

**COUNTY OF MONTEREY STANDARD AGREEMENT
(MORE THAN \$100,000)**

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
Monterey County Destination Marketing Organization DBA Monterey County CVB ,
(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION

- 1.01 The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide Develop and implement marketing programs that promote Monterey County as a travel and leisure destination.

2.0 PAYMENT PROVISIONS

- 2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$ 1,076,729.00.

3.0 TERM OF AGREEMENT

- 3.01 The term of this Agreement is from July 1, 2014 to June 30, 2015, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement.**
- 3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS

- 4.01 The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B FY 2014-15 Work Plan

5.0 PERFORMANCE STANDARDS.

- 5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.
- 5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- 5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS.

- 6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.
- 6.03 Invoice amounts shall be billed directly to the ordering department.
- 6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7.0 TERMINATION.

- 7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

- 7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.
- 7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION

- 8.01 CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS

9.01 Evidence of Coverage

Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 Qualifying Insurers

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to

the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

- 9.03 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Business Automobile Liability Insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

(Note: any proposed modifications to these insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.04 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02-99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY

- 10.01 Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.
- 10.02 County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.
- 10.03 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.
- 10.04 Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 10.05 Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION

- 11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal,

state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS.

12.01 If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 INDEPENDENT CONTRACTOR.

13.01 In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

14.0 NOTICES.

14.01 Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Debby L. Bradshaw, Management Analyst III	Tammy Blount, President and CEO
Name and Title	Name and Title
168 West Alisal Street, 3rd Floor Salinas, CA 93901	787 Munras Street, Suite 110 Monterey, CA 93940
Address	Address
(831) 755-5338	(831) 657-6409
Phone	Phone

15.0 MISCELLANEOUS PROVISIONS.

- 15.01 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.
- 15.02 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.
- 15.03 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.04 Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.
- 15.05 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.06 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 15.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.08 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

- 15.13 Construction of Agreement. The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15 Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 15.17 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

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16.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form¹

By: Rebecca M. Duncan
County Counsel

Date: July 1, 2014

Approved as to Fiscal Provisions²

By: [Signature]
Auditor/Controller

Date: 6-21-14

Approved as to Liability Provisions³

By: _____
Risk Management

Date: _____

CONTRACTOR

Monterey County Convention & Visitors Bureau
Contractor's Business Name*

By: [Signature]
(Signature of Chair, President, or Vice-President)*

Tammy Blount
President & CEO

Date: June 18, 2014

By: [Signature]
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Michael T. Altman, CFO

Date: 6/18/2014

County Board of Supervisors' Agreement Number: _____, approved on (date): _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

¹Approval by County Counsel is required

²Approval by Auditor-Controller is required

³Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

EXHIBIT-A

SCOPE OF SERVICES Development Set-Aside (DSA) 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, 2014, 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. The CONTRACTOR will market Monterey County through advertising and website development, increasing group sales to those who have the ability to bring their business to Monterey County, and increasing and improving visitor service resources. These activities provide opportunity to "up sell" and have direct influence on extending visitor stays and spending. The cumulative effect of these programs expands the County's revenue base through Transient Occupancy Tax and Sales Tax generated by visitors.

The purpose of the CONTRACTOR's services is to drive business opportunities for tourism development through compelling marketing and sales initiatives that maximize 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 2014-15 Annual Work Plan.

Goal 1 - Group Sales & Services

Objective	Performance Measures
Book group business MCCVB's sales team is dedicated to identifying and securing incremental group business to the destination.	Leads: 1,008 Total Group Sales Leads Room Night Index: 100% Conversion Rate: 35% Competitive Set Index Growth

Goal 2 - Marketing & Communications

Objective	Performance Measures
Increase intent to visit Through our public relations, social media, digital strategy and advertising programs our goal is to increase awareness and the desire to visit Monterey County.	Communication Effectiveness: 4.1 Earned Media: \$40,000,000 Web Visits (seemonterey.com): 1,200,000

Goal 3 - Visitor Services

Objective	Performance Measures
Influence incremental room nights MCCVB's Visitor Services Team is focused on increasing visitor spending, creating opportunities to turn day-trippers into overnight guests, and influencing overnightrters to extend their stay.	Incremental Room Nights: 85,000* Visitors Assisted: 123,000

The 2014-15 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 2014/2015, which is the period July 1, 2014 – June 30, 2015, shall not exceed \$1,076,729. CONTRACTOR shall submit monthly invoices. Compensation shall be paid to CONTRACTOR in twelve monthly installments in the amount equal to 1/12th of the total allocated above. Payment of compensation is based upon the performance of all things necessary for or incidental to the Scope of Services identified in Section A.

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 5th day of each month through June of the fiscal year. The County Auditor-Controller shall pay the monthly invoice within 30 days of receipt.

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, 2014	July 1, 2014 – October 31, 2014 (4 month report)
March 20, 2015	July 1, 2014 – February 28, 2015 (8 month report)
July 20, 2015	July 1, 2014- June 30, 2015 (12 month report)

B4. Annual Work Plan and Budget

The CONTACTOR 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, 2015	FY 2015-2016 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 CONTRACTOR'S 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 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 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. Said documents shall be provided within 10 business days of their publication. CONTRACTOR'S website shall prominently display that the County of Monterey Board of Supervisors is a major funding partner or contributor to CONTRACTOR.

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 by this Agreement.

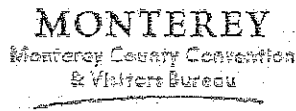
B11. Presentations

CONTACTOR shall be required to provide periodic presentations to the Board of Supervisors Economic Opportunity Committee (EOC), and/or the Administrative Subcommittee of the EOC with reasonable advance notification. In addition, CONTRACTOR is expected to attend meetings of these 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, 3rd Floor
Salinas, CA 93901



2014-2015 DSA WORK PLAN

ECONOMIC DEVELOPMENT PRIORITY: SUPPORT TOURISM & SMALL BUSINESS

MCCVB VISION: Inspire the world to experience our extraordinary destination.

MCCVB MISSION: Drive business growth through compelling marketing and targeted sales initiatives that maximize the benefits of tourism to our guests and members.

The Monterey County Convention and Visitors Bureau (MCCVB) is the destination marketing organization for Monterey County. In collaboration with tourism businesses and in partnership with local city and county government, the MCCVB establishes an annual business plan focused on sales and marketing programs that drive business opportunities to our region. A collaborative approach to destination marketing is essential to the success of these programs and is built into the development of each initiative we execute. Some partnerships are established and growing, as we have with our funding partners, members and affiliated associations like the Monterey County Vintners and Growers Association and others are still forming.

PROGRAMS:

Marketing & Communications \$843,299: Marketing includes the promotion of the Monterey County brand "Grab life by the Moments" through advertising, social media and website development. Communications integrates with marketing by utilizing media relations to "earn" publicity that is user-generated or editorial in nature. This supports advertising and marketing messages through credible, objective sources, and expands the reach of our ad buys, allowing for resource leveraging and a collective regional approach that is preferred by target customers. Marketing and communications messaging tells the story of the destination, with focus on our natural and special assets including outdoor adventure, ecotourism opportunities, wine and food, agriculture, golf and of course the scenic beauty of the region. The diversity of our destination's assets allows us to target a broad range of customers from wine connoisseurs to sports enthusiasts, photographers, families or couples looking for an extraordinary getaway.

Continued investment targeting China, Canada, Millennial and Hispanic markets is anticipated for 2014-15. Partnerships with our food and wine associations and businesses and the specific regions of Salinas Valley, Carmel Valley, Big Sur and Pebble Beach are established and critical to the success of these market investments.

Sales & Group Services \$96,698: Sales is an essential component to destination marketing and especially important to our region. Group visitors typically spend more than leisure customers, and fill occupancy needs in shoulder seasons when leisure visitation is lower. Group Sales involves one-to-one



relationship building with group travel decision makers, and matching their needs with appropriate venues in the region. Through prospecting, trade shows, sales missions, curated experiences and client events, MCCVB develops lasting relationships with customers and generates high-quality leads that are delivered to hotels and venues for bid opportunities. The Sales and Group Services department at MCCVB finds, develops and services clients by ensuring the value proposition of the destination is developed and promoted to those who have the ability to bring their business to Monterey County.

In addition, MCCVB has built a robust servicing program to strengthen the destination's value proposition. The services are offered to meeting planners to extend stays and expenditures of meeting attendees by adding itineraries, providing welcome tables, airport greetings and other services to conferences and group events. Destination services are designed to ensure conference attendees experience the entire region and not just their conference venue.

Visitor Services \$136,732: The MCCVB Visitor Services program's purpose is to directly affect economic impact. Visitor Centers provide an opportunity to "upsell", and have direct influence on extending visitor stays and how visitors spend their time and money. More than 122,000 travelers are assisted annually at the MCCVB Visitor Center at El Estero Park, where lodging, restaurant and attraction reservations and referrals for the entire county are made. It is also important to maximize the visitor services resources available in the region. Several visitor centers are operated in individual communities by various entities. We will continue to hold information services annual summits to share best practices resources among these organizations.

General administration expenses are required to support all marketing, sales and service programs and are allocated throughout the work plan.

The MCCVB's business plan contains a great deal of detail on the programs that Monterey County's DSA investment is a part of and will be provided as a supplement to this document when it is finalized and approved by the MCCVB Board of Directors later this year. The County's investment in this program is critical to the creation of a robust, integrated, partnership-oriented program designed to drive business opportunities and bring important tourism dollars to our region.

MONTEREY
 Monterey County Convention
 & Visitors Bureau

Performance Measures:

Sales	14-15 Goal
New Group Business Leads	800
Group Room Nights Index	100%
Marketing	14-15 Goal
Earned Media (Ad Equivalency)	\$34,500,000
Facebook Fans	45,000
Twitter Followers	10,000
Website/CMS System	14-15 Goal
Website Visitation	
Unique Visits, including mobile	1,115,000
Unique Referrals	329,000
Visitor Services	14-15 Goal
Visitor Referrals/Inquiries	123,000

This work plan including performance measures and budget are subject to final approval of the MCCVB Board of Directors. The MCCVB will publish the 2014-2015 Business Plan in August and adjustments may be needed through the business plan development process.

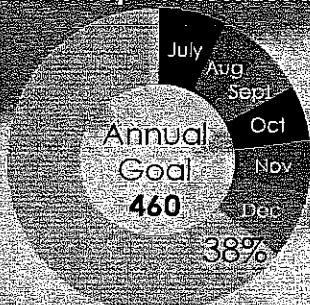
Second Quarter Report

October - December 2013

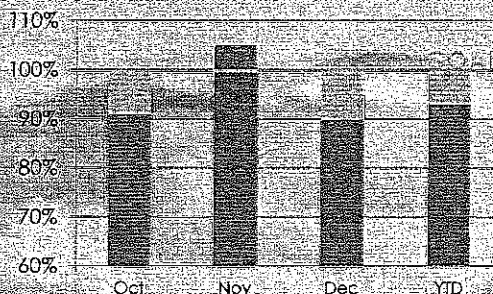
MONTEREY
Monterey County Convention
& Visitors Bureau

Sales & Group Services

New Group Business Leads



Group Room Night Index



RevPAR Ranking

Rank	YTD	vs. 2012
1. Napa	\$177.63	12.1%
2. Monterey	\$112.23	7.0%
3. Santa Barbara	\$110.59	8.0%
4. Sonoma	\$91.45	14.6%
5. Palm Springs	\$77.42	5.5%
6. Lake Tahoe	\$56.82	8.2%

Source: January - December 2013 Report, Smith Travel Research, Inc.
*Revenue Per Available Room

Annual Goal:
Ranked third in comp. set

Marketing & Communications



Membership

802
total members
15
new members in Q2

The Member Orientation was very informative & I wish I had attended sooner! Understanding everyone's role is very helpful in making our partnership successful. Look forward to working with you all! Taina Perry
Asilomar Conference Grounds

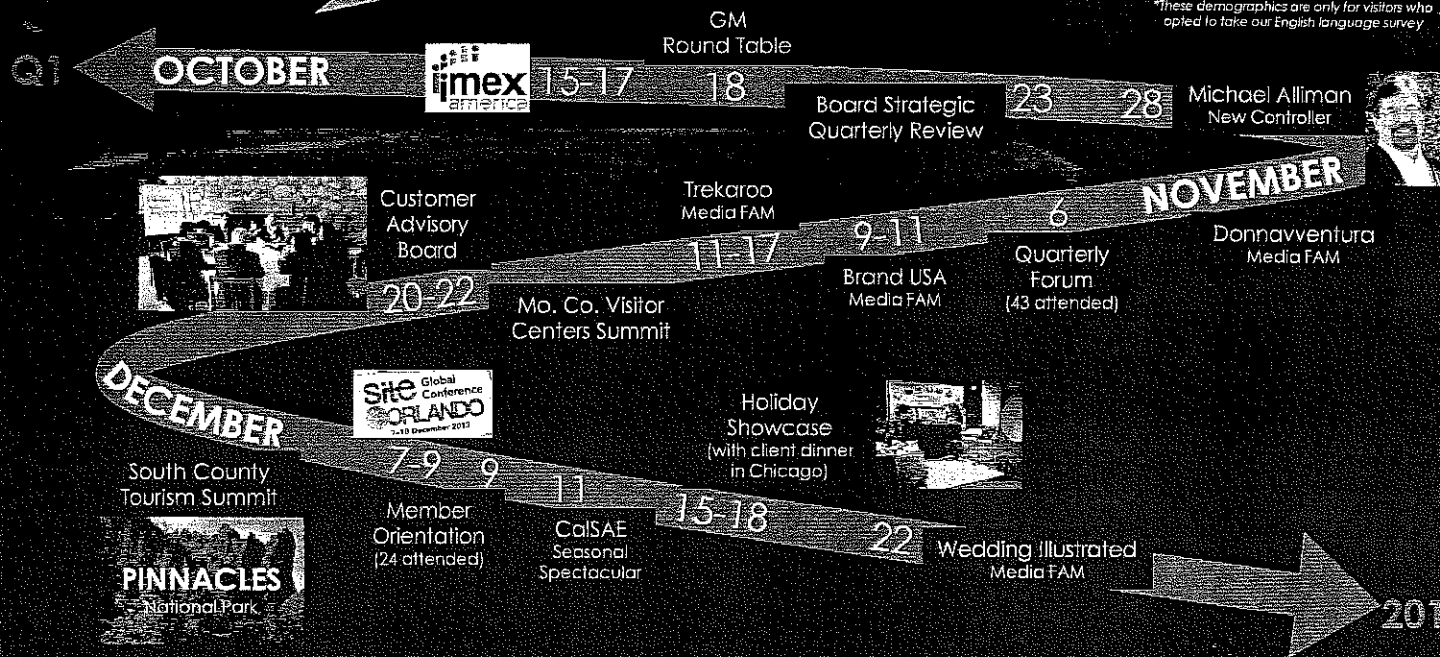
Visitor Services

70,085 visitor inquiries YTD
57% of Annual Goal
21,921 inquiries in Q2
51,211 incremental room nights influenced YTD

Visitors Center Survey says:

Our visitors are from*...	
USA	49%
Canada	9%
Germany	8%
France	5%
Australia	4%
All others	23%

*These demographics are only for visitors who opted to take our English language survey



ACORD**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

06/27/2013

PRODUCER 831.624.1234 FAX 831.624.4605
Carmel Insurance Agency, Inc.
San Carlos 2 NW of 8th
P.O. Box 6117
Carmel, CA 93921-6117

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Monterey County Destination Marketing Organization, Inc., dba: Monterey County Convention & Visitors Bureau
PO Box 1770
Monterey, CA 93942

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: Great American

0052

INSURER B: Employers Compensation Ins Co

INSURER C:

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	X	GENERAL LIABILITY	PAC2254585-15	07/25/2013	07/25/2014	EACH OCCURRENCE \$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 5,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY \$ 1,000,000
<input checked="" type="checkbox"/> POLICY	<input type="checkbox"/> PRO-JECT	<input type="checkbox"/> LOC				GENERAL AGGREGATE \$ 2,000,000
						PRODUCTS - COMPI/OP AGG \$ 1,000,000
A	X	AUTOMOBILE LIABILITY	PAC2254585-15	07/25/2013	07/25/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
		<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
		<input checked="" type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
<input checked="" type="checkbox"/> HIRED AUTOS						
<input checked="" type="checkbox"/> NON-OWNED AUTOS						
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
		<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
						AUTO ONLY: AGG \$
A	X	EXCESS / UMBRELLA LIABILITY	UMB2254587-19	07/25/2013	07/25/2014	EACH OCCURRENCE \$ 1,000,000
		<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$ 1,000,000
		<input type="checkbox"/> DEDUCTIBLE				\$
		<input checked="" type="checkbox"/> RETENTION \$ 10,000				\$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	FN0317081 11	07/25/2013	07/25/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N				E.L. EACH ACCIDENT \$ 1,000,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
		OTHER				E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Certificate Holder is named as Additional Insured per forms attached.

This insurance is primary and any other insurance maintained by such additional insured is noncontributing with this insurance as respects legal liabilities or claims caused by, arising out of or resulting from the acts or omission of the named insured, or of others performed on behalf of the Named Insured. *10 day notice for non-payment

CERTIFICATE HOLDER

CANCELLATION

The County of Monterey
its agents, officers & employees
168 West Alisal St, 3rd Fl
Salinas, CA 93901

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30* DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Matthew Little, CTC/LMR

ACORD 25 (2009/01)

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0694954 GREAT AMERICAN ASSURANCE CO



Administrative Offices
301 E 4th Street
Cincinnati, Ohio 45202-4201
Tel: 1-513-369-5000

CG 20 10 (Ed.04/13)

Policy: PAC 225-45-85 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS -
SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Schedule

Name of Additional Insured Person(s) or Organization(s)

COUNTY OF MONTEREY, ITS OFFICERS, AGENTS AND EMPLOYEES ARE NAMED AS
ADDITIONAL INSURED WITH RESPECT TO LIABILITY ARISING OUT OF THE
CONTRACTOR'S WORK, INCLUDING ONGOING AND COMPLETED OPERATIONS. SUCH
INSURANCE IS PRIMARY INSURANCE TO ANY INSURANCE OR SELF-INSURANCE
MAINTAINED BY THE COUNTY.

MAILING ADDRESS:

OFFICE OF ECONOMIC DEVELOPMENT
COUNTY OF MONTEREY GOVERNMENT CENTER
168 W ALISAL ST FL 3RD
SALINAS CA 93901-2439

Location(s) of Covered Operations

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. SECTION II - WHO IS AN INSURED is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. your acts or omissions; or
2. the acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the Additional Insured(s) at the location(s) designated above.

However;

1. the insurance afforded to such additional insured only applies to the extent permitted by law; and
2. if coverage provided to the Additional Insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

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**ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS -
SCHEDULED PERSON OR ORGANIZATION**

B. With respect to the insurance afforded to these Additional Insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. all work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the Additional Insured(s) at the location of the covered operations has been completed; or
2. that portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these Additional Insureds, the following is added to **SECTION III - LIMITS OF INSURANCE**:

If coverage provided to the Additional Insured is required by a contract or agreement, the most we will pay on behalf of the Additional Insured is the amount of insurance:

1. required by the contract or agreement; or
2. available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.