

**DESCRIPTION: AGREEMENT BETWEEN THE COUNTY OF PLACER AND THE NORTH LAKE TAHOE RESORT ASSOCIATION**

**THIS AGREEMENT MADE AND ENTERED INTO THIS 23<sup>th</sup> DAY OF JANUARY 23, 2018 BY AND BETWEEN** the County of Placer, hereinafter referred to as “COUNTY” and the North Lake Tahoe Resort Association, Inc., a California Nonprofit Public Benefit Corporation, hereinafter referred to as “RESORT ASSOCIATION”.

**WHEREAS**, the *1995 North Lake Tahoe Tourism Development Master Plan* recommended the consolidation of the Tahoe North Visitors and Convention Bureau and the North Lake Tahoe Chamber of Commerce into a Resort Association; and,

**WHEREAS**, the *North Lake Tahoe Tourism Development Master Plan* recommended a Resort Association to oversee a full spectrum of tourism management functions, including marketing and visitor services, and the development, planning, and implementation of transportation and infrastructure projects; and,

**WHEREAS**, the COUNTY is desirous of obtaining certain services as recommended by the *North Lake Tahoe Tourism Development Master Plan*, and its successor plans, the *North Lake Tahoe Tourism and Community Investment Master Plan*, approved by the Placer County Board of Supervisors on July 26, 2004; and the *2015 North Lake Tahoe Tourism Master Plan*, approved by the Placer County Board of Supervisors on October 20, 2015 and,

**WHEREAS**, the NORTH LAKE TAHOE RESORT ASSOCIATION, Inc., a California Nonprofit Public Benefit Corporation, has been organized under the Nonprofit Public Benefit Corporation Law for public purposes, to promote, enhance, reinvigorate, coordinate, and direct tourism for the economic betterment of North Lake Tahoe, California, and is willing to perform certain services for the COUNTY to implement the *2015 North Lake Tahoe Tourism Master Plan*, and,

**NOW, THEREFORE**, for and in consideration of the mutual promises and agreements herein contained, it is agreed by and between the parties hereto as follows:

**I. SCOPE OF WORK**

RESORT ASSOCIATION shall perform the Scope of Work as set forth in Attachment A, attached hereto and incorporated herein by reference. Without restricting or otherwise limiting the work to be performed as described in Attachment A and its attachments, it is agreed the intent of this Agreement is that the RESORT ASSOCIATION shall, in performing the work undertake its activities to assist COUNTY in implementing the *2015 North Lake Tahoe Tourism Master Plan (2015 TMP)*.

The Scope of Work may be amended only upon written approval between the RESORT ASSOCIATION and the County Executive Office; provided, however, that no such amendment shall increase the compensation paid hereunder without execution of a written amendment approved by the Board of Supervisors.

\$25,000 or if an exception from the competitive bidding/procurement policy is reasonably necessary to avoid interruption in RESORT ASSOCIATION's ability to comply with this Agreement and Scope of Work. This process is intended to ensure that the work is awarded in an impartial manner to the most responsive and best qualified contractor and to make certain that the projects, programs, services and/or support are accomplished in a cost-effective manner. This provision is not applicable to RESORT ASSOCIATION's membership in the Reno Air Service Corporation (RASC) or the Sierra Ski Marketing Council (SSMC). This provision is also not applicable when the project, program, service and/or support is being provided directly by a governmental entity or non-profit public benefit corporation that does not compete with other potential service providers, however, if the governmental entity or non-profit public benefit corporation sub-contracts any portion of the project, program, service and/or support in an amount greater than \$25,000 to a third-party entity, a competitive bidding or procurement process shall be utilized for that portion of the project. Should a project, program, service and/or support not be available through a competitive bidding process, RESORT ASSOCIATION and/or any third-party contractor, sub-contractor or grantee shall include sole-source justification documentation or other documentation substantiating that the project, program, service and/or support was not able to be competitively bid and such documentation shall be attached to the contract(s) for any such project, program, service and/or support.

A copy of all contracts for projects, programs, services and/or support in any amount greater than \$25,000 shall be provided to the COUNTY within fifteen (15) business days of execution of the contract and shall be accompanied by documentation verifying that the competitive bidding or procurement process as required by this Agreement was utilized and/or will be utilized by any third party under grant or contract to provide the project, program, service and/or support.

- F. All projects, programs, services and/or support, including initial pre-project planning and feasibility phases, in an amount greater than \$10,000 must be accompanied by a scope of work and contract which is reviewed and approved by the Board of Directors. This includes funds granted for phased projects and programs. A copy of all contracts for projects, programs, services and/or support in any amount greater than \$10,000 shall be provided to the COUNTY within fifteen (15) business days of execution of the contract.
- G. RESORT ASSOCIATION staff shall within ten (10) calendar days notify and provide supporting documentation in writing to the Board of Directors for any unbudgeted project, program, service and/or support expense of \$2,500 or greater.
- H. The RESORT ASSOCIATION shall maintain updated bylaws that reflect current Board composition and committee structures.
- I. The RESORT ASSOCIATION shall coordinate its legislative and other advocacy recommendations on issues of local or regional importance with the County Executive Office and shall undertake any legislative advocacy activities only following notification of and approval by the County Executive Office. The RESORT ASSOCIATION Board of Directors shall adopt a legislative platform consistent with Placer County policies, and approved by the County Executive Office, not later than their February meeting of each year.

- B. The RESORT ASSOCIATION shall have an audit of assets and liabilities performed and shall provide the same to the COUNTY within thirty (30) calendar days of its completion. Such audit shall include a TOT Budget to Actual Schedule as supplemental information in the audit report. RESORT ASSOCIATION shall utilize a competitive bidding process to secure the services of the audit firm which is to perform the annual audit and shall include the County Executive Officer or his/her designee on the panel that reviews proposals received as a result of such competitive bidding process and selects the audit firm to perform the audit. The term of contract with the audit firm, including any extensions, shall not exceed five (5) years in duration. The COUNTY shall have the right to perform an audit of the financial records of the RESORT ASSOCIATION at its own cost at any time to verify payments and expenditures made under this Agreement. Upon request of the COUNTY, the RESORT ASSOCIATION agrees to make its financial records available to the COUNTY for any such review within a reasonable period of time.
- C. RESORT ASSOCIATION shall submit each Progress Report required under this Agreement directly to the County Executive Office by uploading reports into a mutually agreed upon file sharing platform. To the extent that any of the Progress Reports required by this Agreement may also be provided to the Board of Directors and/or Committees of the RESORT ASSOCIATION as a part of a meeting packet or other correspondence and the County Executive Office may be included in the distribution thereof, such distribution shall not constitute submission of the Progress Report to the County Executive Office for purposes of satisfying the provisions of this Agreement. All Progress Reports required under this Agreement shall be archived by the RESORT ASSOCIATION in a format readily accessible if requested by the COUNTY or the general public.

## **5. COMPENSATION**

### **A. MAXIMUM LIMIT**

- 1) The RESORT ASSOCIATION'S total compensation is \$1,505,906 as set forth on Attachment C) and shall be the maximum total compensation paid from the COUNTY to the RESORT ASSOCIATION for the services outlined in the attached Scope of Work (Attachment A) and budget (Attachment C). Costs for services, programs and/or projects provided by the COUNTY shall be paid either through a journal transfer process or direct disbursement from COUNTY to its contract service provider(s). Such payment shall be made in monthly progress payments, as set forth in detail on Attachment B. All expenses of the RESORT ASSOCIATION, including any expert or professional assistance, any travel or per diem costs, any administrative services, and any capital expenditures necessary to complete the Scope of Work shall be paid only from the monies identified for each specific purpose, and within the budget limit set forth above.
- 2) The total compensation amount reflects the amount approved in the Board of Supervisors Budget for that fiscal year.
- 3) COUNTY and RESORT ASSOCIATION agree that, to the extent possible, COUNTY Tourism Services provided by Placer County which are funded from the

- 5) The RESORT ASSOCIATION has entered into a Cooperative Marketing Agreement with the Incline Village Crystal Bay Visitors Bureau (IVCBVB). Consistent with the terms of the North Lake Tahoe Marketing Cooperative Participation Agreement between the RESORT ASSOCIATION and the IVCBVB, the following stipulations are also made part of this Agreement between the RESORT ASSOCIATION and the COUNTY.
- a) No provision in the North Lake Tahoe Marketing Cooperative Participation Agreement shall be interpreted as to supersede or conflict with any provision of the current Agreement between the COUNTY and the RESORT ASSOCIATION as approved by the RESORT ASSOCIATION and the COUNTY. RESORT ASSOCIATION shall ensure that TOT funds contributed by it to the North Lake Tahoe Marketing Cooperative will be expended in accordance with Section 2. E. of this Agreement. RESORT ASSOCIATION shall ensure that prior to the North Lake Tahoe Marketing Cooperative's execution of any contract which will result in the expenditure of \$25,000 or more of Placer County TOT funds, the RESORT ASSOCIATION's Board of Directors and Placer County Executive Office shall have opportunity to review the contract and provide written comments to the North Lake Tahoe Marketing Cooperative through its appointed representation on the Cooperative Marketing Committee of the North Lake Tahoe Marketing Cooperative. RESORT ASSOCIATION shall ensure that all contracts for services and/or support executed by the North Lake Tahoe Marketing Cooperative that result in the expenditure of \$10,000 or more of Placer County TOT funds will be accompanied by a scope of work and that a copy of the contract will be provided to the RESORT ASSOCIATION. Within fifteen (15) days business days of receipt of the contract, RESORT ASSOCIATION shall provide a copy to COUNTY.
  - b) The RESORT ASSOCIATION shall provide a detailed separate accounting of the expenditures of the Cooperative to the COUNTY on a quarterly basis. Such accounting shall include a list of any expense of the Cooperative funded with Placer County TOT, the amount of the expense and the vendor to which the amount was paid. Such accounting shall be submitted both electronically and in hard copy to the County Executive Office.
  - c) The RESORT ASSOCIATION shall collect Marketing Performance Indicators based on the total annual expenditures of the North Lake Tahoe Marketing Cooperative as part of the RESORT ASSOCIATION'S adopted Marketing Performance Review Document, an updated copy of which shall be provided to COUNTY as part of the RESORT ASSOCIATION'S Final Report to COUNTY due 30 days after the end of the 2017-18 fiscal year.
  - d) Activities, including program oversight, and any decisions made by the Cooperative Marketing Committee, as defined in Section 8 of the North Lake Tahoe Marketing Cooperative Agreement, shall be consistent with the budget resources and marketing direction approved by the RESORT ASSOCIATION Board of Directors, in accordance with its approved Operating Procedures and Policies document.

**7. EMPLOYEES OF RESORT ASSOCIATION**

All persons performing services for RESORT ASSOCIATION shall be independent contractors, or employees of RESORT ASSOCIATION and not employees of COUNTY. RESORT ASSOCIATION shall be solely responsible for the compensation of independent contractors and for the salaries and other applicable benefits, including Workers' Compensation, of all RESORT ASSOCIATION employees.

**8. PERFORMANCE**

The RESORT ASSOCIATION agrees that the performance of work and services pursuant to the requirements of this Agreement shall conform to high professional standards. Failure to perform the aforementioned work and services, as determined by the COUNTY, could lead to assessment of liquidated damages of up to three (3) percent of the net total Agreement amount.

**9. HOLD HARMLESS AND INDEMNIFICATION AGREEMENT**

The RESORT ASSOCIATION hereby agrees to protect, defend, indemnify, and hold PLACER COUNTY free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by PLACER COUNTY arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the COUNTY) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the contract or agreement. RESORT ASSOCIATION agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the RESORT ASSOCIATION. RESORT ASSOCIATION also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against RESORT ASSOCIATION or the COUNTY or to enlarge in any way the RESORT ASSOCIATION'S liability but is intended solely to provide for indemnification of PLACER COUNTY from liability for damages or injuries to third persons or property arising from RESORT ASSOCIATION 'S performance pursuant to this contract or agreement.

As used above, the term PLACER COUNTY means Placer County or its officers, agents, employees, and volunteers.

**10. INSURANCE:**

RESORT ASSOCIATION shall file with COUNTY concurrently herewith a Certificate of Insurance, in companies acceptable to COUNTY, with a Best's Rating of no less than A:-VII showing.

**A. WORKER'S COMPENSATION AND EMPLOYERS LIABILITY INSURANCE:**

→Two million dollars (\$2,000,000) aggregate

d. If RESORT ASSOCIATION carries a Commercial General Liability (Occurrence) policy:

(1) The limits of liability shall not be less than:

→One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)

→One million dollars (\$1,000,000) for Products-Completed Operations

→Two million dollars (\$2,000,000) General Aggregate

(2) If the policy does not have an endorsement providing that the General Aggregate Limit applies separately, or if defense costs are included in the aggregate limits, then the required aggregate limits shall be two million dollars (\$2,000,000).

e. Special Claims Made Policy Form Provisions:

RESORT ASSOCIATION shall not provide a Commercial General Liability (Claims Made) policy without the express prior written consent of COUNTY, which consent, if given, shall be subject to the following conditions:

(1) The limits of liability shall not be less than:

→One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)

→One million dollars (\$1,000,000) aggregate for Products Completed Operations

→Two million dollars (\$2,000,000) General Aggregate

(2) The insurance coverage provided by RESORT ASSOCIATION shall contain language providing coverage up to one (1) year following the completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

Conformity of Coverages - If more than one policy is used to meet the required coverages, such as a separate umbrella policy, such policies shall be consistent with all other applicable policies used to meet these minimum requirements. For example, all policies shall be Occurrence Liability policies or all shall be Claims Made Liability policies, if approved by the County as noted above. In no cases shall the types of policies be different.

### C. ENDORSEMENTS:

Each Comprehensive or Commercial General Liability policy shall be endorsed with the following specific language:

a. "The County of Placer, its officers, agents, employees, and volunteers are to be covered as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."

## **11. CANCELLATION**

This Agreement may be canceled by COUNTY or RESORT ASSOCIATION upon the giving of ninety (90) calendar days advance written notice. Such notice shall be personally served or given by registered or certified United States Mail. In the event of cancellation by COUNTY or RESORT ASSOCIATION, RESORT ASSOCIATION shall be paid for all work performed and all reasonable expenses incurred to date of cancellation with any remaining unexpended funds returned to COUNTY within thirty (30) business days of the date of cancellation.

## **12. AMENDMENTS - ANNUAL EXTENSIONS**

This Agreement may be amended in writing. It is contemplated by the parties that the COUNTY will continue to contract for the services such as those set forth in the Scope of Work to be performed for the benefit of the North Lake Tahoe area on an annual basis, and that the RESORT ASSOCIATION will continue to be available, willing, and capable of providing such services on an annual basis.

**ATTACHMENT A-2  
FEBRUARY - JUNE FY 2017-18 LAKE TAHOE TOURISM MARKETING BUDGET**

**1/9/2018**

<b>NLTRA Budget Income</b>	<b>Marketing</b>	<b>Conference</b>	<b>Visitor Info</b>	<b>TOTALS</b>
Placer County TOT Revenue	\$1,171,953	\$ 144,045	\$ 189,750	<b>\$1,505,748</b>
Other revenue		\$ 108,757	\$ 49,200	<b>\$157,957</b>
<b>Total revenue</b>	<b>\$1,171,953</b>	<b>\$252,802</b>	<b>\$ 238,950</b>	<b>\$1,663,705</b>

<b>FY 2017/18 Annual NLT Marketing Coop Budget</b>	
<b>Revenue Sources</b>	
NLTRA	\$1,411,821
IVCBVB	\$930,000
<b>TOTAL</b>	<b>\$2,341,821</b>

**NON PROGRAM EXPENSES**

Personnel/Overhead Cap - Direct Costs				\$343,110
G+A Cap - Indirect Costs				\$373,257
	<b>SUBTOTAL</b>			<b>\$716,367</b>

**PROGRAM EXPENSES**

Research and Planning	\$2,250			\$2,250
Marketing Cooperative/Media	\$509,215	\$55,000		\$564,215
Community Marketing Programs (Grant Funding)	\$20,000			\$20,000
	<b>SUBTOTAL</b>	<b>\$55,000</b>	<b>\$0</b>	<b>\$586,465</b>

**SPECIAL EVENTS (See list below)**

	<b>SUBTOTAL</b>			<b>\$201,000</b>
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**OTHER PROGRAMS**

BACC Program Funding	\$42,500			
Non Coop Marketing Programs	\$93,454		\$10,000	
Misc. Programs	\$13,919			
	<b>SUBTOTAL</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$159,873</b>
<b>TOTAL</b>	<b>\$882,338</b>	<b>\$55,000</b>	<b>\$10,000</b>	<b>\$1,663,705</b>

**Special Events Breakdown**

Event Sponsorship Opps	\$38,000
Wanderlust	\$37,000
Tough Mudder	\$40,000
Tahoe Lacrosse Tournament	\$5,000
4th of July Fireworks	\$20,000
The Abbi Agency Event Contract	\$4,000
Event Operations	\$9,000
HPS Campaign	\$21,000
New Event Development	\$27,000
	<b>\$201,000</b>

**COOPERATIVE DIRECT EXPENSES**

Public Relations/Social Media	\$300,012
Leisure Sales	\$215,000
Conference Sales	\$250,600
Website Content Management	\$45,000
Website Maintainance	\$20,000
Consumer Marketing	\$1,160,150

**COOPERATIVE PROGRAM EXPENSE**

Region Cooperative Opportunity	\$90,000
Regional Air Service Committee	\$100,000
DestiMetrics	\$35,000
CRM Subscription	\$10,000
VisitingLakeTahoe.com	\$36,000
Opportunistic/Content Campaigns	\$31,809
Fulfillment	\$10,000
Misc	\$13,250
Coop Event Sponsorship	\$25,000

**TOTAL \$2,341,821**



NLTRA

February 2018 - June 2018 TAHOE TOT BUDGET- Final  
ATTACHMENT C

MARKETING and VISITOR INFORMATION	PROPOSED	Tourism Master Plan Implementation	PROPOSED			TOTAL CONTRACT	PROPOSED
	2/1/2017 - 6/30/2018		2/1/2017 - 6/30/2018				2/1/2017 - 6/30/2018
<b>RESORT ASSOCIATION CONTRACT:</b>		<b>RESORT ASSOCIATION CONTRACT:</b>		<b>RESORT ASSOCIATION CONTRACT:</b>		<b>RESORT ASSOCIATION CONTRACT:</b>	
Personnel/Overhead Cap - Direct Costs	\$ 343,110	Personnel/Overhead Cap - Direct Costs	\$ 7,890	Personnel/Overhead Cap - Direct Costs	\$ -	Personnel/Overhead Cap - Direct Costs*	\$ 351,000
G+A Cap - Indirect Costs	\$ 373,257	G+A Cap - Indirect Costs	\$ (7,732)	G+A Cap - Indirect Costs	\$ -	G+A Cap - Indirect Costs	\$ 365,525
Research and Planning	\$ 2,250					Research and Planning	\$ 2,250
Direct Marketing/Programs	\$ 566,131					Direct Marketing/Programs	\$ 566,131
Special Event Funding	\$ 201,000					Community Marketing Fund	\$ 201,000
Community Marketing Fund	\$ 20,000					Special Events Marketing Fund	\$ 20,000
<b>TOTAL - RESORT ASSOC CONTRACT</b>	<b>\$ 1,505,748</b>	<b>TOTAL - RESORT ASSOC CONTRACT</b>	<b>\$ 158</b>	<b>TOTAL - RESORT ASSOC CONTRACT</b>	<b>\$ -</b>	<b>TOTAL - RESORT ASSOC CONTRACT</b>	<b>\$ 1,505,906</b>

## ATTACHMENT E- PROGRESS AND PERFORMANCE REPORTING SCHEDULE

FREQUENCY	REPORT/ PRESENTATION	DESCRIPTION	DUE DATE
Monthly	Key Impact Metrics Report	Reporting of key data for prior month	Two business days following the regularly scheduled monthly Resort Association Finance Committee meeting, or the last day of each month, whichever is earlier.
Monthly	Account Transaction Detail Report	Reporting of prior month contract expenses	Two business days following the regularly scheduled monthly Resort Association Finance Committee meeting, or the last day of each month, whichever is earlier.
Monthly	Monthly Financial Statements	Including contract Budget to Actual Schedule; expenditure reports, Marketing Cooperative expense report (direct and program) and Budget to Actual tied to Attachment C	48 hours prior to Finance Committee meeting time
Semi-Annual	Seasonal Marketing and Promotion Expenditure Report	To include Marketing Cooperative expenses (direct and program)	Fall/Winter –April 15;
Semi-Annual	Presentation to the Board of Supervisors on Marketing Plan	Presentation at BOS meeting	Winter – April
Semi-Annual	Progress report measuring Key Performance Indicators as identified in the Scope of Work, Attachment A.	The progress should follow the format and outline provided in Attachment A.	June– 2018
Annual	Year-End Organizational Performance Report (collect data through six-month period)	All performance indicators in Scope of Work and Attachment E1; Conference Sales and Equity Analysis; Special Event Grant Program ROI Analysis; Capital Improvement Project Report	45 days after end of FY 2017-18