



**CASE  
CLOSED**

**Miami-Dade Commission on Ethics & Public Trust**  
**Investigative Report**

Date: 5-3-19

Investigator: Robert Steinback

Case No.: PI19-016

Complainant: Anonymous

Case Name: Ultra Tickets 2019

Date Opened: April 3, 2019

Date Submitted: April 29, 2019

**Allegation(s):**

An anonymous complainant alleged that the organizers of the Ultra Music Festival provided the City of Miami with “several hundred” complimentary tickets which “may have” been distributed to City employees.

**Relevant Law:**

Complainant alleges a violation of the Miami-Dade County Conflict of Interest and Code of Ethics Ordinance Section 2-11.1 (g) – Exploitation of official position prohibited. No person [covered by this section] shall use or attempt to use his or her official position to secure special privileges or exemptions for himself or herself or others except as may be specifically permitted by other ordinances and resolutions previously ordained or adopted or hereafter to be ordained or adopted by the Board of County Commissioners.

**Investigation:**

The investigator was unable to obtain more details about the complaint as the complainant was anonymous. The statement under “Allegation” above is the extent of the information provided to the Commission on Ethics.

The investigator discussed the allegations with George Wysong (Wysong), an attorney with the City of Miami’s legal office, and Deputy City Manager Joe Napoli (Napoli), as described below.

**George Wysong**, phone conference April 5, 2019

Wysong said “the complainant is ill-informed.” He said he has looked at the original language of the most recent Ultra contract, which referred to 3,000 complimentary tickets only in the context of identifying how many free tickets the promoter could give away without incurring the City’s surcharge otherwise applied to all tickets.

Wysong said the language of the agreement is that Ultra must pay the city surcharge on every complimentary ticket above a certain number. “Ultra could get slick and say [it gave away a

particular ticket as a means of avoiding the surcharge]. We put in the contract that they could give out [a certain number] of complimentary tickets without the surcharge applying.”

Wysong said there was nothing in the agreement that says the City will receive tickets to redistribute. He said credentials [for admission] were only given to people who were working the event for the City, to get by security. He believes the relevant section was 10, maybe 10.1 or 10.2.

Wysong said the City would probably do an audit to keep track of ticket dispersal. He said the only instructions he is aware of for City officials is that they must file a gift disclosure if they receive complimentary tickets directly from Ultra.

Wysong sent along copies of both the current Ultra contract and, for comparison’s sake, a contract from the 2014 Ultra contract, which carried a provision that up to 40 free VIP tickets per event day would be provided to the Bayfront Park Trust, which was then the contracted City entity handling the festival.

Sections 10.1 and 10.2 of the current contract read as follows:

10. TICKETS:

10.1 Ticket Surcharge: For purposes of this Agreement, the City acknowledges and agrees that all applicable ticket surcharges as stated in Section 53-1, of the Code of the City of Miami, as may be amended, that are due to the City are inclusive in the Use Fee, unless the total Ticket Surcharge due to the City under such Code Section 53-1 exceeds the Use Fee. Licensee shall pay to City all Ticket Surcharge fees to the extent that they exceed the Use Fee, as provided in Sections 7.1 and 7.2 herein. Licensee agrees to pay all applicable taxes, merchant, and service charges related to tickets.

10.2 Complimentary Tickets: Subject to those terms set forth in Section 7, Licensee shall have right to distribute up to 3000 complimentary tickets per each Event day for promotional use without payment of a ticket surcharge. Complimentary tickets distributed by the Licensee in excess of 3000 per each Event day shall have a face value of not less than the highest priced general admission ticket of each Event year for purposes of calculating and remitting the ticket surcharge.

Section 10 (b) of the 2014 contract reads as follows:

10 (b) Complimentary Tickets: USER shall have the right to distribute, up to 1040 tickets per each Event day (including up to 40 tickets to be provided to the TRUST per each event day, which will be VIP) for the promotional use without payment of a ticket surcharge. USER shall only pay a ticket surcharge on complimentary tickets actually used at the EVENT in excess of the 1040 tickets authorized herein. USER shall not pay a ticket surcharge on complimentary tickets issued in excess of the 1040 tickets authorized per event day, but not used. USER agrees to provide TRUST with complimentary tickets no later than five (5) days prior to EVENT.

Joe Napoli, phone conference, April 24, 2019

Napoli confirmed that this year's contract did not contain any provision for providing free tickets to the City for discretionary redistribution. The arrangement included credentials – not tickets – for up to 61 City employees who had a legitimate work reason to be on site, including such people as code enforcement personnel who were monitoring sound levels. Napoli said that not all of the credentials were used. He added that he didn't believe it was possible for the credentials to have been passed on to another undesignated individual to use because the credentials were linked to specific employee names.

Napoli said no specific instruction was given to City employees about individual receipt of free tickets because “we didn't anticipate it as an issue.” City employees would have had ethics training and should know what to do, he agreed.

Speaking with Napoli again on May 3, 2019, the Deputy City Manager said that he checked with his department directors, who confirmed that no one had received tickets from Ultra other than the earlier-mentioned credentialed employees who needed to be on site. “We did not receive any tickets,” Napoli said.

Asked if he had received any information that employees may have received tickets directly from Ultra (that is, not through City departments). Napoli said no. And he reiterated that the City did not make any special effort to school employees on the need to file gift disclosures, as the assumption was that all employees had received training and should be aware of the requirement.

**Documents/Exhibit Review:**

- Revocable Licensing Agreement between City of Miami/Virginia Beach Key Park Trust and Event Entertainment Group Inc., the “Ultra agreement” 2019.
- Bayfront Park Use Agreement between Bayfront Park Management Trust and Event Entertainment Group Inc., the “Ultra agreement 2014.

**Conclusion:**

The information provided by the anonymous source was to non-specific regarding the receipt of free tickets that would necessitate gift disclosure. Accordingly, this matter is closed with no further action.



Robert Steinback, COE Investigator

Approved by:



Michael Murawski, Advocate



José Arrojo, Executive Director

