

# Report to Council



**Date:** December 5, 2012  
**File:** 0700-20  
**To:** City Manager  
**From:** S. Kochan, Cultural Services Manager  
**Subject:** Festivals Kelowna - One Year Extension of Service Agreement

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**Recommendation:**

THAT Council approves a one year extension, commencing January 1, 2013 and expiring December 31, 2013, of the Service Agreement between the City of Kelowna and the Festivals and Special Events Development Society of Kelowna; as set out in Appendix A attached to the report of the Cultural Services Manager dated December 5, 2012.

AND THAT the Director of Recreation & Cultural Services be authorized to execute the extension agreement.

**Purpose:**

To obtain Council's approval to continue the current Service Agreement with Festivals Kelowna pending the development and endorsement of a new Events & Festivals Framework.

**Background:**

On May 17, 2010, Council resolved (in part):

'AND THAT Council authorizes the Director of Recreation & Cultural Services to enter into a 3 year agreement with Festivals Kelowna for the delivery of the following programs and such other services as may be agreed upon:

- Canada Day celebrations
- Parks Alive! - performances in parks
- Arts Alive! - artisan and craft vendors in parks
- Buskers Program - street entertainment at designated locations'

The current agreement, commencing effective January 1, 2010 and expiring December 31, 2012 is included in Appendix A.

Highlights of the agreement are:

- a) Financial oversight through annual budgets, quarterly reports and annual review engagements/audits;
- b) Programming oversight through an annual program plan;
- c) Annual reporting to staff and council regarding performance and fulfillment of program plan; and
- d) Annual staff review via the professional arts grant process.

A handwritten signature in black ink, located in the bottom right corner of the page.

Festivals Kelowna has fulfilled its obligations to the City of Kelowna pursuant to the agreement.

The agreement did not contain provisions for renewal but it expressly provides that 'this is not intended to preclude any new arrangements which may be negotiated between Festivals Kelowna and the City in the future.'

As Council is aware, staff are currently developing a new framework regarding the City's role in the support of events and festivals. Services currently provided by Festivals Kelowna are included in and affected by the proposed framework. Transition to the new framework will occur throughout 2013 and it is beneficial to ensure the continuance of programs currently provided by Festivals Kelowna during the ongoing refinement of this initiative.

**Internal Circulation:**

General Manager, Community Services  
Director, Recreation & Cultural Services  
Director, Financial Services

**Existing Policy:**

Cultural Policy 274

**Financial/Budgetary Considerations:**

Through the Cultural Services Branch budget, Festivals Kelowna receives annual operating funding (2012) of \$248,500.

**External Agency/Public Comments:**

This report was prepared in consultation with the Executive Director of Festivals Kelowna.

**Considerations not applicable to this report:**

Legal/Statutory Authority  
Legal/Statutory Procedural Requirements  
Personnel Implications  
Alternate Recommendation  
Communications Comments

Submitted by:



S. Kochan, Cultural Services Manager

Approved for inclusion:



Director, Recreation & Cultural Services

cc: General Manager, Community Services  
Director, Recreation & Cultural Services  
Director, Financial Services  
Executive Director, Festivals Kelowna

**FESTIVALS KELOWNA - EXTENSION OF SERVICE AGREEMENT**

This Agreement dated for reference the 1<sup>st</sup> day of January, 2013

**BETWEEN:**

**THE CITY OF KELOWNA**, a local government incorporated pursuant to the *Community Charter*, and having a business address of 1435 Water Street, Kelowna, BC V1Y 6N2

(the "City")

**AND:**

**FESTIVALS AND SPECIAL EVENTS DEVELOPMENT SOCIETY OF KELOWNA**, a society incorporated pursuant to the *Society Act* under No. S-0051821, and having a business address of 204-591 Bernard Avenue, Kelowna, BC V1Y 6N9, and operating under the name "Festivals Kelowna"

("Festivals Kelowna")

**WHEREAS:**

- A. Festivals Kelowna was incorporated in February 2007 and has a mandate which includes its role to produce and manage Canada Day celebrations, as well as a set of programs for live entertainment and arts-based activity (collectively known as "Parks Alive!") in the City's public parks for the benefit of the citizens of Kelowna; and
- B. The City of Kelowna provides annual funding to Festivals Kelowna in support of Canada Day and Parks Alive! (collectively called "the programs");
- C. A Service Agreement (the 'Agreement'), attached as Appendix A, commencing January 1, 2010 and expiring December 31, 2012 governs the services and funding provided; and
- D. The parties wish to extend the Agreement for a period of one (1) year;

NOW THEREFORE, this Extension Agreement is evidence that in consideration of the payments to be made to Festivals Kelowna by the City, and the mutual promises and agreements set out herein (the sufficiency of which are hereby acknowledged by the parties), the parties agree as follows:

Appendix A - Report dated December 5, 2012 from Cultural Services Manager

1. The term of the Agreement is extended for one (1) year, commencing on January 1, 2013 and terminating on December 31, 2013, subject to earlier termination or extension in accordance with the Agreement (the "Term").
2. All other provisions of the Agreement will continue in effect, on the understanding that any references to dates are, *mutatis mutandis*, adjusted to include or refer to 2013 as appropriate.
3. Pursuant to Section 15 of the Agreement, audited financial statements will be required for the 2012 year end, but will not be required for the 2013 year end.

As evidence of their agreement to be bound by the terms of this instrument, the parties hereto have executed this Agreement on the dates indicated:

THE CITY OF KELOWNA, by its authorized )  
signatories: )  
)  
)  
)  
\_\_\_\_\_)  
Director of Recreation & Cultural Services )  
Jim Gabriel )  
)  
)  
\_\_\_\_\_)  
Cultural Services Manager )  
Sandra Kochan )

Date:

FESTIVALS AND SPECIAL EVENTS )  
DEVELOPMENT SOCIETY OF KELOWNA by )  
its authorized signatories: )  
)  
)  
\_\_\_\_\_)  
Director )  
)  
\_\_\_\_\_)  
Executive Director, Renata Mills )  
)  
)  
Date: Dec. 5, 2012 )

## FESTIVALS KELOWNA SERVICE AGREEMENT

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- B. The City of Kelowna provides annual funding to Festivals Kelowna in support of Canada Day and Parks Alive! (collectively called "the programs"); and
- C. The parties wish to confirm the terms and conditions governing the services and funding provided;

NOW THEREFORE, this Agreement is evidence that in consideration of the payments to be made to Festivals Kelowna by the City, and the mutual promises and agreements set out herein (the sufficiency of which are hereby acknowledged by the parties), the parties agree as follows:

### PART ONE - TERM

1. **Term** - The term of this Agreement is for 3 years, commencing on January 1, 2010 and terminating on December 31, 2012, subject to earlier termination or extension in accordance with this Agreement (the "Term").
2. **Renewal** - The parties acknowledge and agree that the operational and service delivery model for the programs is under review and may change. Accordingly, this agreement does not include provisions for renewal, but this is not intended to preclude any new arrangements which may be negotiated between Festivals Kelowna and the City in the future after transition to the new model is complete.
3. **Previous agreements** - This Agreement replaces any and all previous agreements, whether written or not, between the City and Festivals Kelowna and the parties agree that any and all previous agreements shall be terminated and be of no further force and effect as of January 1, 2010.



## PART TWO - DELIVERY AND EVALUATION OF PROGRAMS

4. **Continuation of programs in an arms length relationship** - The parties confirm and agree to continue the programs of live entertainment, cultural events, and arts-based activities known as Parks Alive! and Canada Day Celebrations throughout the term of this agreement based on the arms length operational model outlined in Schedule A which is attached to and forms part of this Agreement.
5. **Program mission and description** - The missions and descriptions for the programs during the Term are set out in Schedule B which is attached to and forms part of this Agreement. The parties will perform their responsibilities under this Agreement in order to meet these missions and descriptions.
6. **Activities** - A budget and plan for Festivals Kelowna operations and programs in 2011 are set out in Schedule C which is attached to and forms part of this Agreement. By December 31, 2011, Festivals Kelowna will prepare and submit to the City for review and approval a budget and plan for 2012, including any revisions to guidelines and internal policies, for the following year, in a form acceptable to the City.
7. **Additional activities** - Additional activities not reflected in the approved annual plan may be undertaken by Festivals Kelowna as an independent organization at its discretion provided that such activities do not compromise or undermine the programs, objectives and standards set out in Schedules A, B and C or otherwise conflict with the terms of this Agreement.
8. **Use of Parks Alive! name** - The parties agree that the name Parks Alive! is exclusively owned by the City of Kelowna and cannot be used by or under the authority of Festivals Kelowna in conjunction with any programs, services or activities outside the City of Kelowna, nor for any purpose other than the programs provided for in this Agreement, without the express prior approval of the City.
9. **Evaluation of programs** - By December 31 of each year, Festivals Kelowna will provide to the City, in a form acceptable to staff, an annual report which:
  - Provides reliable measurement of public attendance and participation in the programs;
  - Provides reliable measurement of artist / artisan participation in the programs;
  - Reflects both positive and critical feedback from artists, the public and sponsors/partners regarding the programs;
  - Documents particular successes and achievements;
  - Demonstrates critical and realistic self-assessment, including identification of areas where improvements can be made in the areas of programming, organizational governance and financial oversight, along with strategies and processes to achieve improvements; and
  - Accurately documents budgeted and actual revenues and expenditures for Festivals Kelowna and the programs.

City staff may, in response to the content of this report, make specific recommendations and requests to be fulfilled by Festivals Kelowna within a reasonable period of time. Failure by Festivals Kelowna to address any specific recommendations and requests within the specified timeline will be cause for termination of this agreement at the discretion of the City and the provisions of paragraph 25 will apply.

### PART THREE - USE OF CITY PARKS

10. **No charge for Park rentals** - Festivals Kelowna may book space at no charge in City parks for the purpose of Parks Alive! programs, subject to approval by the Outdoor Events staff.  
  
If Festivals Kelowna books space in any City park or facility for a purpose other than Parks Alive! programs described in this Agreement, normal charges will apply unless the City or the Outdoor Events Committee specifically agrees to other arrangements.
11. **Outdoor Event and other permits** - Festivals Kelowna will comply with all processes and procedures required by the City of Kelowna Outdoor Events Committee and staff relating to use of City Parks, including scheduling, approvals, licenses, electrical and other permits, and insurance, as well as host liquor liability endorsements for events at which alcohol is available.
12. **Rentals are non-exclusive** - Except for Parks Alive! and Canada Day events, Festivals Kelowna's scheduled rentals of any City park are non-exclusive, and will be subject to change at the request of the Outdoor Events Committee and staff.
13. **Issuance of permits and licenses by Festivals Kelowna** - Festivals Kelowna staff, once the necessary park rental approvals and permits are in place, may issue the necessary permits and licenses to performers, vendors and buskers in accordance with their program guidelines as set out in Schedule C.

### FINANCING, REPORTING AND OBLIGATIONS

14. **Fiscal responsibility** - Festivals Kelowna will operate and provide the programs in a fiscally responsible manner.
15. **Quarterly and annual fiscal reporting** - Festivals Kelowna will provide to the City, in a form acceptable to the City, detailed quarterly financial and budget statements and progress reports regarding the programs. A review engagement prepared by accredited accounting professionals will be required for 2010 and 2011 year end financial statements. Audited financial statements will be required for the 2012 year end.
16. **Annual report to City Council** - Festivals Kelowna will present to Kelowna City Council an annual report in a form acceptable to City staff. The report must include the program evaluation information described in paragraph 9.
17. **Payment by the City** - administered through the Cultural Services budget, the City of Kelowna will pay to Festivals Kelowna during the term of this agreement an annual amount of \$245,100 as a service fee for the delivery of the programs. The annual amount will be payable in four instalments on or before January 15, April 15, July 15 and October 15 of each year.
18. **Additional funding** - Festivals Kelowna will not seek or request additional funding from the City, except in accordance with paragraph 19, or in the case of unanticipated exceptional need or emergency the reason for which is to be fully stated.
19. **Adjustment of annual amount paid by City** - Festivals Kelowna may seek from the City supplemental funds, in addition to the amount set out in paragraph 17, for the purpose of delivering the services and programs described in this Agreement. A request for supplemental funds should be included as part of the annual review and planning



process described in paragraphs 6 and 9. The City will consider the supplemental funding request as part of its annual financial planning process for the following year. The City shall be under no obligation whatsoever to approve the request for supplemental funds and approval of the request shall be at the discretion of City Council.

20. **Alteration of instalment amounts and timing** - The City may, upon 30 days notice to Festivals Kelowna, alter the instalment amounts and timing if, after a review of the quarterly statements described in paragraph 15 the City determines that Festivals Kelowna is not fulfilling the programs, objectives or standards set out in Schedules A, B and C. In the event that such notice is given, the City will specify its concerns and provide a reasonable period of time within which Festivals Kelowna must address those concerns

If, within the time period specified, the City is satisfied that its concerns have been addressed, the instalment amounts and timing described in paragraph 17 may at the City's sole discretion be reinstated as described in this agreement or otherwise adjusted on a continuing basis.

If the City determines that its concerns have not been adequately addressed within the specified time, then the provisions of paragraph 25 will apply.

#### INSURANCE

21. Festivals Kelowna shall, without limiting its obligations or liability under this agreement, procure and maintain, at its own expense and cost, the insurance policies listed in Appendix A, attached hereto and made a part of this agreement. The insurance policies shall be maintained continuously from January 1, 2011 until the termination of this agreement or the expiry of the term, whichever first occurs.
22. Festivals Kelowna will provide to the City proof of insurance or insurance renewal upon request by the City and in a form acceptable to the City.

#### INDEMNITY BETWEEN THE PARTIES

23. Festivals Kelowna as an independent contractor shall be liable for all loss, costs, damages, and expenses whatsoever incurred or suffered by the City, its elected officials, officers, employees and agents (the Indemnitees) including but not limited to damage to or loss of property and loss of use thereof, and injury to or death of a person or persons resulting from or in connection with the performance, purported performance, or non-performance of this agreement, excepting only where such loss, costs, damages and expenses are as a result of the sole negligence of the Indemnitees.
24. Festivals Kelowna shall defend, indemnify and hold harmless the Indemnitees from and against all claims, demands, actions, proceedings, and liabilities whatsoever and all costs and expenses incurred in connection therewith and resulting from the performance, purported performance, or non-performance of this agreement, excepting only where such claim, demand, action, proceeding or liability is based on the sole negligence of the Indemnitees.



## TERMINATION

25. **Termination** - In addition to the other remedies included in this agreement, Festivals Kelowna and the City may at any time during the Term give to the other party 90 days notice of termination of this Agreement.
26. **Repayment of Funds** - Upon the expiry of this Agreement or in the event this Agreement is terminated for any reason, or if Festivals Kelowna ceases to be a legal entity, any funds paid by the City to Festivals Kelowna pursuant to this agreement and remaining on hand in any account of any type under the name of Festivals Kelowna after payment of legitimate expenses confirmed by an external financial review, will be returned to the City immediately.

## GENERAL PROVISIONS

27. **Society Act requirements** - Festivals Kelowna will at all times during the Term fulfill all of its obligations under the Society Act in order to maintain Festivals Kelowna in good standing, and it will not amend its Constitution or Bylaws without the express written consent of the City.
28. **Notice** - Any notice given under this Agreement must be in writing and may be delivered by hand or sent by facsimile transmission or by prepaid registered or express mail and, if so mailed, shall be deemed to have been given five (5) days following the date upon which it was mailed, and if delivered by hand or sent by facsimile transmission, shall be deemed to have been given on the day of delivery or transmission.

### Addresses for notice:

- to the City: Attention Cultural Services Manager, at the address above
- to Festivals Kelowna: Attention Executive Director, at the address above

Either party may at any time give notice in writing to the other of any change of address for the purposes of notice pursuant to this paragraph.

29. **Agreement for Services** - This is an agreement for the performance of services and Festivals Kelowna is engaged under this Agreement as an independent contractor for the sole purpose of providing those services. Neither Festivals Kelowna nor any of its employees or contractors is engaged by the City as an employee or agent of the City. This Agreement does not create a joint venture or partnership and Festivals Kelowna has no authority to bind the City in any way.
30. **Review process** - If Festivals Kelowna determines that a decision made by City staff regarding the interpretation or application of this Agreement requires review, it may submit to the Director of Recreation & Cultural Services, or in the alternative, the General Manager of the Community Services Division, a written request for review, fully stating the facts and reasons in support of the request. Upon review, the decision of the Director or General Manager will be final.
31. **Assignment** - No part of this Agreement may be assigned or subcontracted by Festivals Kelowna without the prior written consent of the City.

- 32. **Severance** - If any part of this Agreement is held to be invalid by a court of competent jurisdiction, that part is to be considered to have been severed from the rest of this Agreement and the decision that it is severed does not affect the validity of the remainder of this Agreement.
- 33. **Binding on Successors** - This Agreement ensures to the benefit or and is binding upon the parties and their respective successors, subcontractors, trustees, and administrators, despite any rule of law or equity to the contrary.
- 34. **Entire Agreement** - This Agreement is the entire Agreement between the parties and it terminates and supersedes all previous communications, representations, warranties, covenants and agreements, whether verbal or written, between the parties with respect to the subject matter of the Agreement.
- 35. **Governing Law** - This Agreement is governed by the law of British Columbia.

As evidence of their agreement to be bound by the terms of this instrument, the parties hereto have executed this Agreement on the dates indicated:

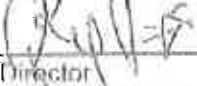
THE CITY OF KELOWNA, by its  
 authorized signatories:

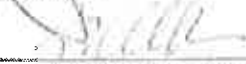
  
 \_\_\_\_\_  
 Director of Recreation & Cultural Services  
 Jim Gabriel

  
 \_\_\_\_\_  
 Cultural Services Manager  
 Sandra Kochan

Date: JANUARY 31, 2011

FESTIVALS AND SPECIAL EVENTS  
 DEVELOPMENT SOCIETY OF  
 KELOWNA by its authorized signatories:

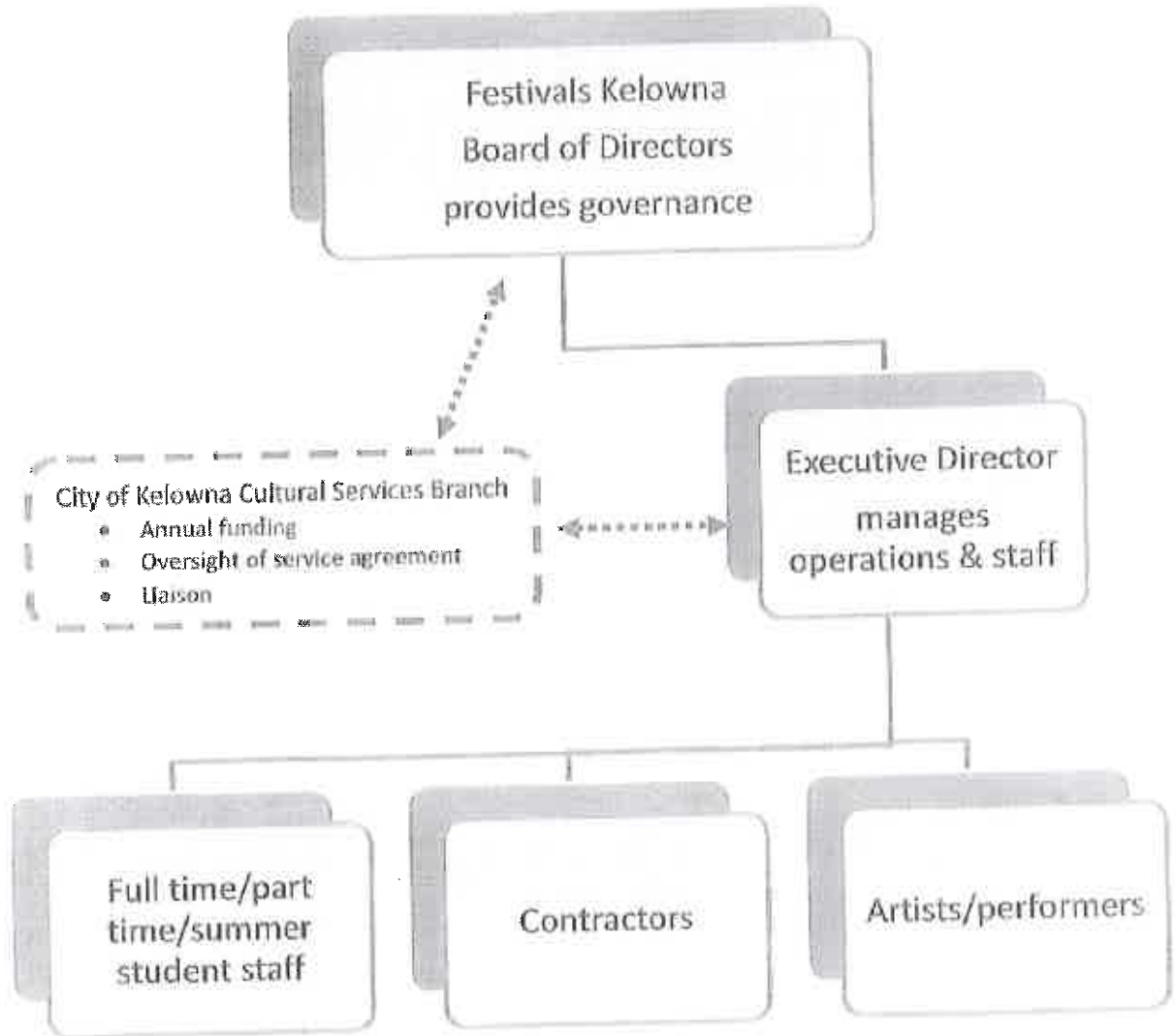
  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Executive Director, Renata Mills

Date: Jan 31/2011

### SCHEDULE A - OPERATIONAL MODEL

Note: Dotted red arrow  $\longleftrightarrow$  denotes arms length relationship with liaison and support role only, and does not include City of Kelowna staff having voting membership on, attendance at, or participation in the Board of Directors.



## SCHEDULE B - PROGRAM MISSION & DESCRIPTION

<p><b>PARKS ALIVE!</b></p>	<p style="text-align: center;"><b>MISSION</b></p> <p>Parks Alive! is dedicated to maximizing the potential of our lakefront and community parks by stimulating a vibrant art and culture presence throughout the year.</p> <p style="text-align: center;"><b>DESCRIPTION</b></p> <p>Parks Alive! produces and presents over 40 live outdoor musical entertainment and other arts-based events in multiple parks and public spaces throughout Kelowna, primarily during the summer months of July and August each year.</p> <p>The program has undergone significant growth since it started in 1997. Programming has expanded from three days per week to five days per week. The number of parks utilized for programming has increased from three downtown parks to current use of over fifteen parks and public spaces throughout the City of Kelowna. Additionally, the variety of genres and performance styles on offer has increased over the years, and currently includes everything from old time fiddling to hip-hop.</p> <p>Performers are hired and paid by Festivals Kelowna after an application and auditioning process, and must sign a standard form contract. Most, but not all, performers are from the community. Performers in a wide range of genres and experience levels are welcome to participate. Staging and equipment is provided by Festivals Kelowna and contractors. Festivals Kelowna accepts submissions from artists year round although most contracts are not signed until May of each year.</p> <p>Festivals Kelowna programs offer very good opportunities for young or new technicians, staggers and performers and have played a role in the career development of local industry professionals.</p> <p>For audiences, the programming is family-friendly and is provided free of charge although donations are encouraged. Summer programs in the downtown, waterfront and Cultural District areas in particular attract large audiences of both residents and visitors, and the program is recognized as an important benefit for summer tourism. Programs attract audiences of approximately 25,000 each year.</p> <p>In addition to City of Kelowna funding, the program is funded by a range of annual and multi-year sponsorships from local businesses, grants, donations from the public, and partnerships with community groups and organizations to share resources.</p>
<p><b>ARTS ALIVE!</b></p>	<p style="text-align: center;"><b>MISSION</b></p> <p>To create opportunities for local artists and crafters to showcase and sell their original, handmade art that will complement existing galleries and artist focused venues, enhance Kelowna's community parks through an artistic presence, and create an additional positive, cultural experience for residents and visitors within our downtown and lakefront parks.</p> <p style="text-align: center;"><b>DESCRIPTION</b></p> <p>Arts Alive! is a juried artisan and crafters vendor program that runs from May to September each year in City Park and Kerry Park.</p> <p>Vendors must be offering original, handmade Okanagan artwork. 32 spaces, plus a number of 'overflow' spaces are available. Artists submit an application, and once approved through a juried selection process, pay a permit fee. Vendors can choose from a range of permits: 5 month seasonal, 2 month summer, 1 month, or a one-time one-week trial. Permit fees range from \$275 for the season, to \$25 for a weekly trial.</p>



	<p>Jurors are qualified individuals from the community and their recommendations are made independent of Festivals Kelowna staff.</p> <p>Participating artisans come from a variety of artistic disciplines and include potters, painters, jewelry designers, wood workers, and fabric artists. Many of the artists have been perfecting their craft for over 20 years.</p> <p>Due to their location in high profile parks, Vendors benefit from a high volume of pedestrian traffic (both residents and visitors).</p> <p>The program is popular with local artists, resulting in a fully subscribed program each season.</p> <p>Except for staff support, the program is financially self-sustaining.</p>
<b>BUSKERS PROGRAM</b>	<p style="text-align: center;"><b>MISSION</b></p> <p>To create additional, unique performance opportunities for local and touring artists, and to animate the community's public walkways through cultural performances.</p> <p style="text-align: center;"><b>DESCRIPTION</b></p> <p>A year-round program that welcomes and encourages local and touring professional and amateur "street style" performers to perform at 10 designated 'busk stop' locations throughout the downtown, waterfront and Cultural District areas.</p> <p>Designated Busk Stops have been identified in a collaborative process involving the Downtown Kelowna Association, various merchants, Festivals Kelowna and City of Kelowna Bylaw.</p> <p>Buskers may do anything that will entertain people such as mime, physical comedy, juggling, dance, puppetry, playing an instrument, or singing. Guidelines governing the types of performance allowed have been created by Festivals Kelowna.</p> <p>Applications are accepted by Festivals Kelowna staff year round. To participate, Buskers undergo an audition with Festivals Kelowna. Once approved, they receive a photo permit and can perform in any of the designated locations. A variety of permits are available and fees vary depending on the permit type. Fees range between \$5.00 for a day permit and \$40 for an annual permit.</p> <p>Buskers are paid by the people who watch them perform. As such, they are permitted to encourage donations that are collected in receptacles such as an open music case, box or hat.</p> <p>In 2010, a total of 55 Buskers Permits were granted.</p> <p>Except for staff support, the program is financially self-sustaining.</p>
<b>CANADA DAY</b>	<p style="text-align: center;"><b>MISSION</b></p> <p>To create an inclusive, barrier-free, multi-generational festival that is reflective of our community, and that encourages our citizens to actively celebrate their pride in being Canadian through cultural and recreational activities.</p> <p style="text-align: center;"><b>DESCRIPTION</b></p> <p>Celebrate Canada Day - Kelowna is an annual, free community festival held in Kelowna's Cultural District, Prospera Place and Waterfront Park for residents and visitors to celebrate our nation's birthday. Typical attendance at Canada Day is 55,000 people.</p>

Festival programming is diverse, multi-generational, and family-friendly, running from morning to night on July 1. Typical elements include:

- Food and merchandise vendors, including artisan and craft, and small business
- Community information displays
- An area for children's entertainment activities
- 3 or more musical stages showcasing a variety of cultural performances
- Pops concert, multicultural performance and food inside Prospera Place (a collaborative initiative with Kelowna Canada Day Concerts Society and FolkFest Society)
- Welcoming ceremonies and community birthday cake
- Citizenship Ceremonies
- Fireworks
- Demonstration and interactive exhibitions and displays
- Collaborations with Cultural District venues for additional offsite programming
- Roaming entertainment

The festival is produced as a community partnership between Festivals Kelowna, Folkfest, and the Kelowna Canada Day Concerts Society, with each group responsible for producing their component of the festival, as well as working collaboratively to create a common vision for the larger community celebration.

Festivals Kelowna is responsible for producing all activities in Waterfront Park including:

- Develop festival concept and program content
- Identify and secure additional revenue streams (i.e. food and artisan vendor fees, sponsorships)
- Preparation and management of outdoor events permit
- Liaise with City of Kelowna Outdoor Events Office, By-law, RCMP and other public safety organizations to develop and execute a traffic and site management plan
- Book and manage event venue contracts (Prospera Place, Waterfront Park, Rotary Centre for the Arts, etc.)
- Secure sound, staging, fencing, security, tenting and other event infrastructure suppliers
- Secure pyrotechnics show producer and oversee execution of contract for services
- Confirm and liaise with media partners
- Secure and coordinate volunteers and other staffing resources for Waterfront Park venue
- Assist in coordination and execution of Citizenship Ceremony with Citizenship & Immigration Canada staff; secure and manage contract for venue
- Coordinate meetings and liaise with community partners and partner events
- Administer funding and oversee execution of Folk Fest and Canada Day concerts society grant for City of Kelowna
- Develop entertainment program for multiple stages, book artists and stage manage performances
- Develop marketing plan for festival, including cross promotion of partner events; coordinate design, production and execution of all marketing activities

Although admission to all activities is free, donations are accepted and are directed back into the celebration.

In addition to City of Kelowna funding, the program relies on community partnerships, vendor fees, government and foundation grants, and a range of annual and multi-year sponsorships and donations from local institutions and businesses.

**SCHEDULE C1 - 2011 BUDGET**  
(see following pages)

Proposals Below is  
2011 Operating Budget - Consolidated

REVENUES

Account	Dept	Account Name	2011 Budget	2010 Budget
4001	C	Contributions of Different Societies		
4005	C	Donations	\$ 12,450.00	\$ 14,100.00
4008	C	Charity Income		\$ 5,500.00
4100	C	Grant - City of Kelowna	\$ 20,100.00	\$ 20,100.00
4101	C	Grant - Young Canada Works	\$ 8,200.00	\$ 3,750.00
4102	C	Grant - General Environment	\$ 2,000.00	\$ 2,227.00
4103	C	Grant - Central Okanagan Foundation		\$ 3,000.00
4104	C	Grant - Provincial (BC Arts Council)		\$ 1,500.00
4105	C	Grant - Kelowna Council	\$ 10,000.00	\$ 10,000.00
4106	C	Grant - other	\$ 4,000.00	
4200	C	Interest Income		\$ 1,000.00
4201	C	Investment Income and GST rebates	\$ 5,000.00	\$ 5,200.00
4202	C	Municipal Fee Contributions	\$ 200.00	\$ 50.00
4203	C	Municipal Fee Subsidy		\$ 100.00
4204	C	Scarcity Fee	\$ 1,000.00	\$ 63,200.00
4205	C	Vendor Fees - Food Vendors	\$ 12,250.00	\$ 10,000.00
4206	C	Vendors - Artisans	\$ 9,000.00	\$ 9,000.00
4207	C	Vendors - Community	\$ 2,200.00	
4208	C	Vendors - Mac Macdonalds	\$ 3,000.00	\$ 2,700.00
4209	C	Vendors - Books Program	\$ 1,000.00	\$ 1,200.00
		<b>TOTAL REVENUES</b>	<b>\$ 109,100.00</b>	<b>\$ 108,147.00</b>

EXPENSES

Proposed Account	Dept	Account Name	2011 Budget	2010 Budget
5001	C	Accounting Fees	\$ 4,200.00	\$ 4,200.00
5002	C	Accounting Firm - audit	\$ 5,700.00	\$ 4,400.00
5003	C	Accounting Expenses		
5004	C	Bad Debt		
5005	C	Bank Charges	\$ 1,200.00	\$ 1,000.00
5006	C	Bank of Canada	\$ 1,000.00	\$ 500.00
5007	C	Cashier	\$ 700.00	
5008	C	Consumption Event Supplies	\$ 1,500.00	\$ 2,000.00
5009	C	Entertainment - Performer Fees	\$ 40,500.00	\$ 41,000.00
5010	C	Entertainment - Rental	\$ 3,400.00	\$ 2,400.00
5011	C	Facility Rental	\$ 3,200.00	\$ 4,200.00
5012	C	Flowers	\$ 20,000.00	\$ 18,000.00
5013	C	Graphic Design	\$ 500.00	\$ 2,200.00
5014	C	Insurance	\$ 4,100.00	\$ 1,000.00
5015	C	Land Fees	\$ 500.00	\$ 1,000.00
5016	C	Meals, Fees and permits	\$ 2,400.00	\$ 2,000.00
5017	C	Market Research		\$ 500.00
5018	C	Marketing - Advertising	\$ 1,850.00	\$ 4,000.00
5019	C	Marketing - Media Events	\$ 200.00	\$ 600.00
5020	C	Marketing - website design	\$ 1,000.00	\$ 8,000.00
5021	C	Marketing - website maintenance	\$ 250.00	\$ 500.00
5022	C	Member dues - fees & subscriptions	\$ 200.00	\$ 600.00
5023	C	Office - equipment purchase	\$ 2,700.00	\$ 600.00
5024	C	Office - services agreement	\$ 500.00	\$ 600.00
5025	C	Office - taxes	\$ 1,100.00	\$ 1,100.00
5026	C	Office - supplies and stationery	\$ 4,000.00	\$ 2,100.00
5027	C	Office - rent - 1000 mt	\$ 20,100.00	\$ 22,000.00
5028	C	Office - rent - 1000 mt	\$ 215.00	\$ 200.00
5029	C	Office - parking	\$ 144.00	\$ 250.00
5030	C	Postage, courier and freight	\$ 900.00	\$ 350.00
5031	C	Printing, copy & mail publication	\$ 1,100.00	\$ 2,000.00
5032	C	Professional Development	\$ 2,842.00	\$ 1,000.00
5033	C	Professional Services	\$ 5,700.00	\$ 4,500.00
5034	C	Photography	\$ 350.00	\$ 800.00
5035	C	Recruit and Replacements	\$ 100.00	\$ 200.00
5036	C	Security and access	\$ 4,500.00	\$ 4,400.00
5037	C	Signage and notices	\$ 1,000.00	\$ 2,000.00
5038	C	Sound, lighting and staging	\$ 63,000.00	\$ 60,000.00
5039	C	Special Events	\$ 10,000.00	\$ 10,000.00
5040	C	Spencer recognition	\$ 3,000.00	\$ 1,000.00
5041	C	Subcontract labour - other	\$ 3,000.00	\$ 2,800.00
5042	C	Tool rentals	\$ 2,000.00	\$ 2,000.00
5043	C	Travel expenses (staff)	\$ 700.00	\$ 500.00
5044	C	Utilities and supplies	\$ 1,200.00	\$ 1,300.00
5045	C	Volunteer recognition	\$ 700.00	\$ 1,000.00
5046	C	Wages - Wages	\$ 106,247.00	\$ 101,200.00
5047	C	Employee benefits - CPP	\$ 5,200.00	\$ 6,000.00
5048	C	Employee benefits - EI	\$ 1,000.00	\$ 1,000.00
5049	C	Employee benefits - dental health	\$ 4,000.00	\$ 4,700.00
5050	C	Employee benefits - vision	\$ 600.00	\$ 500.00
5051	C	WCB expenses	\$ 500.00	\$ 1,200.00
5052	C	Subcontract labour WCB covered	\$ 1,000.00	\$ 6,000.00
5053	C	paper & fees	\$ 600.00	\$ 1,200.00
5054	C	Real Estate	\$ 1,200.00	\$ 1,000.00
		<b>TOTAL EXPENSES</b>	<b>\$ 379,100.00</b>	<b>\$ 367,843.00</b>

Revenues less Expenses  
available to form restricted reserve  
transfer to form uncommitted warrants  
R#1 Surplus or (loss)



## SCHEDULE C2 - 2011 PROGRAM PLAN

PARKS ALIVE	
PROGRAMMING GOALS	Metric
Maximize use of community parks and urban spaces by programming arts and cultural activities	Number of new parks used increased over 2010
Expand program content	New concert series created, increasing number of concerts in 2011 from 43 to at least 50  Number of new event themes increased over 2010
Enhance program content	A minimum of 4 programming partnerships
Extend duration of program season	Participation in events during non-peak event period (outside of June, July and August) increased over 2010
Diversify program content	Increase in number of non-music based performances over 2010
Continue to create development opportunities for local artists	Positive, anecdotal feedback from participating artists about booking process  Increase in number of participating artists from "non-traditional" Parks Alive genres  Increase in number of artists over 2010 who had not performed in PAI before  Increase in number of young, developing artists participating (i.e. haven't performed in public more than 2 or 3 times before)
Expand audience	Number of spectators attending "youth" or "young adult" focused events increased over previous years (i.e. 2009, 2010)
Continue to develop positive community relationships	Confirmed involvement by resident associations at events  Partner with at least 1 or more events  Assisted with 1 or more new events  At least 3 community associations participated onsite with information displays
Enhance event experience (beyond cultural performances onstage)	Coordinated PAI concert events with at least 2 Park n' Play, or other programming partner  Confirmed at least 4 onsite visits/displays/participation at PAI concert events
Strengthen industry peer relationships	Established active, mutually beneficial relationship with local music industry associations  Developed cooperative project to benefit local performing artists (i.e. CD compilation series; live streaming series)  Professional development for staff  Partnered with at least one live music venue to share artists costs
Support expansion of cultural offerings in community	Participation with event as a programming partner  Partnered with at least 2 festivals or arts organizations

PARKS ALIVE CONT'D	
FINANCIAL GOALS	Metric
Increase program revenues	Applied for and received new grant funds New sponsored opportunities created to achieve revenue beyond 2010 goal Program expenses lower than budgeted due to sharing of expenditures with program partners (i.e. performer fees, ad buys)
Continue to diversify revenue streams	Additional revenue streams identified and achieved compared to 2010 levels New mobile phone donation technique implemented
Achieve budget goals	Budget goals achieved on revenue and expenses
Increase donations from service groups	At least 3 presentations made At least 2 service clubs attended concerts as event Hosts At least 2 service clubs attended PAI events with displays
MARKETING GOALS	Metric
Pursue cooperative marketing opportunities that will complement or enhance existing Parks Alive! marketing initiatives.	Increased distribution of program schedule above our 5,000 units Co-promoted concert events using sponsor air time, billing inserts, etc. Marketing costs for promotions reduced compared to budget
Extend reach of program to new audiences throughout community	Inclusion in external organization's marketing materials PAI events promoted in resident association newsletters Resident Associations participated onsite at events in their neighbourhoods
Build awareness and profile using social media technology	Increase size of Festivals Kelowna group over 2010 Program staff tweeted minimum of once per hour per concert event Increase in communication using social media Increased anecdotal feedback about awareness of PAI events via performers' communications Anecdotal feedback about performers and public re-tweets Anecdotal positive feedback about PAI events via social networks
Increase knowledge of audience size and demographics	Database of donors created, capturing name, email, location in City, etc.

CELEBRATE CANADA DAY - KELOWNA	
PROGRAMMING GOALS	Metric
Continue to produce an inclusive, community-focused festival	Positive anecdotal feedback from festival patrons Increase in number of community organizations participating compared to 2010 festival Live performances drawn from multiple genres
Strengthen relationships with community organizations	Increase in community orgs committed to assist with festival execution Increase in number of non-profit groups onsite with displays compared to 2010
Continue to strengthen relationship with event partners	Canada Pops and Folk Fest provide positive anecdotal feedback about working relationship
Expand event partner relationships for greater benefit of all groups	Positive feedback from groups about increased profile and awareness of their activities
Explore expanding duration of festival from 1 to 3 days	Event expanded to multiple days
Enhance festival program content	Greater number of professional performing artists secured Kids Zone Stage programming of longer duration than 2010; positive feedback from festival patrons about enhanced programming At least one non-local performing artist featured on stages Power Stage duration exceeded 2010 level New participant and spectator elements added 2 food vendors "new to the festival" secured Collaborated with local artist community resulting in greater participation levels than 2010
Expand event location of festival	Event activities held in Jim Stuart Park
Enhance "authentic" multicultural festival experience	Enhanced multicultural elements added to festival, either in Waterfront Park, Prospera Place, or both Bilingualism reflected in areas noted
FINANCIAL GOALS	Metric
Increase public donations at gate	Achieve 2011 budget target and exceed 2010 actuals
Increase revenues from commercial activities	Increase over 2010 - meet or exceed number of participants Increased profile for artist merchandise resulting in commission for festival Exceed 2010 participation by vendors Confirmed at least one exhibitor
Maintain participation by food vendors at current levels	Number of vendors and revenue from permits meets or exceeds 2011 budget
Increase cash sponsor commitments	Increase over 2010 cash sponsorship levels; meet or exceed 2011 budget



CANADA DAY CONT'D	
MARKETING GOALS	Metric
Strengthen and maintain positive relationships with local media	print, and electronic media actively participated onsite at festival; provided positive feedback about experience purchased ads in media as appropriate according to budget
Increase awareness of festival patrons about admission by donation	Increase in awareness about donations among festival patrons Increase in donations over budget
ARTS ALIVE!	
PROGRAMMING GOALS	Metric
Encourage new and unique participants	Increase in number of artists who had not previously participated Increase in nature of artwork not previously featured
Increase size of program	10 new spaces added
Enhance experience of participants	Positive feedback from participants about program Reduction in number of warnings issued Improved communication and morale among artists
Develop a strong visual presence for program	Anecdotal feedback and informal "headcounts" reflect greater onsite participation Greater number of artwork categories as compared to 2010 Frequency of artist demos increased
FINANCIAL GOALS	Metric
Increase revenue generated through permits	Revenues exceed budget and 2010 levels
MARKETING GOALS	Metric
Increase awareness about program to general public	Anecdotal feedback from public about knowledge of program Artist feedback confirming an increase in sales compared to 2010
Increase awareness about program to general artist community	Anecdotal feedback from artists about program Increase in number of applications to program Increase in number of program inquiries
Build brand awareness	Anecdotal feedback from public about knowledge of program



BUSKERS PROGRAM	
<b>PROGRAMMING GOALS</b>	<b>Metric</b>
Increase number of participants	Number of participants increased over 2010
Enhance experience of participants	Positive anecdotal feedback from participants Tracked performer to performer referrals about participating in program
Expand program beyond downtown core	Busker program(s) introduced into new neighbourhoods in Kelowna
<b>FINANCIAL GOALS</b>	<b>Metric</b>
Increase revenue generated through permits	Revenues exceed budget and 2010 levels
Increase revenue generated by program	Revenues exceed budget and 2010 levels
<b>MARKETING GOALS</b>	<b>Metric</b>
Increase program awareness among performing artist community	Increase in performer applications to program

## APPENDIX A - INSURANCE REQUIREMENTS

### 1. Contractor To Provide

The Contractor shall procure and maintain, at its own expense and cost, the insurance policies listed in section 2, with limits no less than those shown in the respective items, unless in connection with the performance of some particular part of the Work or Services, the City advises in writing that it has determined that the exposure to liability justifies less limits. The insurance policy or policies shall be maintained continuously from commencement of the Work or Services until total completion of the Work or Services or such longer period as may be specified by the City.

### 2. Insurance

As a minimum, the Contractor shall, without limiting its obligations or liabilities under any other contract with the City, procure and maintain, at its own expense and cost, the following insurance policies:

- 2.1 Workers' Compensation Insurance covering all employees of Contractor engaged in the Work or Services in accordance with the statutory requirements of the province or territory having jurisdiction over such employees.
- 2.2 Comprehensive General Liability Insurance
  - (i) providing for an inclusive limit of not less than \$2,000,000 for each occurrence or accident;
  - (ii) providing for all sums which the Contractor shall become legally obligated to pay for damages because of bodily injury (including death at any time resulting therefrom) sustained by any person or persons or because of damage to or destruction of property caused by an occurrence or accident arising out of or related to the Work or Services or any operations carried on in connection with this Contract;
  - (iii) including coverage for Products/Completed Operations, Blanket Contractual, Contractor's Protective, Personal Injury, Contingent Employer's Liability, Broad Form Property Damage, and Non-Owned Automobile Liability.
  - (iv) providing for Completed Operations Liability to continue for a period of 24 months after total completion of the Work or any part of the Work.
  - (v) providing for the use of explosives for blasting; vibration from pile driving or caisson work; the removal of, or weakening of support of such property, building or land, whether such support shall be natural or otherwise; demolition; or any other work below ground level.
  - (vi) including a Cross Liability clause providing that the inclusion of more than one Insured shall not in any way affect the rights of any other Insured hereunder, in respect to any claim, demand, suit or judgement made against any other Insured.
- 2.3 Automobile Liability Insurance covering all motor vehicles, owned, operated and used or to be used by the Contractor directly or indirectly in the performance of the Work or Services. The Limit of Liability shall not be less than \$2,000,000 inclusive, for loss or damage including personal injuries and death resulting from any one accident or occurrence.
- 2.4 All Risks Insurance for loss of or damage to all Contractor's equipment, owned, leased or for which Contractor may otherwise be responsible and used or to be used in the performance of the Work. This insurance shall be for an amount not less than the replacement cost value of the equipment. In the event of loss or damage, Contractor shall if so requested by the City, forthwith replace such lost or damaged equipment. Such All Risks Insurance shall be endorsed to waive all rights of subrogation against the City.

3. **The City Named As Additional Insured**  
The policies required by sections 2.2 and 2.3 above shall provide that the City is named as an Additional Insured thereunder and that said policies are primary without any right of contribution from any insurance otherwise maintained by the City.
4. **Contractor's Subcontractors**  
The Contractor shall require each of its subcontractors to provide comparable insurance to that set forth under section 2.
5. **Certificates of Insurance**  
The Contractor agrees to submit Certificates of Insurance, in the form of Appendix A-1, attached hereto and made a part hereof, for itself and for all of its subcontractors to the Risk Management Department of the City prior to commencing the Work or providing the Services. Such Certificates shall provide that 30 days' written notice shall be given to the Risk Management Department of the City, prior to any material changes or cancellations of any such policy or policies.
6. **Other Insurance**  
After reviewing the Contractor's Certificates of Insurance, the City may require other insurance or alterations to any applicable insurance policies in force during the period of this Contract and will give notifications of such requirement. Where other insurances or alterations to any insurance policies in force are required by the City and result in increased insurance premium, such increased premium shall be at the Contractor's expense.
7. **Additional Insurance**  
The Contractor may take out such additional insurance, as it may consider necessary and desirable. All such additional insurance shall be at no expense to the City. The Contractor shall ensure that all of its subcontractors are informed of and comply with the City's requirements set out in this Appendix A.
8. **Insurance Companies**  
All insurance, which the Contractor is required to obtain with respect to this contract, shall be with insurance companies registered in and licensed to underwrite such insurance in the province of British Columbia.
9. **Failure to Provide**  
If the Contractor fails to do all or anything which is required of it with regard to insurance, the City may do all that is necessary to effect and maintain such insurance, and any monies expended by the City shall be repayable by and recovered from the Contractor. The Contractor expressly authorizes the City to deduct from any monies owing the Contractor, any monies owing by the Contractor to the City.
10. **Nonpayment of Losses**  
The failure or refusal to pay losses by any insurance company providing insurance on behalf of the Contractor or any subcontractor shall not be held to waive or release the Contractor or subcontractor from any of the provisions of the Insurance Requirements or this Contract, with respect to the liability of the Contractor otherwise. Any insurance deductible maintained by the Contractor or any subcontractor under any of the insurance policies is solely for their account and any such amount incurred by the City will be recovered from the Contractor as stated in section 9.



