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RECEIVED

JAN 13 2020

MEMORANDUM

MARY JO SPINO
COUNTY CLERK

DATE: January 10, 2020
TO: Jackson County Legislature
FROM: Melinda Bolling, Chief Deputy Auditor - Compliance MB
SUBJECT: Resolutions 20123 & 20197 - Stadium Seat Update

RECAP: Approximately 30,000 stadium seats were removed from Arrowhead stadium in the Spring of 2019. Jackson County is responsible for the disposal of surplus originating from the sports complex.

- A transfer of \$42,725 was approved by Resolution 20123 for the removal and storage of the stadium seats. The actual total cost for this is \$66,515. A. Arnold, a term and supply vendor, provided this service.
Request for Qualifications 24-19 was issued seeking a qualified vendor to repurpose, recycle and/or sell said seats. Resolution 20197 awarded to Schneider Industries of Troy, Indiana. This contract is under the following basic terms:
-\$75,000 to be paid upfront, with the intention of this covering the costs related to moving and storage
-After \$95,000 in fixed costs are covered, Jackson County receives 50% of net proceeds.
-The estimate given in the proposal for financial return to Jackson County after all expenses and profit share was \$266,675.
-Schindler is responsible for selling the additional seats they are unable to utilize in a bulk sale to a third party. Jackson County will also see 50% of this sale.

UPDATE:

Table with 2 columns: Description and Amount. Rows include Total amount paid for moving and storage: \$ (66,515.00), Upfront payment received 8/2019: \$ 75,000.00, *Profit check received 1/2020 for sales through October 10, 2019: \$ 152,082.50, and Net proceeds to date: \$ 160,567.50.

*This amount was not included in the 2020 Budget but deposited into the Park Enterprise Fund.

Table with 2 columns: Description and Amount. Rows include Total Net Return After Variable Costs (573 single and 1,376 double seats) \$ 409,243.00, LESS fixed cost of \$95,000 \$ (95,000.00), Net Return after all expenses (NRAAE) \$ 314,243.00, Amount Due to County is 50% of NRAAE \$ 157,121.50, LESS Pre-Payment of \$75,000 \$ (75,000.00), Split of Storage \$ 29,015.00, Split of Seat Selection Fee (1,559 seat backs sold) \$ 3,446.00, Split due on Bulk Seat Backs (4,000 seat backs sold) \$ 37,500.00, and Net Due to Jackson County after Pre-Payment of \$75,000 \$ 152,082.50.