

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 93-23

Authorizing the General Manager to execute a Minority Marketing Agreement with Oregon Convention and Visitor Services Network, Inc..

The Metropolitan Exposition-Recreation Commission finds:

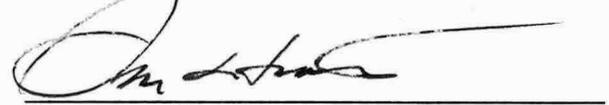
1. That current marketing levels were not sufficient to accomplish the minority marketing effort, so a RFP process was authorized by the Commission;
2. That there are sufficient budget dollars allocated to pay for these requested services;
3. That a RFP process was correctly completed and responses reviewed by the Minority/Ethnic Marketing Task Force, appointed by the MERC Chairman;
4. That the Commission has the authority to enter into such an agreement through its General Manager;

BE IT THEREFORE RESOLVED that the General Manager has negotiated a contract with the Oregon Convention and Visitor Services Network, Inc., for a Minority Marketing Personal Services Agreement on behalf of the Commission for the Oregon Convention Center. The attached contract is the approved Agreement for Minority/Ethnic Marketing Services for the Oregon Convention Center.

Passed by the Commission on November 10, 1993



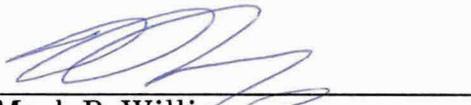
Chairman



Secretary/Treasurer

Approved As To Form:
Daniel B. Cooper, General Counsel

By:



Mark B. Williams
Senior Assistant Counsel

MERC STAFF REPORT

Agenda Item / Issue: **Authorization and Approval of Minority Marketing Agreement**

Resolution No. 93-20

Date: November 1, 1993 Presented By: Jeffrey A. Blosser

Background and Analysis: During the process of selecting the National Sales and Marketig Agent for the Oregon Convention Center the MERC Commission decided that the effort to bring Minority/Ethnic convention business to Portland was not sufficient and needed special expertise. A Task Force was appointed by the MERC Chair and the Committee developed a RFP with Scope of Work necessary to accomplish the needed effort. Seven proposals were accepted and three firms were interviewed by the Task Force and a unanimous decision was reached to recommend the company of Oregon Convention and Visitor Services Network Inc., to the Commission as the most responsive bidder.

Fiscal Impact: The amount of \$200,000 has been allocated from current budget dollars to accomplish this task.

Discussion with Commission Liaison and/or User Group(s): The MERC Commission and Metro Council have been kept abreast of the process through the Liason Committee and staff reports.

Recommendation: The Committee recommended that the MERC Commission authorize the General Manager to negotiate and execute an Agreement for Minority/Ethnic Marketing Services with the Oregon Convention and Visitor Services Network, Inc., for the Oregon Convention Center.

MARKETING SERVICES AGREEMENT

THIS AGREEMENT dated this 10 day of November, 1993, is between the METROPOLITAN EXPOSITION-RECREATION COMMISSION (hereinafter referred to as "COMMISSION") and the OREGON CONVENTION AND VISITOR SERVICES NETWORK (hereinafter referred to as "CONTRACTOR") for the period of November 1, 1993 to June 30, 1996.

Definitions

1. **"Contractor"** - shall mean the Oregon Convention and Visitor Service Network, Inc. and staff.
2. **"Commission/MERC"** - shall mean the Metropolitan Exposition-Recreation Commission which is the appointed authority that operates the Oregon Convention Center, for its Designee(s).
3. **"Metro"** - shall mean the governmental agency which owns the Oregon Convention Center.
4. **"OCC"** - shall mean the Oregon Convention Center and appropriate staff including the Director and Marketing Department.
5. **"POVA"** - shall mean the Portland Oregon Visitors Association who is contracted by the Oregon Convention Center as it's "Prime Contractor" for international and national sales and marketing of the Oregon Convention Center.
6. **"Scope of Work"** - shall mean the actual functions and duties that the Contractor shall perform in fulfilling the intent of this Marketing Agreement.
7. **"Work Plan Goals"** - shall mean goals to be achieved in conjunction with fulfilling the Scope of Work objectives. These are expectations of the Agreement to which MERC expects to be completed on time and as outlined.
8. **"The Book"** - shall mean the actual and physical placement of events todate on the OCC calendar as well as the management of scheduling and booking of the facility's space.
9. **"Facility"** - shall mean the Oregon Convention Center proper.
10. **"Metro Regional Facilities Committee"** - shall mean the committee of the Metro Council appointed to address issues of the Metropolitan Exposition-Recreation Commission.

WITNESSETH:

CONTRACTOR AGREES:

1. For the period November 1, 1993 to June 30, 1994, to perform the services and deliver to the COMMISSION the materials described in the Scope of Work and Work Plan Goals attached hereto; for subsequent fiscal years the Scope of Work and Work Plan Goals shall be modified as provided for herein;
2. To provide all services and materials in a competent and professional manner in accordance with the Scope of Work and established Work Plan Goals.
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 and Work Plan Goals on a generally recognized accounting basis and to make said records available to the COMMISSION at mutually convenient times;
5. To present to the COMMISSION quarterly and year-end financial statements and progress reports on CONTRACTOR's budget, sales activities and work plan goals as described in this Agreement. An independent certified audit will be presented to the COMMISSION upon its completion each year for activities conducted during each fiscal year.
6. To defend, indemnify and hold the COMMISSION, Metro, and their officers, 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
7. To comply with any "Contract Provisions" attached hereto as so labeled.
8. That all materials created during the term of this Agreement will be the property of the COMMISSION. All such material may be shared with the hospitality industry as deemed necessary by Commission staff, and any information used by COMMISSION to attract or service conventions is for the benefit of increasing the Minority Ethnic convention business.

THE COMMISSION AGREES:

1. For the period November 1, 1993 to June 30, 1994, to pay CONTRACTOR for services performed and materials delivered in the maximum sum of Two Hundred Thousand and No/100ths Dollars (\$200,000.00) and in the manner and at the time designated in the Agreement as set forth in the FY 1993/94 operating budget of the COMMISSION Agreement adopted in Resolution 93- 20 on November 1, 1993; for subsequent fiscal years, payments to CONTRACTOR shall be determined as provided for herein;

2. To exclusively maintain the bookings schedule, "The Book" for the Oregon Convention Center events for the efficient management and operation of the OCC facility and to assure that the policies established by the COMMISSION are adhered to and maintained, while allowing CONTRACTOR authority to review marketing and service potential and booked clients in concert with OCC marketing efforts

BOTH PARTIES AGREE:

1. The term of this Agreement shall be for the period commencing November 1, 1993, through June 30, 1996.

2. That the COMMISSION may terminate this Agreement, without cause, 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.

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. In the event that a party employs in-house Counsel, or, if Commission uses the services of Counsel provided by Metro, such a party, if prevailing, shall be entitled to the full reasonable market value of its attorney's services.

5. That the services of contractor are unique, and that therefore CONTRACTOR may not, under any condition, assign or transfer this Agreement or any without the express written permission of COMMISSION. Subject to the foregoing, this Agreement shall be binding on each party, its successors, assigns and legal representatives.

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

7. That this is the entire Agreement between the parties, and suspersedes any and all prior oral or written agreements, discussions, or representations.

8. That, in the event of a dispute or disagreement concerning COMMISSION policies, practices, or marketing needs, the decision of the COMMISSION shall be final and binding on the parties.

OREGON CONVENTION AND VISITOR SERVICES NETWORK

By: 
President/CEO

Date: Nov. 10, 1993

THE METROPOLITAN EXPOSITION-RECREATION COMMISSION

By: 
General Manager

Date: 11-10-93

APPROVED AS TO FORM:
Daniel B. Cooper, General Counsel

By: 
Mark B. Williams
Senior Assistant Counsel

CONTRACT PROVISIONS

I. Determination of Scope of Work and Work Plan Goals for Fiscal Year 1993-94. Any Subsequent Years as may be Extended Through the Provisions of this Agreement:

A. By November 1 of each year, CONTRACTOR shall provide COMMISSION's General Manager, or his designee, with preliminary estimates of the budget, Scope of Work and Work Plan Goals for the subsequent fiscal year.

B. Thereafter, CONTRACTOR and COMMISSION shall negotiate in good faith to develop a Scope of Work, Work Plan Goals and budget with a goal of approving a final Scope of Work, Work Plan Goals and budget at the COMMISSION's first meeting in January.

C. The Scope of Work for Fiscal Year 1993-94 shall be as adopted by the COMMISSION in its annual budget process subject to formal approval and adoption of the COMMISSION's budget and as agreed to by CONTRACTOR. Failure of the COMMISSION to adopt a budget or approve a Scope of Work and Work Plan Goals agreed to by CONTRACTOR for a subsequent fiscal year shall cause this Agreement to terminate at the end of the current fiscal year.

II. First Opportunity Program

To the maximum extent possible, CONTRACTOR shall provide a first opportunity hiring program for all positions funded pursuant to this contract. The program shall be consistent with the COMMISSION's adopted first opportunity hiring program and shall offer employment opportunities to the target area as defined by the COMMISSION. CONTRACTOR's program shall be approved by COMMISSION'S General Manager, or his designee.

SCOPE OF WORK

This scope of services outlines tasks, the proposed time schedule and budget requirements for a continuation of national and regional minority/ethnic marketing activities for the Oregon Convention Center by CONTRACTOR for the period November 1, 1993 through June 30, 1994. The project will be conducted by the CONTRACTOR under the direction of the CONTRACTOR's President/CEO/Project Director.

SERVICES / PRODUCTS PROVIDED:

November 30, 1993

Initial start up tasks including basic operations and necessities.

- A. Establish, if needed, additional 800 telephone line.
- B. Redesign automated telephone system, if required.
- C. Maintain an exclusive PO Box for advertising responses, promotions and direct mail cards.
- D. Design specific forms for "in-office" use.
- E. Enhance computer software and hardware system.
- F. Establish centralized filing system for maintaining customer hard copy data, response card storage, advertising, promotional materials, fulfillment packets, etc.
- G. Design logo for name familiarization, stationery, etc.
- H. Establish operation procedures and schedules, as it relates to this contract.

1. DEVELOP STRONG RELATIONSHIP WITH ETHNIC MINORITY BUSINESSES AND BROADER COMMUNITY BY CREATING A RESOURCE BASE.

CONTRACTOR currently enjoys an excellent relationship with ethnic minority businesses and within the community. To broaden relationships, CONTRACTOR will establish an Ethnic/Minority Convention and Tourism Advisory Council comprised of not less than six (6) nor more than twenty (20) individuals representing the community, business and minority residents including African American, Hispanic, Oriental and other minority categories. Develop procedures and propose meeting schedules for advisory council including locations, times, agenda, etc.

Increase involvement, memberships, participation in local, regional and state-wide ethnic minority organizations, churches, fraternal groups and other activities and events which will generate increased exposure and positive awareness that will favorably influence conventions and meetings at the Oregon Convention Center or other surrounding facilities.

December 31, 1993

2. DEVELOP AND IMPLEMENT A RESOURCE DIRECTORY OF ATTRACTIONS AND CONTACTS OF PARTICULAR INTEREST TO ETHNIC/MINORITY VISITORS.

Formulate and develop a resource directory of attractions and contacts including, but not just limited to events, churches, organizations, business, civic, professional, religious, fraternal, etc., which may be of interest or appeal to ethnic minority visitors. Resource directory would be compiled by computerized database.

3. CREATE DATABASE OF DIVERSE CONVENTIONS, MEETING PLANNERS AND ORGANIZATIONS THROUGHOUT THE COUNTRY TO PROMOTE PORTLAND.

Create a computerized database of ethnic and multi-culturally diverse conventions, meeting planners and organizations throughout the country, including name, contact, phone, fax, 800 toll free numbers and other pertinent information. Establish an on-going maintenance of such organizations including a profile of such for convention size, number of room nights, special needs, previous locations, selection criteria, etc. Compile information from various sources and research from:

- telephone books, published lists, clipping services, commercial directories, press and media information and networking contacts.

January 31, 1994

4. CREATE AND DEVELOP ADVERTISING AND PROMOTIONAL MATERIALS WHICH WOULD ATTRACT AND INFLUENCE ETHNIC/MINORITY CONVENTION PLANNERS.

Create a cultural diversity brochure highlighting minority business owners, professionals and government officials of selected ethnic minority backgrounds. Other promotional materials would follow same theme of ethnicity. A companion camera ready copy for advertising placement in selected minority publications will also be designed for advertising placement.

5. WORK IN CONJUNCTION AND COOPERATION WITH PRIME CONTRACTOR'S SALES AND MARKETING EFFORTS, PROVIDE INPUT, SUGGESTIONS AND RECOMMENDATIONS TO IMPROVE VISIBILITY AND CREDIBILITY.

Provide on-going consulting with MERC and POVA Sales staffs and others to provide input, suggestions, recommendations as it relates to prime contractors sales and marketing efforts.

Plan periodic consulting-coordination meetings. Assist, where needed with prime contractors sales staff in relation to sales calls, information, etc. which could affect a favorable decision regarding a potential convention, conference or meeting.

February 1994

6. DEVELOP AND PRODUCE BASIC COLLATERAL MATERIALS, INCLUDING BID PACKAGES THAT WOULD SPECIFICALLY INFLUENCE ETHNIC MINORITY GROUPS.

Develop, design advertisement. Produce basic materials including bid packages. This includes specialized printed materials and brochures; ie business cards, direct response cards, custom presentation folders, labels, etc.

April 1994

7. INVOLVED AND PARTICIPATE IN PLANNING WITH PRIME CONTRACTOR AND OTHERS REGARDING FAM TRIPS, TRADE SHOWS, EXHIBITS AND PUBLIC RELATIONS AS IT RELATES TO ATTRACTING ETHNIC MINORITIES.

CONTRACTOR would be involved and participate in these areas with prime contractor in order to help identify the needs of various trips, trade shows and exhibits. CONTRACTOR would also keep prime contractor (*is this Commission*) informed of various participation which may be necessary for solicitation and/or public relations presence.

Issue press release and media packets to various ethnic media locally and throughout the country promoting Portland and Oregon as a destination site for conventions, meetings and conferences.

8. DEVELOP AND IMPLEMENT SPECIFIC MARKETING AND ADVERTISING APPROACHES TO ATTRACT AND GENERATE LEADS OF TARGETED GROUPS.

Direct mail campaign to convention planners and decision makers promoting OCC, Portland and the region. Advertising or promotions to influence local minority residents, business owners and professionals in order to provide identification of their group affiliations and associations, as potential customers for OCC and Portland area.

9. FOLLOW UP AND REFER ALL LEADS GENERATED THAT APPEAR TO QUALIFIED PROSPECTS FOR CONVENTIONS AND MEETINGS.

CONTRACTOR intends to work closely with MERC and POVA staffs to develop a process for promptly handling qualified leads that are generated whether by CONTRACTOR, POVA or MERC sales staffs. This process should be established early in order to avoid any confusion or duplication of efforts, therefore saving considerable time and money.

June 30, 1994

10. DEVELOP AND IMPLEMENT REFERRAL AND BOOKING PROCESS WITH OCC/POVA AND AREA HOTELS.

Work with OCC staff to become familiar with their current process of booking and coordinating with POVA and hotels, which will be translated into a developmental procedure that will be compatible for ethnic minority conventions referrals and bookings. Start development of a number of area hotels that will be participatory in referral and booking process. Identify which hotels will be able to block rooms and follow up on leads and referrals.

COMPENSATION

1. The COMMISSION shall pay CONTRACTOR up to the maximum of \$200,000 for CONTRACTOR's actual and reasonable cost in performing this Agreement, for the November 1, 1993 - June 30, 1994 period, according to the following provisions.

2. CONTRACTOR's budget for the performance of services under this Agreement is \$200,000. The budget breakdown for major project elements is as follows:

STAFFING (includes fringe benefits)		
Project Director/Manager	(\$50 per hour)	\$ 60,000
Sales and Admin. Assistant	(\$30 per hour)	\$ 36,000
Clerical and Research Contractor	(\$12 per hour)	<u>\$ 14,400</u>
		\$110,400
ADMINISTRATIVE EXPENSES		
Communications (phone, fax, pagers, cellular, etc.)		\$ 6,000
Facilities \$1,000 per mo. x 7.5 months =		\$ 7,500
Office Expenses		\$ 6,200
Postage (UPS, FEDEX, Postage, Permits, Box Rent Bulk Rate, Business Reply Permit Fees, Etc.)		
Printing, Supplies, Start Up Costs		
Legal		\$ 2,300
Accounting		\$ 3,600
Insurance and Licenses		<u>\$ 1,000</u>
		\$ 26,600
PROMOTIONAL EXPENSES		
Subscriptions and Dues		\$ 1,500
Associations and Memberships		\$ 2,500
Hospitality Expenses		\$ 14,000
Professional Services		\$ 15,000
Travel Expenses		\$ 5,000
Initial Advertising & Promotion Expenses		<u>\$ 25,000</u>
		\$ 63,000
	Total	\$200,000

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 and invoice accompanied by financial statements and 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.

- 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 elements. (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. CONTRACTOR shall maintain records documenting actual time spent on Oregon Convention Center work.

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:

Project Director/Manager	\$50.00
Sales and Admin. Assistant	\$30.00
Clerical and Research Contractor	\$12.00

7. CONTRACTOR will invoice the COMMISSION only for expenditures related to marketing the Oregon Convention Center and other facilities benefiting the region as agreed to in the Scope of Work and Work Plan Goals.

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

9. 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.

10. The COMMISSION shall pay all approved invoices within 30 days of receipt.

REVIEWS

CONTRACTOR will report as outlined in Paragraph 5, under "Contractor Agrees" of Marketing Services Agreement, to the COMMISSION, with respect to progress on the tasks outlined above including quarterly sales reports, budget reports, and First Opportunity participation. CONTRACTOR will meet with the COMMISSION staff as requested 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 COMMISSION staff, particularly the Convention Center Marketing Staff and OCC Manager. Coordination will be achieved by such means as:

- ▶ Regular sales meetings
- ▶ Coordination with sales staff to follow up leads
- ▶ Coordination of bookings
- ▶ Marketing meetings at key points in development of advertising and collateral materials
- ▶ Coordination of sales efforts at national conventions and trade shows
- ▶ Other communication as needed
- ▶ Coordination of computerization, both at the Convention Center and CONTRACTOR's office, as well as the sharing of information as a result of the computer linkage.

WORK PLAN GOALS

- ▶ By the dates outlined in the Scope of Work, submit accomplished projects to COMMISSION staff.
- ▶ Establish by December of each year, travel schedule, budget and justification for attendance to each event or show.
- ▶ Submit quarterly, all expenses with backup and itemized justification for each expenditure.
- ▶ By April 1994, have a very detailed critique of POVA marketing effort as well as OCC marketing effort as it relates to the minority/ethnic business.
- ▶ By May 1994, have a list of at least 40 potential clients who could be identified as legitimate business for OCC and the Portland area.
- ▶ By March 1994, outline for Commission approval, a detailed approach as to how the cooperative effort of coordinating referrals, leads, information and sales efforts with POVA and OCC will be completed.
- ▶ Meet with OCC staff every month, starting in January, to discuss project progress and goals in addition to meetings outlined in this Agreement.
- ▶ Make two presentations to MERC Commission on accomplishments and progress of projects. Make two presentations to Metro Regional Facilities Committee on progress of Agreement. Dates to be determined mutually by COMMISSION and CONTRACTOR.