

Meeting Date: City Council - Feb 05 2024

Agenda Item: Consideration to authorize the Mayor to sign the Host Services agreement with AFT-E for the Spirit of Sturgis TT event

Prepared By: Mark Carstensen, Mayor

BACKGROUND INFORMATION:

The proposed contract between American Flat Track Events and the City of Sturgis is attached to this Report. The revised agreement addresses the following points:

- The desire for AMAP Pro Racing and Øuterkind to be parties to the agreement are satisfied by the representations and warranties included in Section 2 of the Agreement.
- The concerns about allocation of Sponsorship money is satisfied by the revisions to Section 7(c). Additionally, Øuterkind and the City will enter into a separate Master Services Agreement fully defining their relationship.
- With the revision to Section 9 the City no longer needs to provide a clean, secure, and climate-controlled space for AMAP registration.
- The revised agreement creates an opportunity for Event branded open container cups and recognizes that AFTE may need a Special Events License.
- The Indemnification section revisions reflect that AFTE bears the risk of the event. The revision is consistent with the way AFTE and AMA Pro allocate the risk associated with racing events. The risk allocation is a benefit to the City as Host.
- Revisions to the Disclaimer of Warranties and Limitation of Liability section. Make the provisions reciprocal. Because of the totality of the revisions, the limitation of the City's liability is no longer necessary.
- Revisions to the Event Budget give the City the option to rent the necessary retaining walls and fencing, or to acquire the safety equipment.
- Although not mentioned in the revisions, the City may want to include its Heritage Marks in the Agreement. Those marks could help tie the current race to the tradition of motorcycle racing long associated with the City of Sturgis Motorcycle Rally.

The transition team has looked at the agreement and will fully support and implement the proposal to the best of their ability. I recommend that the City Council authorize me to sign the agreement.

Approved By:
Fay Bueno, Finance Officer

Status:
Approved - Feb 01 2024