



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Lodi Conference and Visitors Bureau

MEETING DATE: June 21, 1995

PREPARED BY: Finance Director

RECOMMENDATION: Approve the attached agreement with the Lodi Chamber of Commerce to form and finance a Conference and Visitors Bureau.

BACKGROUND

At the City Council on May 3, 1995, the City Council authorized staff to negotiate an agreement with the Lodi Chamber of Commerce to form a Conference and Visitors Bureau. Staff meet with representatives of the Chamber on May 26 and developed the attached agreement which was submitted to the City Attorney for approval.

This agreement is based on the attached Significant Expenditure Request (Exhibit A) which will be included in the 1995-97 Financial Plan and Budget and on the attached Description of Work (Exhibit B).

The scope of work and the objectives for the Lodi Conference and Visitors Bureau are summarized in the Significant Expenditure Request.

This agreement allows the City to participate in the development of visitor and conference services without adding City staff, to ensure that these services provide for the City's needs and to monitor the effectiveness of this program. During the first year of operation, the Lodi Conference and Visitors Bureau will prepare a more detailed work statement and recommend criteria on which to evaluate the effectiveness of these services.

A separate Activity has been included in the 1995-97 Financial Plan and Budget.

FUNDING

The City will budget \$75,000 in the 1995-96 Budget Year and \$75,000 in the 1996-97 Budget Year for this Activity.


H.D. Flynn
Finance Director

Attachments

Significant Expenditure Request
Agreement

APPROVED: _____



THOMAS A. PETERSON
City Manager



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AGREEMENT

THIS AGREEMENT is made and entered into in the City of Lodi on this 30th day of June, 1995, by and between the City of Lodi, a municipal corporation, hereinafter referred to as City and the Lodi Chamber of Commerce, hereinafter referred to as Contractor.

WITNESSETH:

WHEREAS, the City is desirous of promoting tourism and business in the City of Lodi to improve the quality of life for all residents and visitors, and

WHEREAS, the City is desirous of promoting, in a manner consistent with City Council goals, the development of Lodi as a regional business, recreation, conference and tourist center, and.

WHEREAS, the City Council adopted an economic development plan in April 1994 with an objective to market Lodi as a tourist and business location, and

WHEREAS, the City Council has directed staff to negotiate an Agreement with the Chamber of Commerce to organize a visitor, tourist and promotion service to begin operation July 1, 1995, and

WHEREAS, the Lodi Chamber of Commerce has submitted a proposal to provide these services.

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

1. **TERM.** The term of this Agreement shall be from the date this Agreement is made and entered into , as first written above, for one year beginning July 1, 1995 and ending June 30, 1996 with the option to renew with the consent of both parties from year to year for up to two additional years.
2. **INCORPORATION BY REFERENCE.** The City's Significant Expenditure and Staffing Change subject: "Lodi Conference and Visitors Bureau" (Exhibit A) and the Description of Work (Exhibit B) are hereby incorporated in and made a part of this Agreement.
3. **CITY'S OBLIGATIONS.** For providing these services as specified in this Agreement, the City will pay the Contractor and the Contractor shall receive the amount of \$75,000 by July 31, 1995.
4. **CONTRACTOR'S OBLIGATIONS.** For and in consideration of the payment and agreements hereinbefore mentioned to be made and performed by City, Contractor agrees with City to perform as required by this Agreement and said specifications.
5. **AMENDMENTS.** Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon approval by the City and Contractor. Any attempt to modify this agreement other than by writing, signed by both parties, shall be void.

6. **COMPLETE AGREEMENT.** This written Agreement, including all writings specifically incorporated herein by reference, shall constitute the complete agreement between the parties hereto. No subsequent or contemporaneous oral agreement, understanding, or representation not reduced to writing and specifically incorporated herein shall be of any force or effect, nor shall any such oral agreement, understanding, or representation be binding upon the parties hereto.

7. **NOTICE:** All written notices to the parties hereto shall be sent by United States mail, postage prepaid by registered or certified mail addressed as follows:

City: Economic Development Coordinator
City of Lodi
P.O. Box 3006
Lodi, CA 95241-3006

Contractor: Lodi Chamber of Commerce
1330 South Ham Lane
Lodi, CA 95241

8. **AUTHORITY TO EXECUTE AGREEMENT.** Both the City and Contractor do covenant that each individual executing this agreement on behalf of each party is a person duly authorized and empowered to execute Agreements for such party.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first written above.

ATTEST:

CITY OF LODI
A Municipal Corporation

Jacqueline L. Taylor
Acting City Clerk

By: _____
Stephen J. Mann, Mayor

APPROVED AS TO FORM:

City Attorney

CONTRACTOR

By:

By:

1995-97 Financial Plan and Budget

SIGNIFICANT EXPENDITURE REQUEST AND STAFFING CHANGE

Exhibit A

ACTIVITY: Promotional Development
REQUEST TITLE: Lodi Conference and Visitors Bureau

REQUEST SUMMARY

Sponsor the formation of a Lodi Conference and Visitors Bureau (LCVB) to improve the quality of life in Lodi for all residents and visitors and to promote (in a manner consistent with City Council goals) the development of Lodi as a regional business, recreation, conference and tourist center. This activity will be established as a three year pilot program funded by the City at \$75,000 in the first year. Over three years, the LCVB will seek additional sponsors to increase the size and scope of the program and to lower the level of the City's participation.

PRIMARY OBJECTIVES

1. Develop a comprehensive advertising and promotional campaign which will include promotional publications such as maps and informational brochures for City wide recreational activities, conferences and tourist opportunities.
2. Establish a Visitor Services Center to provide information and assistance to residents and visitors for special events, sport tournaments, local products, and visitor facilities (motels, restaurants, parks, etc.).

SUMMARY OF FACTORS DRIVING THE REQUEST FOR CHANGE

In April 1994, the City Council adopted an economic development plan to promote, attract and retain business. One objective of this plan was to "market Lodi as a tourist and business location". In adopting this objective, the City Council committed the City to focusing City resources to the development of programs to promote the tourist and business activities and facilities of Lodi.

Of the alternatives considered by staff, the recommendation made by the Chamber of Commerce appears to be the most acceptable. This would be a three year pilot program under the direction of the Chamber of Commerce. In the first year the City would fully fund the startup costs and provide for some growth in the program in years two and three. In the first three years the Bureau will seek additional support from other agencies and private business to expand and develop its program. Within one year the Chamber will develop a comprehensive statement of work for review by the City Council which addresses the qualifications of the staff, the specific approach to be used to promote Lodi, and the manner in which the program is to be evaluated. In concept, the City Council will be able to evaluate the success of the LCVB by measuring the increase or decrease in the Transient Occupancy Tax, the increase or decrease in sales tax from restaurants, and the number of sponsors.

ALTERNATIVES

1. **Provide a Conference and Visitors Bureau with City staff.** This alternative could be accomplished with City staff; however, to be successful it would need the support of the Chamber of Commerce and other Lodi business organizations.
2. **Contract with another business organization.** Under this alternative the City will have to seek a more qualified alternative than the Chamber of Commerce which is acceptable to the business community.

COST SUMMARY

	1995-96	1996-97
Additional Costs		
Staffing		
Supplies, Materials, Services	\$75,000	\$75,000
Minor Equipment		
Total	\$75,000	\$75,000
Savings Contribution to the Chamber of Commerce	15,000	15,000
Net Cost	\$60,000	\$60,000

Cost estimates were prepared by the Chamber of Commerce for 1995-96.

IMPLEMENTATION

With City Council approval, the City will prepare an agreement and Statement of Work with the Chamber of Commerce to establish a Lodi Conference and Visitors Bureau and fund the program in full, July 1, 1995. Over the next three years, the Lodi Conference and Visitors Bureau will submit the following annual reports to the City Council:

- An annual financial report
- The City's actual Transient Occupancy Tax Receipts for the current and preceding two years
- The sales tax revenues for restaurants for the current and preceding two years
- The names of sponsors and their annual contribution
- Work Program Definition (Scope of Work)

DESCRIPTION OF WORK - Lodi Conference and Visitors Bureau

1. General

The Lodi Chamber of Commerce will form a Visitors and Conference Bureau (LCVB) to promote Lodi as a regional conference, recreation, and tourist center. The Bureau will be sponsored jointly by the Chamber of Commerce and the City of Lodi. The City will contribute to the Bureau by funding the operating budget in the first year of operation. The Chamber will contribute by providing the management and promotional expertise. The success of the Bureau will be measured over 12 months by the effectiveness of the promotional programs developed, the number of financial sponsors who contribute to the Bureau's operating and advertising costs, and the increase in the transient occupancy tax. One of the long term goals of the Lodi Conference and Visitor's Bureau will be to decrease the City's share of financial support to less than 50% of the total program cost. The LCVB will have three objectives:

1. To develop a comprehensive Statement of Work which describes the goals, objectives, performance measures, qualifications of staff, anticipated problems and specific actions to be taken to provide these services.
2. To develop an advertising and promotional campaign to provide maps and informational brochures describing recreational activities, special events, conferences and tourist opportunities.
3. To establish a Visitors Service Center to provide promotional information and advertising to visitors and residents for special events and activities in and around Lodi, sport tournaments, local products and shopping facilities, and visitor facilities (motels, restaurants, parks, etc.)

2. Scope of Work to be Performed**Management**

The Chamber of Commerce will organize and manage the Lodi Conference and Visitors Bureau by hiring qualified staff, developing and conducting promotional activities and advertising, providing technical and management assistance in the operation of the Bureau, finding appropriate facilities for the Bureau, preparing an annual budget and providing the City with information to evaluate the success of the Bureau. The performance measures should include but not limited to the following:

- Past and projected growth in the transient occupancy tax
- Past and projected growth in sales tax from Lodi restaurants
- Number of financial sponsors
- Number of trade shows attended
- Number of conferences (50 people or more) held in Lodi by government/schools/local business.
- Estimated attendance at major community activities and recreational events.

DESCRIPTION OF WORK - Lodi Conference and Visitors Bureau

Advertising and Promotions

The LCVB will develop a comprehensive advertising and promotional campaign which will include:

- Promotional publications such as maps and informational brochures
- Newspaper, billboard and magazine advertising

Visitors Center

The LCVB will establish a visitors center to assist City residents and visitors to find and locate visitor and tourist facilities, community and regional activities, and special events. The Center will be located in facilities which are highly visible and easily accessible to road traffic. The Center will maintain a community calendar of events for activities, tournaments, shows, and conferences.

GENERAL TERMS AND CONDITIONS (Lodi Conference and Visitors Bureau)

REQUIREMENTS

1. **Requirement to Meet All Provisions.** The Chamber of Commerce will meet all of the terms and conditions of this agreement.
2. **Contract Requirement.** The Chamber of Commerce will execute a written contract with the City within thirty (30) calendar days after notice of approval by the City Council. The contract will be made in the form adopted by the City.
3. **Insurance Requirements.** The Chamber of Commerce will provide proof of insurance in the form, coverage's, and amounts specified within 30 calendar days after execution of this agreement.

CONTRACT PERFORMANCE

4. **Ability to Perform.** The Chamber of Commerce warrants that it possesses all capital, equipment, facilities, staff, materials, and licenses necessary to carry out and complete the work described.
5. **Laws to be Observed.** The Chamber of Commerce will keep itself fully informed of and will observe and comply with all applicable state and federal laws and county and City of Lodi ordinances, regulations and adopted codes during performance of these services.
6. **Permits and Licenses.** The Chamber of Commerce will procure all permits and licenses, pay all charges and fees, and give all notices necessary to provide these services.
7. **Notices.** The Chamber of Commerce will include on all notices, pamphlets, press releases, research reports and similar documents covered by this Agreement with the statement: "This activity is funded in part by the City of Lodi under agreement with the City of Lodi".
8. **Immigration Act of 1986.** The Chamber of Commerce warrants on behalf of itself and all subcontractors engaged for the performance of this work that only persons authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986 and other applicable laws will be employed in the performance of these services.
9. **Contractor Non-Discrimination.** In the performance of these services, the Chamber of Commerce agrees that it will not engage in, nor permit subcontractors as it may employ, to engage in discrimination in employment of persons because of age, race, color, sex, national origin or ancestry, sexual orientation, or religion of such persons.

GENERAL TERMS AND CONDITIONS (Lodi Conference and Visitors Bureau)

10. **Inspection.** The Chamber of Commerce will furnish the City with every reasonable opportunity to ascertain that the services of the LCVB are being performed in accordance with the requirements and intentions of this Agreement. All work done and all materials furnished, if any, shall be subject to the City's inspection and approval. The inspection of such work shall not relieve the Chamber of any of its obligations to fulfill its requirements.
11. **Audit.** The City will have the option of inspecting and/or auditing all records and other written materials used by the Chamber in providing these services.
12. **Interests of Chamber of Commerce.** The Chamber of Commerce covenants that at present it has no interest, and will not acquire any interest direct or indirect or otherwise, which would conflict in any manner or degree with the performance of these services. The Chamber further certifies that, in the performance of these services, no one who has or will have any financial interest in performing these services is an officer or employee of the City. It is hereby expressly agreed that, in the performance of these services, the Chamber will at all times be deemed an independent contractor and not an agent or employee of the City.
13. **Hold Harmless and Indemnification.** The Chamber agrees to defend, indemnify, protect and hold the City and its agents, officers and employees harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to the Chamber's employees, agents or officers which arise from or are connected with or are caused or claimed to be caused by the acts or omissions of the Chamber, and its agents, officers or employees, in performing the work or services herein, and all expenses of investigating and defending against the same; provided, however, that the Contractor's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers or employees.
14. **Contract Assignment.** The Chamber will not assign, transfer, convey or otherwise dispose of the contract, or its right, title or interest, or its power to execute such a contract to any individual or business entity of any kind without the previous written consent of the City.
15. **Termination.** The City or Chamber may terminate this agreement with or without cause by giving either party 90 days written notice to the other party. Upon termination of the Agreement, the Chamber will be paid for services rendered through the date of termination. After all services have been paid for, any funds remaining in the LCVB account along with all equipment and supplies purchased with City funds will be delivered to the City within 60 days of said termination.

SPECIAL TERMS AND CONDITIONS (Lodi Conference and Visitors Bureau)

1. **Contract Term.** A one-year agreement is contemplated with the option to renew from year-to-year for up to two additional years. At the end of each year, the City reserves the right to terminate services upon 90 days notification.
2. **Statement of Work.** The Chamber will provide the City with a Statement of Work within 12 months of execution of the Agreement:
 - a. Four copies of the Statement of Work including the following:
 - i. Table of Contents
 - ii. Transmittal Letter. A signed letter of transmittal briefly stating the Chamber's understanding of the work to be done and a statement why the Chamber believes itself to be best qualified to perform these services.
 - iii. Required Submittal Forms:
 - A submittal summary
 - Schedule of fees and expenses
 - iv. Detailed Statement of Work. The detailed Statement of Work should follow the order set forth below.
 - b. **General Requirements.** The purpose of the Statement of Work is to demonstrate the qualifications, competence and capacity of the Chamber to undertake these services in conformity with the requirements of this Work Statement. As such, the substance of the Work Statement will carry more weight than the form or manner of presentation. The Work Statement should demonstrate the qualifications of the Chamber and its staff to perform these services. The Statement of Work should also specify the approach that will be used to meet the requirements.

The Statement of Work should address all the points outlined. It should be prepared simply and economically, providing a straightforward, concise description of the Chamber's capabilities to satisfy the requirements of the City. While additional information may be presented, the following subjects, items (c) through (i) below, must be included. They represent the criteria against which the Statement of Work will be evaluated.
 - c. **Qualifications and Experience.** The Chamber should state the staffing size of the LCVB, the location of the office from which the work is to be performed and the number and nature of the professional staff to be employed in these services on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

SPECIAL TERMS AND CONDITIONS (Lodi Conference and Visitors Bureau)

- d. **Supervisory and Staff Qualifications and Experience.** The Chamber should identify the principal supervisory and management staff, including managers, other supervisors and specialists, who would be assigned to these services. Provide information on experience of each person, including information on relevant professional education for the past three (3) years and membership in professional organizations relevant to these services.
- e. **Goals and Objectives.** The Chamber should describe and list the goals, objectives and performance measures to be used to evaluate visitor, tourist and promotional services.
- f. **Specific Approach.** The Work Statement should set forth a work plan, including an explanation of the promotion methods and time frames. In developing the Work Statement, reference should be made to promotional materials, brochures, service contacts, and benefits to the City.

The Chamber will be required to provide the following information on their promotional program:

- Proposed segmentation of the services
 - Level of staff and number of hours to be assigned to each segment of these services
 - Type and extent of analytical procedures to be used to determine the effectiveness of these services
 - Approach to be taken to gain and document the level of services provided and the benefits to the city.
 - A list of reports, schedules and tables which the Chamber anticipates will be prepared by the Chamber to evaluate these services.
- g. **Identification of Anticipated Potential Problems.** The Chamber should identify and describe any anticipated potential problems in providing promotional services and any special assistance that will be requested from the City.
- h. **Total All-Inclusive Maximum Price.** The Work Statement should contain all pricing information relative to performing these services in the coming year. The total all-inclusive maximum price to be presented in the Work Statement will include all direct and indirect costs and all out-of-pocket expenses.
- i. **Work Statement Length and Copies.** The Work Statement should not exceed 30 pages, including attachments and supplemental materials.

SPECIAL TERMS AND CONDITIONS (Lodi Conference and Visitors Bureau)

3. Evaluation.

The Work Statement will be evaluated by the City on an annual basis to determine whether the services are benefiting the City. In making this evaluation the following criteria will be used:

- ***General Qualifications***
Does the Chamber of Commerce staff the LCVB personnel with qualified personnel and do they have adequate professional training and experience?
- ***Technical Quality***
How does the Chamber of Commerce approach promotion?
- Do they have adequate staffing for the various segments of these services?
- Are the promotional material and brochures adequate and effective?
- Are their promotional techniques and procedures adequate?
- ***Performance***
Are the performance measures developed and used to evaluate the program specific, reasonable and accurately reflect the success or failure of the program.
- ***Price***
Does the cost of service warrant continued investment?

INSURANCE REQUIREMENTS (Lodi Conference and Visitors Bureau)

The Chamber of Commerce shall procure and maintain for the duration of this agreement, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the services required, its agents, representatives, employees or subcontractors.

Minimum Scope of Insurance. Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Errors and Omissions Liability insurance as appropriate to the consultant's profession.

Minimum Limits of Insurance. Chamber shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retention's. Any deductibles or self-insured retention's must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention's as respects the City, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees, agents and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, official, employees, agents or volunteers.

INSURANCE REQUIREMENTS

2. For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.
4. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Verification of Coverage. Contractor shall furnish the City with a certificate of insurance showing maintenance of the required insurance coverage. Original endorsements effecting general liability and automobile liability coverage required by this clause must also be provided. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.