

**METROPOLITAN EXPOSITION-RECREATION COMMISSION**

**RESOLUTION NO. 7**

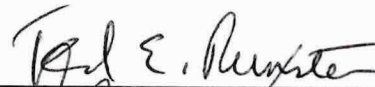
Authorizing the Chairman and Secretary/Treasurer to execute a Marketing Services Agreement, identified as Exhibit A attached, with the Greater Portland Convention and Visitors Association, Inc. (GPCVA) wherein GPCVA will provide national marketing of the Oregon Convention Center for the Metropolitan Exposition-Recreation Commission (Commission) for the period July 1, 1988, through June 30, 1989.

The Metropolitan Exposition-Recreation Commission finds:

1. That in the fall of 1987 the Greater Portland Convention and Visitors Association entered into two contracts with the Metropolitan Service District to begin the national marketing work to attract major meetings and trade shows to the Oregon Convention Center for the period through June 30, 1988.
2. That the Metropolitan Exposition-Recreation Commission's FY 1988-89 budget, passed on April 5, 1988, Resolution No. 4, allocated \$899,207 for the period from July 1, 1988, through June 30, 1989, to GPCVA to continue their national marketing program attracting major meetings and trade shows to the Oregon Convention Center.

BE IT THEREFORE RESOLVED that the Chairman and Secretary/Treasurer are hereby authorized on behalf of the Metropolitan Exposition-Recreation Commission to execute the Marketing Service Agreement which is attached to this resolution.

Passed by the Commission on June 14, 1988.

  
\_\_\_\_\_  
Chairman

  
\_\_\_\_\_  
Secretary/Treasurer

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Metro General Counsel

MARKETING SERVICES AGREEMENT

THIS AGREEMENT dated this 14th day of June 1988, is between the METROPOLITAN EXPOSITION-RECREATION COMMISSION [hereinafter referred to as "THE COMMISSION"], which was established by the Metropolitan Service District, a municipal corporation, and whose address is 2000 S.W. First Avenue, Portland, Oregon 97201-5398, and the GREATER PORTLAND CONVENTION AND VISITORS ASSOCIATION [hereinafter referred to as "CONTRACTOR"], whose address is 26 S.W. Salmon, Portland, Oregon 97204, for the period of July 1, 1988, through June 30, 1989, and for any extensions thereafter pursuant to written agreement of both parties.

W I T N E S S E T H :

CONTRACTOR AGREES:

1. To perform the services and deliver to THE COMMISSION the materials described in the Scope of Work attached hereto and the contract proposal (attached to original hereof), prepared by CONTRACTOR and incorporated by reference herein;
2. To provide all services and materials in a competent and professional manner in accordance with the Scope of Work;
3. To comply with all applicable provisions of ORS Chapters 187 and 279, and all other terms and conditions necessary to be inserted into public contracts in the state of Oregon, as if such provisions were a part of this Agreement;
4. To maintain records relating to the Scope of Work on a generally recognized accounting basis and to make said records available to THE COMMISSION at mutually convenient times;

Marketing Services Agreement

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5. To indemnify and hold THE COMMISSION, Metro, and their agents and employees harmless from any and all claims, demands, damages, actions, losses and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Agreement; and

6. To comply with any other "Contract Provisions" attached hereto as so labeled.

THE COMMISSION AGREES:

1. To pay CONTRACTOR for services performed and materials delivered in the maximum sum of EIGHT HUNDRED NINETY-NINE THOUSAND TWO HUNDRED SEVEN and NO/100THS (\$899,207.00) DOLLARS and in the manner and at the time designated in the Scope of Work, as set forth in the FY 1988-89 operating budget of THE COMMISSION adopted in Resolution No. 4 on April 5, 1988; and

BOTH PARTIES AGREE:

1. The term of this agreement shall be for the period commencing July 1, 1988, through and including June 30, 1989;

2. That THE COMMISSION may terminate this Agreement upon giving CONTRACTOR thirty (30) days' written notice without waiving any claims or remedies it may have against CONTRACTOR;

3. That, in the event of termination, THE COMMISSION shall pay CONTRACTOR for services performed and materials delivered prior to the date of termination; but shall not be liable for indirect or consequential damages;

Scope of Work

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Estimated expenses: Materials and services	\$277,175
Salaries and overhead	<u>262,675</u>
	\$539,850

2. Convention Services

After conventions are booked, the CONTRACTOR shall provide assistance to convention center users with hotel booking, registration, and other needs as a step in persuading convention center users to return in a future year.

Estimated expenses: Materials and services	\$5,000
Salaries and overhead	<u>9,150</u>
	\$14,150

3. Advertising

This item has several components.

The central activity shall be the placement of advertisements in appropriate national trade publications. CONTRACTOR has developed and shall implement a marketing strategy for placement of a series of advertisements in a few carefully selected publications read by the majority of prospective users.

Supporting the advertising, CONTRACTOR shall conduct a direct mail campaign targeting 650 primary prospects. On a regular basis, these prospects will receive a cleverly packaged item, often an Oregon product, to build their awareness and interest in the convention center.

CONTRACTOR shall conduct market research as needed to assess the effectiveness of the advertising and sales efforts. Baseline data gathered will provide a point of comparison for measuring the success of convention center marketing strategies over time. The estimated budget includes the cost of all advertising placement and mailing expenses.

Scope of Work  
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Estimated expenses: Materials and services \$264,590

4. Collateral Materials

This category provides for the development by CONTRACTOR of brochures, fact sheets, bid packets, maps, and other support material. These materials shall be designed to focus on the needs of convention center marketing activities.

Estimated expenses: Materials and services \$35,000

5. Public Relations

This category accounts for the generation of unpaid advertising and publicity for the convention center. CONTRACTOR will produce news and feature articles describing and promoting the convention center in national trade and consumer publications. Locally, it will create public awareness of convention center successes -- important bookings, construction milestones, and the like. On the local level, public relations activities will be coordinated with those of THE COMMISSION staff, Metro staff, and the staff of the convention center.

Provision of these services requires funding for the association's public relations manager in proportion to the effort focused on the convention center.

Estimated expenses: Materials and services	\$20,455
Salaries and overhead	<u>25,162</u>
	\$45,617

Marketing Services Agreement  
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4. That, in the event of any litigation concerning the Agreement, the prevailing party shall be entitled to reasonable attorney's fees and court costs, including fees and costs on appeal to an appellate court;

5. That this Agreement is binding on each party, its successors, assigns, and legal representatives may not, under any condition, be assigned or transferred by either party; and

6. That this Agreement may be amended only by the written agreement of both parties.

GREATER PORTLAND CONVENTION  
AND VISITORS ASSOCIATION

BY: \_\_\_\_\_  
EXECUTIVE DIRECTOR

Date: \_\_\_\_\_

THE METROPOLITAN EXPOSITION -  
RECREATION COMMISSION

BY: Jed C. Hunter  
CHAIRMAN

BY: Stephen Dale  
SECRETARY/TREASURER

Date: June 14, 1988

APPROVED AS TO FORM:

Lawrence E. Rogers  
METRO GENERAL COUNSEL

## SCOPE OF WORK

This scope of services outlines tasks, the proposed time schedule, and budget requirements for a continuation of long-range marketing activities for the Oregon Convention Center by CONTRACTOR over the twelve-month period from July 1, 1988, to June 30, 1989. The project will be conducted by the CONTRACTOR under the direction of Charles Ahlers, CONTRACTOR's Executive Director.

### SERVICES/PRODUCTS PROVIDED

CONTRACTOR will provide the following services and/or products:

#### 1. Convention Sales

These services constitute the one-on-one direct sales activities essential to capturing business. From over 12,000 annual meetings and trade shows nationally, the CONTRACTOR must identify and approach those candidates most likely to decide to use the Oregon Convention Center. Service in this category includes presentations at trade shows, conferences, and other gatherings of these potential users and meetings with them in Portland and elsewhere. Also included are familiarization visits, bringing prospects to Portland either in groups or individually.

Provision of these services requires funding for the association's convention sales managers in proportion to effort expended by those individuals on the convention center. The convention center portions of the work of the convention sales director, executive director and relevant support staff work are also covered.

Included in the convention sales efforts is CONTRACTOR's Washington, D.C., sales office, to be opened and staffed in July of 1988. Hiring for this position will conclude by June 30, 1988, and is the only staff addition encompassed in the convention sales scope of work.

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COMPENSATION

1. The COMMISSION shall pay CONTRACTOR up to the maximum of \$899,207 for CONTRACTOR's actual and reasonable cost in performing this agreement according to the following provisions.

2. CONTRACTOR's budget for the performance of services under this proposal is \$899,207.00. The budget breakdown for major project elements is shown below:

Convention sales	\$539,850
Convention services	14,150
Advertising	264,590
Collateral materials	35,000
Public relations	<u>45,617</u>
	\$899,207

Breakdown by materials/services and personnel is:

Materials & services	\$602,220
Direct salaries & benefits	243,425
Overhead	<u>\$53,562</u>
	\$899,207

3. Payment will be on a quarterly basis as an advance on anticipated expenditures over the coming three months.

CONTRACTOR shall submit invoicing as follows:

On the 15th of each month beginning a calendar quarter, the CONTRACTOR shall submit an invoice accompanied by a short report summarizing progress. The invoice shall:

- a. Summarize and document actual and reasonable costs incurred by major element identified under this agreement as of the most recent accounting period.



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- b. Summarize all past payments made to CONTRACTOR under this agreement.
  - c. Calculate the difference between past payments and actual expenses under this agreement.
  - d. Estimate the costs to be incurred under this agreement during the succeeding quarter, broken down by major project element. (The invoice in advance of the first quarter's activities will contain this information only.)
  - e. Calculate a total due from THE COMMISSION as the difference of (c) and (d) as described above.
4. CONTRACTOR shall maintain records which comply with generally accepted accounting practices to support all estimated billings and subsequent spending.
5. Expenditures shall be documented as appropriate, such as by itemized invoices from advertising agencies, printers, and market research firms. All expenditures made by CONTRACTOR pursuant to this agreement shall be reasonable under the circumstances.
6. Billings for staff services shall display the hours charged by CONTRACTOR at an hourly rate, including benefits, not to exceed:

Executive director	\$55.00
Director of sales	30.00
Sales manager	20.00
Convention services manager	20.00

Scope of Work

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Public relations manager	20.00
Secretary	12.00
Records/research	10.00

7. CONTRACTOR will invoice THE COMMISSION only for expenditures related to marketing the Oregon Convention Center. In the case of expenditures benefiting also other purposes, CONTRACTOR will bill THE COMMISSION in proportion to the benefit of the expenditure to the Oregon Convention Center.

8. CONTRACTOR may include, in costs billed for staff services, reasonable and necessary overhead. CONTRACTOR's overhead allocation plan is shown in Attachment A.

At the conclusion of the contract period, actual overhead shall be calculated based on actual expenses, and THE COMMISSION shall pay or be rebated the difference between estimated overhead allocated to this agreement and actual overhead allocated to this agreement, providing that in no event shall the maximum sum due from THE COMMISSION pursuant to this agreement be exceeded.

9. Reasonable one-time costs such as furniture and office equipment associated with staff positions funded under this contract shall be eligible for reimbursement.

10. The cost of rent and operating costs for the Washington, D.C., office shall be eligible for reimbursement and is not part of the overhead calculation, which is limited to costs of operating the Portland office of CONTRACTOR.

11. THE COMMISSION shall pay all approved invoices within 30 days of receipt.

MISCELLANEOUS

If after the date of this contract any subcontractors are retained to be used in the performance of this agreement, CONTRACTOR agrees to make a good faith effort to reach the goals of subcontracting 7 percent of the contract amount to disadvantaged businesses and 5 percent of the contract amount to women-owned businesses. In the event that this clause is triggered, CONTRACTOR shall comply with all relevant provisions of Metro's Disadvantaged Business Program.

REVIEWS

CONTRACTOR will report as needed to THE COMMISSION with respect to progress on the tasks outlined above. CONTRACTOR will meet with THE COMMISSION staff as needed in order to review draft materials and plans and to preview all advertising, collateral and direct mail materials prior to their public release.

COORDINATION AND COMMUNICATION

The CONTRACTOR will closely coordinate activities under this agreement with the convention center marketing staff. Coordination will be achieved by such means as:

- \* Sales meetings as needed.
- \* Coordination as needed with sales staff to follow up leads.
- \* As-needed coordination of bookings, at least weekly, until computer capability is available.
- \* Marketing meetings at key points in development of advertising and collateral materials.
- \* Other communication as needed, including as regards development of an on-line computer system.