

TO: City Council
FROM: James L. App, City Manager
SUBJECT: **Marketing & Promotion: Visitor Center Services**
DATE: September 4, 2007

NEEDS: For the City Council to consider a 4-year agreement with the Paso Robles Chamber of Commerce for Visitor Center services.

FACTS:

1. A restructuring of community marketing and promotion effort is underway. It includes marketing & promotions, visitor center, and downtown promotion services.
2. A City Council ad hoc committee, Council Members Gary Nemeth & Fred Strong, have met with Chamber representatives to formulate a Visitor Center service contract that is consistent with a tentative agreement of the parties.
3. The agreement includes a 4-year arrangement at \$110,000 year 1, \$100,000 year 2, \$90,000 year 3, and \$80,000 year 4. Key services include:
 - Downtown visitor center operation
 - Visitor referral to all Paso Robles businesses
 - Continued operation of visitor serving web site
 - Provision of visitor information materials to train station

ANALYSIS &

CONCLUSION: The Chamber of Commerce offered to continue Visitor Center services. The City has met and conferred with Chamber representatives. The parties have agreed to a 4-year program for a range of services, subject to City Council approval (attached).

POLICY

REFERENCE: 2006 Economic Strategy; F.Y. 2008-11 Budget.

FISCAL

IMPACT: Adequate funds are provided in the F.Y. 2008-11 Budget/Financial Plan to fulfill proposed contract fees.

OPTIONS:

- A. **City Council Authorize the Mayor to Execute Agreement**
- B. **Amend, Modify or Reject the Option Above.**

Exhibit: Visitor Center Service Agreement

- C. Providing visitor information that suits the needs of visitors to the Paso Robles area and promotes the unique character, heritage and special attributes of the community, including but not limited to:
- Providing a high level of personal customer service to visitors to the Visitors Center, and retaining an adequate number of trained employees to handle the fluctuations and seasonal flow of such visitors.
 - Responding promptly (same business day) to high volumes of information requests including telephone calls and emails.
 - Serving as a contact for information requests from potential visitors, as well as a referral agency to local all area lodging and other visitor-serving resources.
 - Maintaining an electronic annual events calendar on the CHAMBER website.
 - In the Visitors Center dispense, and at the Train Station Center providing and displaying supplies of hotel/motel directories, visitor's guides, brochures, pamphlets, and general statistics and other information about the community.
- D. Continue operation of CHAMBER'S website with electronic links to/from all other Paso Robles area visitor serving websites including, but not limited to, CITY, Wine Country Alliance, Events Center, & Main Street.
- E. Cooperate in implementing CITY'S Tourism Marketing Plan Goals and Objectives by:
- Cooperating in improving strategic alliances with the Paso Robles Wine Country Alliance, Events Center, Main Street Association, and City.
 - Cooperating in promoting events sponsored by the Paso Robles Events Center, Main Street, Wine Country Alliance, and City.
- F. Providing quarterly activity reports (written) to the City Manager's Office, each quarterly report to be due within 10 days following the end of each calendar quarter. Each quarterly report shall include:
- Summary of website visits & information provided during the quarter.
 - Number of visitors to the Visitors Center during the quarter.
 - Type and quantity of materials dispensed from the Visitors Center and Train Station Center during the quarter.
 - Summary of telephone and email information requests received.
 - Type and quantity of any special materials distributed to groups.
 - Number of Destination Guides mailed and visitor site referrals made.
 - Summary of expenditures incurred by the CHAMBER during the quarter for the services provided under this Agreement, including a listing of any capital equipment purchased with the funds provided by the CITY.

2. COMPENSATION. In consideration of the services performed by CHAMBER pursuant to this Agreement, and so long as CHAMBER is not in default under any of the provisions of this Agreement, CITY will make payments to the CHAMBER as follows:

A. Commencing with CITY'S fiscal year beginning July 1, 2007, CITY shall disburse by the 15th day of the month to CHAMBER monthly payments equal to 1/12th of:

\$110,000.00	Fiscal Year 2007/2008
\$100,000.00	Fiscal Year 2008/2009
\$ 90,000.00	Fiscal Year 2009/2010
\$ 80,000.00	Fiscal Year 2010/2011

B. In the event that the City Council is compelled to reduce General Fund budget expenditures in any given year during the term of this Agreement, the amount of the annual payment under this Agreement for such year shall be reduced by the same percentage as the overall General Fund budget reduction, as determined by the City. City shall notify Chamber of any such reduction as early as is reasonably feasible, and understands that any reduction in the City's payment shall result in a proportionate reduction in Chamber services provided under this Agreement and/or a modification to the Chamber's budget.

3. VISITOR CENTER ANNUAL BUDGET. CHAMBER shall, by April 1 of each year, submit to the CITY for review by the City Council, a budget and plan for Visitors Center services to be provided by the CHAMBER during the next following fiscal year covered by this Agreement. The budget shall include all funds to be received from CITY during such fiscal year and how those funds are proposed to be spent.

CHAMBER will provide quarterly and an annual report of the Visitors Center services plan implementation.

4. CHAMBER'S FINANCIAL RECORDKEEPING AND REPORTING. Upon 15 days notice to the CHAMBER, CITY shall have the right to examine the books, records, and accounts of the CHAMBER at any reasonable time in the CHAMBER'S offices.

5. POLITICAL ACTIVITY. CHAMBER shall not use any monies received under this Agreement for the endorsement, opposition or participation in any political or lobbying activity, including but not limited to, involved in the support or opposition to any candidate for public office or proposed ballot measure.

6. INDEMNIFICATION, HOLD HARMLESS. CHAMBER shall indemnify, defend and hold CITY, its members, officers, directors, agents and employees free and harmless from any and all claims, damages, losses and expenses including attorney fees arising out of the performance by CHAMBER of the services provided for hereunder, caused in whole or in part by any act of CHAMBER, its officers, employees or agents in carrying out the terms of this Agreement.

7. INSURANCE. CHAMBER agrees to maintain in full force and effect, at its sole cost and expense, during the term of this Agreement the following insurance:

- a. Workers' Compensation in accordance with State law, for all of its employees engaged in the work and services to be provided under this Agreement.
- b. General Liability in an amount not less than One Million Dollars (\$1,000,000) combined single limit liability applying to bodily injury, personal injury and property damage, and products damage insurance in a sum of not less than Twenty-Five Thousand Dollars (\$25,000).

All such insurance policies shall be carried with insurance companies satisfactory to the CITY and shall name the CITY, its officers, agents, and employees as additional insured with respect to the work and services being performed under this Agreement. CHAMBER shall cause to be furnished to the CITY certificates of insurance stating that such insurance is in full force and effect; that the premiums thereon have been paid; and that the insurance carrier will give the CITY at least thirty (30) days prior written notice of cancellation, termination or modification.

8. INDEPENDENT CONTRACTOR; NOT AGENT. Notwithstanding any other representation, oral or written, between the parties, including any and all agents or representatives thereof, the CHAMBER is at all times during the term of this Agreement acting as a free and independent contractor, and shall not be an employee or an agent of the CITY.

Except as CITY may authorize in writing, CHAMBER shall have no authority, express or implied to act on behalf of CITY in any capacity whatsoever as an agent. CHAMBER shall have no authority, express or implied, pursuant to this Agreement, to bind CITY to any obligations whatsoever.

9. CONFLICT OF INTEREST. CHAMBER shall not enter into any contract or agreement that will create a conflict of interest with its duties to CITY under this Agreement.

No member, official or employee of CITY shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is directly or indirectly interested. The CHAMBER warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement.

10. LICENSES, PERMITS. CHAMBER represents and warrants to CITY that it has, and shall maintain at all times during the term of this Agreement, at its sole cost and expense, all business licenses, permits, qualifications and approvals of whatsoever nature which are legally required for CHAMBER to provide the services hereunder.
11. STANDARD OF PERFORMANCE. CHAMBER shall perform all services required pursuant to this Agreement in a manner and according to the standards observed by a competent practitioner of the profession in which CHAMBER is engaged. All products and services of any nature which CHAMBER provides to CITY and to visitors to the Visitors Center shall conform to the standards of quality normally observed by licensed, competent organizations practicing in Chamber's profession.

CHAMBER shall devote such time to the performance of services as may be reasonably necessary for the satisfactory performance of Chamber's obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performances are prevented or delayed by any cause, present or future, which is beyond the reasonable control of the parties.

CHAMBER agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services pursuant to this Agreement.

12. REVERSION OF FUNDS AND PROPERTY. During the term of this Agreement should the CHAMBER be dissolved, disbanded, or otherwise cease to function in a manner described in this Agreement, all funds attributable to the CITY, and equipment purchased out of funds provided by the CITY, shall revert to ownership of the CITY. For the purpose of this provision, the CHAMBER shall maintain a written record of, and include as part of each annual report, a listing of capital equipment that has been purchased with the funds provided by the CITY.
13. TERM. The term of this Agreement shall be for four successive one-year periods beginning July 1, 2007 and expiring each June 30 thereafter, and finally June 30, 2011, unless terminated earlier in accordance with Section 16 or 17 below.
14. ASSIGNMENT PROHIBITED. No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligations pursuant to this Agreement shall be void and of no effect.
15. NON DISCRIMINATION. CHAMBER agrees comply with all fair employment practice laws of the state and federal government. CHAMBER covenants and agrees for itself, its successors, its assigns and every successor in interest, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, medical condition, disability, marital status, ancestry or national origin in the provision of any services to be provided by CHAMBER hereunder, nor shall CHAMBER or any person claiming under or through CHAMBER establish or permit any such practice or practices of discrimination or segregation in the provision of any services to be provided by CHAMBER hereunder.
16. DEFAULT. The failure of the Parties to abide by any of the terms of this Agreement shall constitute a default under this Agreement. If either party fails to cure any such default within five (5) days of receiving notice from the other party of such default, then this Agreement may be terminated by giving ten (10) days written notice of such termination. Upon any such termination, the final monthly payment to be paid under Section 2, above, shall be adjusted on a pro rata basis, based on a 30-day month, to the date of such termination, and if applicable, CHAMBER shall immediately return to CITY any amounts previously paid by CITY for any period subsequent to the date of such termination.
17. TERMINATION. In addition to termination pursuant to Section 13 or 16 above, this Agreement may be terminated in whole or in part at any time by either party hereto upon one year's written notice to the other as identified below. In the event of any termination

