_



931-840-8430-3598

\$50,000  
(Sacramento Sports Commission)

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
FOR CITY CLERK USE ONLY

RESOLUTION NO: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

17