COUNCIL AGENDA REPORT

City of Anaheim
CONVENTION, SPORTS & ENTERTAINMENT DEPARTMENT

DATE:       JUNE 10, 2008
FROM:       EXECUTIVE DIRECTOR, CONVENTION, SPORTS & ENTERTAINMENT DEPARTMENT
SUBJECT:    AGREEMENT WITH FERRELLGAS, L. P., AUTHORIZING THE SALE OF PROPANE AT THE CONVENTION CENTER
ATTACHMENT (Y/N): YES     ITEM # 25

RECOMMENDATION:
That the City Council, by Motion, approve an agreement between Ferrellgas, L. P. and the City of Anaheim authorizing the sale of propane gas at the Convention Center.

DISCUSSION:
In 1987 the City of Anaheim first approved an agreement with Ferrellgas that authorized their installation of a 499-gallon propane tank on the Convention Center site for the specific purpose of selling propane gas, required to run forklifts, to the various contractors and or decorators. The availability of propane gas on site provides a service convenience to the contractors working at our facility.

In lieu of rent, Ferrellgas will pay a commission to the City of Anaheim in an amount equal to 15% of their gross billings from all propane sold on site. Over the last few years, Ferrellgas has paid the City an average of $8,700. per year. This Agreement will be valid for one-year with the potential for four additional one-year renewal options at the City’s option.

IMPACT ON BUDGET:
There is no impact on the General Fund. The revenues from this agreement have been budgeted in the current fiscal year in account 515-560-5131-4399.

Respectfully submitted,

Greg Smith
Executive Director
Convention, Sports & Entertainment

Attachments:
1. Ferrellgas Agreement