

**EXHIBIT-A**  
**SCOPE OF SERVICES**  
**Professional Service Agreement**  
**Between**  
**THE COUNTY OF MONTEREY ECONOMIC DEVELOPMENT DEPARTMENT**  
**And**  
**MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION dba**  
**MONTEREY COUNTY CONVENTION AND VISITORS BUREAU (MCCVB)**

This EXHIBIT A shall be incorporated by reference as part of Professional Services Agreement dated July 1, 2012, governing work to be performed under the above referenced Agreement, the nature of the working relationship between the County of Monterey Economic Development Department (“COUNTY”) and the Monterey County Destination Marketing Organization, dba Monterey County Convention and Visitors Bureau (MCCVB) (“CONTRACTOR”), and specific obligations of the CONTRACTOR.

**A. SERVICES TO BE PROVIDED**

CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

The CONTRACTOR acts as the County’s marketing channel to maximize the benefits of tourism to the County of Monterey by implementing programs that promote the Monterey County brand through advertising and website development, increasing group sales of those who have the ability to bring their business to Monterey County, and increasing and improving visitor service resources to provide opportunity to “upsell”, and have direct influence on extending visitor stays and spending. The cumulative effect of these programs acts to expand the revenue base through Transient Occupancy Tax and Sales Tax generated by visitors.

The purpose of the CONTRACTOR is to drive business opportunities for tourism development through compelling marketing & sales initiatives that maximizes the benefits of tourism to the County of Monterey.

The Monterey County Convention and Visitors Bureau shall develop and implement a Program that is consistent with the FY 2012-13 Annual Work Plan.

**Goal 1 – Expand Effectiveness of Marketing & Communications**

**Strategy** - Create desire and excitement of the destination and promoting the brand of Monterey County through advertising and website development.

**Measures:**

<b>1. Marketing</b>	
Ad Effectiveness	*New Benchmark Study
Web Visitation ( <a href="http://www.seemonterey.com">www.seemonterey.com</a> )	1,050,000
<b>Communications</b>	
Earned Media	\$25,000,000
Social Media	Facebook: 23,500 Twitter: 5,971

**Goal 2 – Increase Group Sales**

**Strategy** - Produce qualified leads for group business to those who have the ability to bring their business to Monterey County.

**Measures:**

<b>2. Group Sales</b>	
Leads	785
Lead Room Nights	240,250
Booked Room Nights	69,730

**Goal 3 – Expand Impact of Visitor Services Program**

**Strategy 3** - Extend stays, influence spending, and visitor distribution by maximizing the visitor services resources available in the region.

**Measures:**

<b>3. Visitor Services</b>	
Influence Index	**New Benchmark Study
Visitor Referrals/Inquiries	111,100

*\*Ad Effectiveness: there has been no previous research measuring the effectiveness of MCCVB advertising. This new study will be conducted with respondents within target market areas to determine ad recall, response and influence of MCCVB advertising in 2012-13. This will be an annual study.*

*\*\*Influence Index: while referrals and reservations are tracked through visitor services, there has been no previous research measuring the direct influence on those who are helped in the visitor information center. This is an important step in measuring the economic impact of visitor services.*

The 2012-13 Work Plan is incorporated as part of this Agreement.

**B. PAYMENT PROVISIONS: COMPENSATION, PAYMENT SCHEDULE AND MISCELLANEOUS MATTERS**

**B1. Compensation**

The amount of compensation allocated to CONTRACTOR for Fiscal Year 2012/2013, which is the period July 1, 2012 – June 30, 2013, shall not exceed \$826,737. Payment of compensation is based upon the performance of all things necessary for or incidental to the Scope of Services identified in Section A. Compensation shall be paid to CONTRACTOR in twelve monthly installments in the amount equal to 1/12<sup>th</sup> of the total allocated above.

**B2. Standard Payment Schedule**

CONTRACTOR shall be paid the equivalent of the first three monthly installments (July, August and September) within 45 days after this Agreement has been approved by the Board of Supervisors, Thereafter, CONTRACTOR shall be paid on the 5<sup>th</sup> day of each month through June of the fiscal year. Payments falling on non-business days may be delayed to the next business day.

**B3. Monthly Performance Reports**

CONTRACTOR shall produce the following performance monthly reports in a format provided by County.

<u>Due Date</u>	<u>Report Period</u>
November 20, 2012	July 1, 2012 – October 31, 2012 ( 4 month report)
March 20, 2013	July 1, 2012 – February 29, 2013 (8 month report)
July 20, 2013	July 1, 2012- June 30, 2013 (12 month report)

**B4. Annual Work Plan and Budget**

The CONTRACTOR shall submit an Annual Work Plan and Budget on the date noted below for review and approval by the Board of Supervisors, Economic Opportunity Committee (EOC), and/or the Administrative Committee of the EOC.

<u>Due Date</u>	<u>Report Period</u>
April 20, 2013	FY 2013-2014 Annual Work Plan and Budget

#### **B5. Determination of Compliance**

CONTRACTOR is expected to substantially meet or exceed the stated goals, objectives, tasks and performance measures. CONTRACTOR is expected to provide various reports, documents, plans, and other deliverables in a timely manner. Furthermore, CONTRACTOR is expected to cooperate with Economic Development Department staff, the Economic Opportunity Committee and Board of Supervisors in conducting its responsibilities of this Agreement.

The determination of whether performance meets standard is at the sole judgment of County. County will review periodic progress reports and perform other monitoring tasks at its discretion to make its determination. This may include making site visits and reviewing related records, which CONTRACTOR shall make readily available upon request.

In the event County determines CONTRACTOR is not meeting its expectations as expressed above, in whole or in part, County reserves the right to determine the appropriate remedy. These remedies could include, but are not limited to, requiring a corrective action plan, disallowance of costs, changing the compensation schedule, reduction of future allocations and/or termination of the Agreement.

#### **B6. Modifications to the Scope of Work**

The Economic Development Director or his/her designee may approve modifications to the specific tasks described in the Scope of Work with the concurrence of the Administrative Committee of the Monterey County Economic Opportunity Committee. Such modifications must be in writing. Any modification to compensation must be approved by the Board of Supervisors.

#### **B7. CONTRACTOR Finances, Budget, Audits and Financial Statements**

CONTRACTOR is expected to operate in a financially sound manner in accordance with generally accepted accounting principles. This is a requirement of eligibility to receive an allocation from County. By signing this Agreement, CONTRACTOR acknowledges that this requirement is met.

CONTRACTOR agrees that its Board of Directors will approve an annual budget applicable to its fiscal year. A copy of that adopted budget will be provided to County with 10 business days of its adoption.

CONTRACTOR shall provide County with a copy of its most recent annual audit and subsequent annual audits that may be completed during this Agreement's during its duration. Such audits shall be provided within 10 business days of their presentation to the Board of Directors.

CONTRACTOR shall provide County with financial statements covering the end of the second quarter and fourth quarter of CONTRACTOR'S fiscal year. Such statements shall be provided within 10 business days of their presentation to the Board of Directors. County reserves the right to request more frequent financial statements which shall be provided by CONTRACTOR within 10 business days if such request is made.

CONTRACTOR agrees to notify County if there any budget or financial issues that are likely to materially adversely affect the ability of CONTRACTOR to achieve the Scope of Work in Section A. Such notification shall be made in a timely manner, which shall be construed as no later than 10 days after such information is made available to the Board of Directors.

#### **B8. Acknowledgement of County Funding**

The Monterey County Board of Supervisors shall be acknowledged for the funding support to CONTRACTOR and explicit funding support for any project, event or initiative funded by the Agreement. This acknowledgement shall be included in any written materials, advertisements or banners associated with the project, event or initiative where it is customary to list sponsors. It is CONTRACTOR'S responsibility to pass this requirement through to its Subcontractors or funded organizations that may be involved in any project, event or initiative funded by County. CONTRACTOR shall ensure that their compliance with this requirement. Failure to acknowledge this funding support may result in projects, events or initiatives being deemed by County as ineligible to receive future funds.

#### **B9. Written Publications**

CONTRACTOR shall provide County with a copy of any final written or visual publication and any other work product (e.g. print advertisement) that is funded in whole or in part by this agreement. CONTRACTOR'S website shall prominently display that the County of Monterey Board of Supervisors is a major funding partner or contributor to CONTRACTOR. Said documents shall be provided within 10 business days of their publication.

**B10. Unincorporated Area Representation and Service**

CONTRACTOR is encouraged to include on its Board individuals who reflect the interests of unincorporated areas of the County of Monterey and ensure that CONTRACTOR'S services apply to unincorporated as well as incorporated areas of the County. A list of current Board Members shall be included in the periodic reports required.

**B11. Presentations**

CONTRACTOR shall be required to provide periodic presentations to the Board of Supervisors, Economic Opportunity Committee (EOC), and/or the Administrative Committee of the EOC with reasonable advance notification. In addition, CONTRACTOR is expected to attend meetings of the bodies upon request.

**B12. Submittal of Communications, Documents, Reports and Other Deliverables**

Submittals shall be submitted to the County's Economic Development Director or his designee at the following address:

Economic Development Director  
County of Monterey  
Economic Development Department  
168 West Alisal Street, 3<sup>rd</sup> Floor  
Salinas, CA 93901