

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 02 -16

For the purpose of approving an addendum to the Portland Oregon Visitors Association (POVA) Marketing Services Agreement.

The Metropolitan Exposition-Recreation Commission finds:

WHEREAS, the Metropolitan Exposition Recreation Commission and the Portland Oregon Convention and Visitors Association are parties to a Marketing Agreement dated July 15, 1996 and ending June 30, 1999 with two three-year extensions available at the discretion of the Commission; and

WHEREAS, the Metropolitan Exposition Recreation Commission extended the term of the marketing Services Agreement for the three year period from July 1, 1999 to June 30, 2002 and now wishes to extend the term of the agreement for an additional three years; and

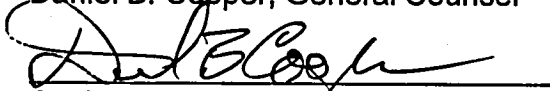
WHEREAS, the Metropolitan Exposition Recreation Commission has assigned to POVA the management and oversight of the Oregon Convention and Visitor Services Network Marketing Services Agreement and desires to continue this assignment; and

WHEREAS, the Metropolitan Exposition Recreation Commission desires to amend the Marketing Services Agreement with POVA to provide for a performance-based component for POVA's compensation for the remaining three years of the Agreement.


BE IT THEREFORE RESOLVED that the Metropolitan Exposition Recreation Commission approves the addendum, in a form substantially similar to the attached Exhibit A, to the Portland Oregon Visitors Association Marketing Services Agreement, and authorizes the General Manager to execute the Addendum on behalf of the Commission.

Passed by the Commission on June 19, 2002

Approved as to Form:
Daniel B. Copper, General Counsel


Senior Assistant Counsel


Chair


Secretary/Treasurer

MERC Staff Report

Agenda Item/Issue: Authorize the Oregon Convention Center Director to execute a three-year extension to the Portland Oregon Visitors Association to provide national marketing of the Oregon Convention Center commencing July 1, 1999 and ending June 30, 2002; and to continue assignment of contractual management and oversight of the Oregon Convention and Visitors Services Network, Inc. for the term of the extension.

Resolution No.: 99-13

Presented By: Jeffrey A. Blosser

Date: April 7, 1999

Background and Analysis: In June of 1996, MERC entered into a contract with the Portland Oregon Visitors Association to provide national marketing of the Oregon Convention Center. The initial contract term was three years with two three-year extensions. In December of 1996, MERC assigned contractual management and oversight of the Oregon Convention and Visitors Services Network, Inc. Agreement to the Portland Oregon Visitors Association (POVA) for the term of the contact.

Staff has been very pleased with the efforts of the contractor who has worked effectively with the Oregon Convention and Visitors Services Network, Inc. to blend and merge marketing efforts so that Portland is fully represented in the market.

Fiscal Impact: FY 1999-00 – budgeted amount of \$2,256,352
FY 2000-01 & FY 2001-02 to be determined by
MERC Commission during budget process.

Recommendation: Staff recommends that the Metropolitan Exposition Recreation Commission authorize the Oregon Convention Center Director to execute a three-year extension to the Portland Oregon Visitors Association to provide national marketing of the Oregon Convention Center commencing July 1, 1999 and ending June 30, 2002; and to continue assignment of contractual management and oversight of the Oregon Convention and Visitors Services Network, Inc. Agreement for the term of the extension.

**ADDENDUM TO MARKETING SERVICES AGREEMENT (the "Agreement")
BETWEEN
THE PORTLAND OREGON VISITORS ASSOCIATION ("POVA")
AND THE
METROPOLITAN EXPOSITION RECREATION COMMISSION
("MERC" or "MERC Commission"), (collectively, the "Parties")
Originally dated July 1, 1996**

This Addendum to the Agreement is agreed by and between the Metropolitan Exposition Commission and POVA effective the 4th day of October 2001.

RECITALS

1. POVA and MERC are parties to a Marketing Services Agreement dated July 1, 1996, and ending June 30, 2002.
2. Metro, the City of Portland, Multnomah County, and the Visitor Development Funds, Inc. have entered into a series of agreements, including the Visitor Facilities IGA, which, among other purposes, provides additional funding for the marketing of the Oregon Convention Center.
3. POVA and MERC mutually desire to amend their Marketing Services Agreement to include marketing services funded by the Visitor Facilities IGA and also include Scope of Work for these additional marketing funds.


Now, therefore, in consideration of the mutual covenants of the Parties hereto, and upon the express terms and conditions hereinafter set forth, IT IS AGREED by and between them as follows:

1. The annual budget for the Marketing Services Agreement shall include marketing funds received by MERC pursuant to the Visitor Facilities IGA agreements ("VDI funds").

2. Expenditure of Visitor Facilities IGA funds shall be subject to all the terms and conditions of the Marketing Services Agreement, except that they shall be accounted for separately from the OCC Marketing Contract base amount, and shall increase or decrease annually only as provided by the Visitor Facilities IGA.
3. The Marketing Services Contract base budget for FY 2000-01 shall be \$2,303,248, annually, and for FY 2001-02 shall be \$2,462,160 annually, per MERC budget approval.
4. The Visitor Facilities IGA fund allocation shall be \$250,000 for FY 2000-01 and \$350,000 for FY 2001-02 contingent upon receipt of the funds. Multnomah County has established Visitor Facilities Transfer sub-accounts for the purpose of collecting funds related to Visitor Facilities IGA. To the extent that funds are available in the sub account related to Convention Center marketing, funds will be made payable for Convention Center marketing.
5. Given that the Portland Oregon Visitors Association is contracted June 30, 2002, to provide certain marketing services, since the marketing services that the IGA presumed to be provided can be provided by the Portland Oregon Visitors Association, and since there are benefits that will accrue to both the Portland Oregon Visitors Association and MERC if these services are provided by the Portland Oregon Visitors Association in their performance of their obligations, funds available for Convention Center marketing under Section 4 of this addendum will be made payable to the Portland Oregon Visitors Association under the Agreement provided that they perform the additional requisite services. The services are detailed in the Scope of Work. The Scope of Work is attached as Exhibit A.
6. All other provisions of the original Agreement and addendums shall remain in effect through the term of this Addendum unless sooner terminated by the mutual agreement of the Parties.

7. This Addendum, together with the Agreement, the Extension effective July 1, 1999, and the February 21, 2001 Addendum, constitutes the entire agreement and understanding between the Commission and Contractor. No provision of this Agreement may be changed or eliminated unless mutually agree to in writing by the Commission and Contractor.

**PORTLAND OREGON VISITORS
ASSOCIATION**



Title: President & CEO

Date: 10/23/01

**METROPOLITAN EXPOSITION-
RECREATION COMMISSION**



Title: Director - OCC

Date: 10/31/07

Metropolitan Exposition Recreation Commission

Resolution No. 01-06


Authorizing the Oregon Convention Center Director to execute an addendum to the Portland Oregon Visitors Association ("POVA") Marketing Agreement.

The Metropolitan Exposition Recreation Commission finds:

1. That in June of 1996, the Metropolitan Exposition Recreation Commission entered into a contract with the Portland Oregon Visitors Association to provide national marketing of the Oregon Convention Center.
2. That the Metro Auditor, in its report on the POVA Contract Audit, recommended that MERC take the lead in developing elements that would convert the current POVA/MERC Marketing Contract to a performance based service contract for annual evaluations.
3. That POVA and OCC staff have met and agreed to jointly establish business goals and measurements for fiscal years 2000-01 and 2001-02.
4. That the MERC Commission has approved the POVA/MERC contract budgeted amounts of \$2,303,248 for FY 2000-01 and of \$2,462,160 for 2001-02.

BE IT THEREFORE RESOLVED that the Metropolitan Exposition Recreation Commission approves the addendum attached as Exhibit 1, to the POVA/MERC Marketing Agreement and authorizes the Oregon Convention Center Director to execute this Addendum.

Passed by the Commission on February 21, 2001.


Chair


Secretary/Treasurer

Approved as to Form:
Daniel B. Cooper, General Counsel

By: 
Senior Assistant Counsel

**ADDENDUM TO MARKETING SERVICES AGREEMENT (the "Agreement")
BETWEEN
THE PORTLAND OREGON VISITORS ASSOCIATION ("POVA")
AND THE
METROPOLITAN EXPOSITION-RECREATION COMMISSION
("MERC" or "MERC Commission"), (collectively, the "Parties")
Originally dated July 1, 1996**

This Addendum to the Agreement is agreed by and between the Metropolitan Exposition-Recreation Commission and POVA effective the _____ day of February, 2001.

RECITALS

1. POVA and MERC are parties to a Marketing Services Agreement dated July 1, 1996, and ending June 30, 2002.
2. The Parties mutually desire to amend the agreement to include business goals and measurements for each contract year.

ADDENDUM

Now, therefore, in consideration of the mutual covenants of the Parties hereto, and upon the express terms and conditions hereinafter set forth, IT IS AGREED by and between them as follows:

1. Both parties shall cooperate to establish business goals and measurements for each contract year.
2. Goals and measurements were jointly developed by POVA and OCC for fiscal years 2000-01 and 2001-02, and are attached as Exhibit A to this Addendum.
3. Measurements and review of accomplishments will take place at least twice per year with a final written report on POVA performance to be given to the MERC Commission.
4. New goals and measurements will be developed every year following fiscal year 2001-02 for the length of the POVA/MERC Marketing Agreement.
5. Fiscal year 2001-02 will be measured based on the entire fiscal year with a review and report in July of 2001.
6. All other provisions of the original Agreement shall remain in effect through the term of this Addendum, unless sooner terminated by the mutual agreement of the Parties.

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7. This Addendum, together with the Agreement and the Extension effective July 1, 1999, constitutes the entire agreement and understanding between the Commission and Contractor. No provision of this Agreement may be changed or eliminated unless mutually agreed to in writing by the Commission and Contractor.

**PORTLAND OREGON VISITORS
ASSOCIATION**

Joel S. Mander

Title: President + CEO

Date: 3/3/01

**METROPOLITAN EXPOSITION-
RECREATION COMMISSION**

Jimmy C. Bolmer

Title: DIRECTOR

Date: 3/27/01

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

By: _____
Kathleen A. Pool, Senior Assistant Counsel

POVA and OCC additional Marketing/Advertising/Sales projects provided through VDI Funds

As a result of the additional funding provided by the Visitor Development Initiative, the following new Marketing/Advertising/Sales projects are planned. This is a "work in progress" plan which involves the staffs of OCC, POVA and the Young & Roehr Group (POVA's Ad agency).

From the additional \$250,000 of fiscal year 2000/2001, we will initiate the following:

- A) Hire and support an additional Convention Sales Manager at POVA.
- B) Provide for additional lead research /service.
- C) Provide for additional PR support.
- D) Revamp and create a new and improved POVA website.
- E) Provide for an additional Airlift / In-bound planner event.
- F) Provide for attendance at 4 new Trade shows and increased presence at existing.
- G) Provide for an MPI Focus Group opportunity and support for an MPI Portland event in October 2001.
- H) Provide support for an ASAE CEO Symposium event in Portland.
- I) Provide for an additional media buy in MPI's Meeting Professional Magazine.
- J) Provide for upgrade/revamp of existing trade show booths and for 2 new tabletop booths.

From the additional \$350,000 of fiscal year 2001/2002, the following is planned:

- A) Continuation of majority of items listed in 2000/2001 plan above (Items A, B, C, E, and F).
- B) Redesign POVA's website and provide for a Booking Diary tech link between the sales staffs of POVA and the OCC.
- C) Provide for additional Marketing /Advertising initiatives that are being developed by our Ad Agency (Young & Roehr) as part of a 3 year plan.

In the following fiscal years, we will continue with much of the same making appropriate adjustments as necessary.

Jun 27 01 03:41p
Sent by: MERC

pova

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P.2

27/06/01 4:43PM; Jifax #541; Page 1/1

CONTRACT AMENDMENT

POVA and MERC hereby agree as follows:

1. Pursuant to the terms of the Intergovernmental Agreement (IGA) regarding the Visitor Development Initiative, (VDI) \$250,000 in additional funding is to be provided for additional Oregon Convention Center (OCC) marketing services.
2. POVA and MERC agree that their underlying marketing agreement is hereby amended to authorize transmittal of the additional \$250,000 in OCC marketing funds to POVA.
3. POVA and MERC agree that within 30 days of the execution of this amendment, the parties will develop and mutually agree on a detailed plan for the appropriate usage of these new funds. POVA shall not spend or commit the funds until such agreement is reached.



DATED: June 27, 2001



 Mark B. Williams, MERC General Manager



 Brian McCartin, POVA Vice President

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POVA Business Goals and Measurements for The MERC/OCC Contract FYS 2000-02

Goal #1 Book 12 New Convention Groups for FYS 2000-02

This would consist of POVA booking 6 new groups per fiscal year who meet the following preferred OCC booking guidelines:

<u>Years</u>	<u>Gross Sq. Ft. Exhibit Space</u>	<u>Peak Night Rooms</u>
5+	120,000	800
3-5	90,000	600
18 months - 3	60,000	500
0-18 months	OCC controls space	

In coordination with OCC staff, POVA may also book convention groups which do not meet the above specific guidelines but which are extremely important to the economic health of the OCC and Portland. Due credit will be given for this business.

Ratings

Excellence = POVA books more than 6 new groups in a fiscal year

Meets = POVA books 5-6 new groups in a fiscal year

Needs Improvement = POVA books less than 5 new groups in a fiscal year

Goal #2 Sales & Marketing Goals

- POVA plays a role in retaining annual repeat groups. In coordination with OCC staff, such groups will be identified and future status tracked. Any lost business will be identified and the reason for loss determined.

Ratings

Excellence = 90+% retention of identified groups

Meets = 80-89% retention of identified groups

Needs Improvement = Less than 80% retention of identified groups

- Economic impact for OCC business for FY 2000-02 to be \$60 million
- Generate return on investment for MERC contract expenditure to a rate of \$47 to \$1
- Book 135,000 definite room nights, per fiscal year, of future OCC business during FY 2000-02
- Develop qualified leads representing 1.3 million tentative room nights and 250,000 definite room nights, per fiscal year of future business.
- Conduct a minimum of two executive airlifts with a minimum of 8 highly qualified OCC pieces of business each, per fiscal year. Attend at least 18 industry trade shows and conventions to promote Portland and OCC, per fiscal year.

Ratings

Excellence = POVA must exceed all goal numbers

Meets = POVA will generate between 90-100% of the goal numbers.

Needs Improvement = POVA will generate less than 90% of these goal numbers.

Goal #3 Minority Marketing

POVA's role in successful minority marketing management would include management of the annual budget and assistance in producing 50,000 tentative minority group nights and 13,000 definite room nights per year. OCVSN will provide at least two industry educational and training of local groups on minority issues and conduct a minimum of one executive airlift with a minimum of two qualified OCC pieces of business.

Ratings

Excellent = OCVSN will exceed all goal numbers and conduct the one airlift.

Meets = OCVSN will generate 90-100% of these goals.

Needs Improvement = OCVSN will generate less than 90% of these goals
[The airlift would be conducted under all circumstances]

Goal #4 Budget Development and Reporting

- POVA will give MERC a draft copy of its proposed budgetary needs with work plan by November of the year prior to next budget year.
- POVA will submit all quarterly invoice expenditure detail no later than 45 days after the quarter ends.
- All invoices and reconciliation of receipts and monies spent will be give to MERC no later than 45 days after the fiscal year closes June 30.

Ratings

Excellent = POVA will complete all necessary work prior to the deadlines.

Meets = POVA will comply with the due dates for all necessary work.

Needs Improvement = POVA will complete the necessary work after the stated deadlines.

Goal #5 Promotion and Public Relations and Advertising

- Develop and implement two direct mail campaigns sent to 1,000 targeted and qualified meeting planners and association executives, per fiscal year.
- Generate \$125,000 worth of convention center related editorial placements in trade media per fiscal year.
- Raise awareness locally of what the center does and support the need locally for expansion - \$7,000 in local publications, per fiscal year.
- Develop annually a marketing and advertising plan to promote the "branding strategies" as well as advertising to association executives and meeting planners in targeted publications. Plan is to accompany budget request.

Ratings

Excellent = POVA will exceed all numbers and prepare plan ahead of schedule

Meets = POVA will accomplish the stated goal levels and meet the deadlines.

Needs Improvement = POVA will not meet the stated goals and marketing plan is submitted after the budget process.

Goal #6 Convention Services

- POVA will conduct exit surveys with meeting planners and delegates after their meeting in Portland to gauge customer satisfaction. Conduct a minimum of two surveys per year and publish results in POVA Quarterly Reports and give to MERC.
- Conduct a minimum of 2 customer service focus groups per year with national meeting planners and associations to judge Portland's product and service capabilities and publish results in POVA Quarterly Report and give to MERC.
- Services' personnel will double its number of site visits or sales trips to 30 per year.
- Provide assistance to 20 major conventions groups with the goal of building convention attendance and delegate extended stay programs.
- Distribute 50,000 promotional pieces on behalf of meeting planners.
- Provide housing assistance, if requested by meeting planner, to 100% of OCC convention groups.

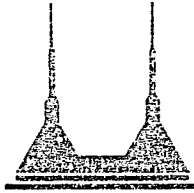
Ratings

Excellent = POVA will exceed all numbers stated.

Meets = POVA will meet goal numbers within 95% of stated goals

Needs Improvements = POVA's goals' numbers are below 95% of stated goals.

The Oregon Convention Center staff will meet a minimum of twice per year to evaluate progress in these areas in a review format. Final documentation and scoring will be completed at the end of the fiscal year with a score in each goal area and overall score as to how POVA performed and achieved their goals. A final report will be given to MERC.



OREGON CONVENTION CENTER
METRO ER COMMISSION

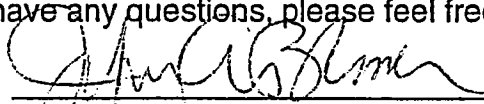
April 20, 1999

Mr. Joe D'Alessandro
President/CEO
Portland Oregon Visitors Association
26 SW Salmon St.
Portland, OR 97204-3299

Dear Joe:


This is to notify you that the contract between the Metropolitan Exposition-Recreation Commission and the Portland Oregon Visitors Association has been extended for three years beginning July 1, 1999 and ending June 30, 2002. This extension will include the continuation of the assignment of management and oversight of the Oregon Convention and Visitors Services Network, Inc. Agreement.

If this meets with your approval, please sign and date below. Once signed, please return all copies and I will sign and return an executed copy for your files. Should you have any questions, please feel free to call.



Jeffrey A. Blosser, OCC Director

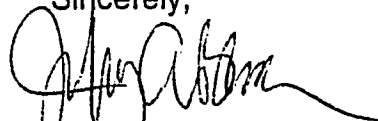
Date: 5/5/99



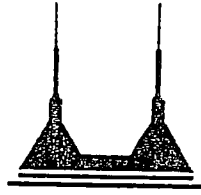
Joe D'Alessandro, President/CEO, POVA

Date: 4/28/99

Sincerely,


Jeffrey A. Blosser
Director

cc: Mark B. Williams
David Biederman



OREGON CONVENTION CENTER
METRO ER COMMISSION

December 19, 1996

Mr. Roy Jay, President/CEO
Oregon Convention & Visitor Services Network
9045 SW Barbur, Suite 3
Portland, OR 97219

Mr. Joe D'Alessandro
Executive Director
Portland Oregon Visitors Association
26 SW Salmon
Portland, Oregon 97204

Dear Roy and Joe:

Pursuant to the action taken at the December 10, 1996, MERC Commission Meeting and the contract language pertaining to assignment of the Oregon Convention & Visitor Services Network, Inc. to the Portland Oregon Visitors Association, this is your official ninety day (90) notice of such assignment. All responsibility of the OCVSN contract will be transferred to POVA on March 17, 1997. Until that time, all requirements of the Agreement will be monitored by my office.

Should you have any questions, please feel free to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey A. Blosser". The signature is fluid and cursive, with a long, sweeping tail that extends to the right.

Jeffrey A. Blosser
Director

cc: Mark B. Williams
Norm Kraft

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 99-13

Authorizing the Oregon Convention Center Director to execute a three-year extension to the Portland Oregon Visitors Association (POVA) Marketing Agreement to provide national marketing of the Oregon Convention Center commencing July 1, 1999 and ending June 30, 2002; and, to continue assignment of contractual management and oversight of the of the Oregon Convention and Visitors Services Network, Inc. Agreement extension.

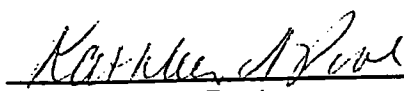
The Metropolitan Exposition-Recreation Commission finds:

1. That in June of 1996, the Metropolitan Exposition Recreation Commission entered into a contract with Portland Oregon Visitors Association (POVA) to provide national marketing of the Oregon Convention Center for an initial period of 3 years, with two three-year extensions.
2. That the Metropolitan Exposition Recreation Commission, in December of 1996, approved assignment of contractual management and oversight of the Oregon Convention and Visitor Services Network, Inc. (OCVSN) Minority Marketing contract to the Portland Oregon Visitors Association (POVA) for the term of the contract.
3. That staff recommends extension of this contract as the most effective and efficient way to combine all talents and expertise to achieve the goals in each contract, work assignments, goals, developed relationships and marketing plans.


BE IT THEREFORE RESOLVED that the Metropolitan Exposition-Recreation Commission approves the extension to the Portland Oregon Visitors Association (POVA) Agreement for national marketing of the Oregon Convention Center for a period three (3) years, commencing July 1, 1999 and ending June 30, 2002; that the Metropolitan Exposition Recreation Commission directs the Oregon Convention Center Director to execute such an extension of this agreement on behalf of the Metropolitan Exposition-Recreation Commission; and further to continue in this extension the assignment of management and oversight of the OCVSN Agreement extension to the Portland Oregon Visitors Association, as outlined in each Agreement.

Passed by the Commission on April 7, 1999.

Approved as to Form:
Daniel B. Cooper, General Counsel



By: Kathleen Pool
Senior Assistant Counsel



Chair



Secretary/Treasurer

MERC Staff Report

Agenda Item/Issue: Authorize the Oregon Convention Center Director to execute a three-year extension to the Portland Oregon Visitors Association to provide national marketing of the Oregon Convention Center commencing July 1, 1999 and ending June 30, 2002; and to continue assignment of contractual management and oversight of the Oregon Convention and Visitors Services Network, Inc. for the term of the extension.

Resolution No.: 99-13

Presented By: Jeffrey A. Blosser

Date: April 7, 1999

Background and Analysis: In June of 1996, MERC entered into a contract with the Portland Oregon Visitors Association to provide national marketing of the Oregon Convention Center. The initial contract term was three years with two three-year extensions. In December of 1996, MERC assigned contractual management and oversight of the Oregon Convention and Visitors Services Network, Inc. Agreement to the Portland Oregon Visitors Association (POVA) for the term of the contact.

Staff has been very pleased with the efforts of the contractor who has worked effectively with the Oregon Convention and Visitors Services Network, Inc. to blend and merge marketing efforts so that Portland is fully represented in the market.

Fiscal Impact: FY 1999-00 – budgeted amount of \$2,256,352
FY 2000-01 & FY 2001-02 to be determined by
MERC Commission during budget process.

Recommendation: Staff recommends that the Metropolitan Exposition Recreation Commission authorize the Oregon Convention Center Director to execute a three-year extension to the Portland Oregon Visitors Association to provide national marketing of the Oregon Convention Center commencing July 1, 1999 and ending June 30, 2002; and to continue assignment of contractual management and oversight of the Oregon Convention and Visitors Services Network, Inc. Agreement for the term of the extension.

Metropolitan Exposition-Recreation Commission

Resolution No. 96-67

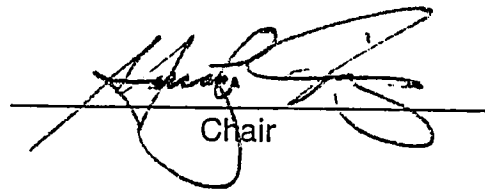
Approving the assignment of the Oregon Convention and Visitor Services Network, Inc. (OCVSN) Minority Marketing contract to the Portland Oregon Visitors Association (POVA) for management and oversight.

The Metropolitan Exposition Recreation Commission finds:

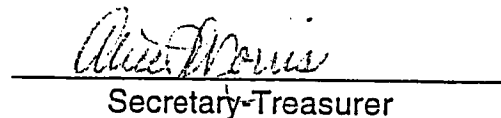
- 1) That both organizations, POVA and OCVSN, want to create a seamless, all inclusive approach to marketing Portland to all groups who can meet here.
- 2) That specific work assignments, goals and relationships have been developed and incorporated in both organizations' marketing plans to work in conjunction with each other in this effort.
- 3) That this is the most effective and efficient way to combine all talents and expertise to achieve the goals in each plan.
- 4) That both Agreements permit MERC to assign the OCVSN contract to POVA with appropriate notice and the Commission has the authority to do so.

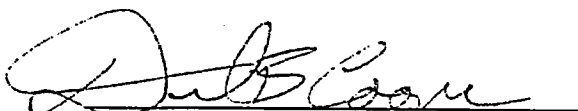
BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission approves the assignment of the Oregon Convention and Visitor Services Network Inc. to the Portland Oregon Visitors Association to manage, as outlined in each Agreement.

Passed by the Commission December 11, 1996.


Chair

Approved as to form:
Daniel B. Cooper, General Counsel


Secretary-Treasurer


By: Daniel B. Cooper
Metro General Counsel

MARKETING SERVICES AGREEMENT

THIS AGREEMENT dated this 15th day of July, 1996, is between the METROPOLITAN EXPOSITION-RECREATION COMMISSION [hereinafter referred to as "COMMISSION"], which was established by Metro, a municipal corporation, and whose address is 600 NE Grand, Portland, Oregon and the PORTLAND OREGON VISITORS ASSOCIATION [hereinafter referred to as "CONTRACTOR"] whose address is 26 SW Salmon, Portland, Oregon 97204, for the period of July 1, 1996, through June 30, 1999.

WITNESSETH:

CONTRACTOR AGREES:

1. For the period July 15th, 1996 to June 30, 1999, to perform the services and deliver to the COMMISSION the materials described in the Scope of Work attached hereto; for subsequent fiscal years the Scope of Work 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;
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;
5. To present to the COMMISSION quarterly and year-end financial statements and progress reports on CONTRACTOR'S budget, sales activities and the First Opportunity/ Target Area Program as described by the COMMISSION'S Purchasing guidelines. An independent certified audit will be presented to the COMMISSION upon its completion each year for activities conducted during each fiscal year.
6. To present to the COMMISSION a three (3) year budget pro forma and strategic management plan that describes the necessary funding levels for consideration by the COMMISSION.

7. 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 or the fact of this Agreement; and
8. To comply with any other "Contract Provisions" attached hereto as so labeled.
9. To evaluate and assess the current advertising/marketing program and provider of such services during Fiscal Year 1996-1997. CONTRACTOR shall, upon request by COMMISSION, conduct a process for such evaluation to include accepting proposals from other advertising providers. This may be a formal or informal process with participation by pertinent COMMISSION staff. Such a process will determine if a new company will provide necessary advertising/marketing services for CONTRACTOR.

THE COMMISSION AGREES:

1. For the period July 15th, 1996 to June 30, 1997, to pay CONTRACTOR for services performed and materials delivered in the maximum sum of ONE MILLION, THREE HUNDRED EIGHTY THOUSAND FIVE HUNDRED and NO/100ths DOLLARS (\$1,380,500.00) and in the manner and at the time designated in the Scope of Work, as set forth in the FY 1996-97 operating budget of the COMMISSION adopted in Resolution No. 95-51 on November 17, 1995 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 hold dates and space at the OCC facility eighteen months and beyond in concert with their marketing efforts.
3. To exclusively maintain the booking schedule "The Book" for the Portland Metropolitan Exposition Center (Expo) events for efficient management and operational matters. The Expo facility management will assure established COMMISSION policies while allowing CONTRACTOR the ability to market and advertise space at the Expo facility throughout the term of this Agreement.

BOTH PARTIES AGREE:

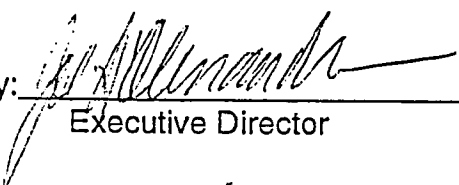
1. The term of this Agreement shall be for the period commencing July 15th, 1996, through and including June 30, 1999.
2. That the COMMISSION may terminate this Agreement without cause upon giving CONTRACTOR ninety (90) days written notice without waiving any claims or remedies it may have against CONTRACTOR.
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 employees in-house Counsel, or, if COMMISSION uses the services of Counsel supplied to it 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 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 supersedes any and all prior oral or written agreements, discussions, or representations; and
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.

TERMS OF AGREEMENT:

The term of this Agreement shall be for three (3) years, commencing July 15th, 1996 through June 30, 1999, with two (2) three-year options available at the sole discretion of the COMMISSION.

PORTLAND/OREGON VISITORS
ASSOCIATION

THE METROPOLITAN EXPOSITION-
RECREATION COMMISSION

By: 
Executive Director


By: 
Chair

Date: 7/16/96

By: 
Secretary/Treasurer

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

Date: 7-29-96


Mark B. Williams, Sr. Assist. Counsel

CONTRACT PROVISIONS

1. Determination of Scope of Work for Fiscal Years 1997-98 and 1998-99.

- A. By November 1, 1996 and November 1, 1997, CONTRACTOR shall provide COMMISSION'S General Manager, or his designee, with preliminary estimates of a budget and scope of work for the subsequent fiscal year.
- B. Thereafter, CONTRACTOR and COMMISSION shall negotiate in good faith to develop a scope of work and budget with a goal of approving a final scope of work and budget at the COMMISSION'S first meeting in January.
- C. The scope of work for Fiscal Year 1997-98 and 1998-99 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 agreed to by CONTRACTOR for a subsequent fiscal year shall cause this Agreement to terminate at the end of the current fiscal year.

2. 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.

SCOPE OF WORK

This scope of services outlines tasks, the proposed time schedule and budget requirements for a continuation of long-range national, international and minority marketing activities for the Oregon Convention Center by CONTRACTOR for the twelve-month period from July 15th, 1996, to June 30, 1997. The project will be conducted by the CONTRACTOR under the direction of the CONTRACTOR'S Executive Director.

SERVICES/PRODUCTS PROVIDED:

CONTRACTOR will provide the following services and/or projects:

1. Direct Sales

These services constitute all CONTRACTOR'S direct, person-to-person sales work required to obtain commitments for future use of the Oregon Convention Center for conventions and trade shows. CONTRACTOR will also pursue sales work aimed at booking smaller groups that may not utilize the OCC, but that will generate room tax revenues for COMMISSION'S use in operating the OCC. Included are telephone calls and correspondence by sales staff with approximately 3,100 organizations known to need convention center facilities. The work also involves attendance and exhibits at trade shows where these potential clients gather in large numbers. Also included are familiarization visits, bringing prospects to Portland either in groups or individually.

CONTRACTOR'S direct sales program is led by the director of sales and supported by five national sales managers, one regional sales manager and an east coast sales manager located in Washington, D.C. The Washington, D.C. sales office budgeted at \$154,505.

Substantial direction and participation in sales work is provided by the Executive Director.

Budgeted Expenses:	Salaries and Benefits	\$631,590
	Sales Programs	\$154,505
	Materials/Services	<u>\$134,569</u>
		<u>\$920,664</u>

2. Marketing and Advertising

Spending in this area includes design and placement of advertising, direct mail pieces and collateral pieces to reach the total market of potential Convention Center users. Of the approximately 3,100 meetings and trade shows held annually in the U.S. requiring convention center facilities, the CONTRACTOR shall develop and implement an advertising campaign that is carefully targeted to a select few major national trade publications read by most of this market.

Supporting the advertising, the CONTRACTOR shall conduct a direct mail campaign, at least two times a year, targeting approximately 600 most promising potential clients. CONTRACTOR shall develop, coordinate and manage two familiarization tours/trips which bring decision-making meeting planners to Portland for first hand experience of the Portland destination product.

Included in this category is the reprinting of collateral pieces as required.

CONTRACTOR shall conduct market research as needed to assess the effectiveness of the advertising and sales effort with a written report to the COMMISSION on a quarterly basis. Baseline data gathered will provide a point of comparison for measuring the success of convention center marketing strategies over time.

Budgeted Expenses: Materials and Services \$301,445

3. Public Relations

This category supports convention sales and promotion by leveraging non-paid editorial and media coverage of the Portland region as a convention destination. 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, grand opening activities, etc. On the local level, public relations activities will be coordinated with those of the Commission staff and Metro public affairs staff.

Budgeted Expenses:	Salaries and Benefits	\$ 18,755
	Materials/Services	<u>\$ 5,190</u>
		\$ 23,945

4. Convention Services

The convention services program takes over after the sales have been made to assist convention organizers with hotel reservations, transportation, conference programming, registration, spousal programs and tour packages, and off-property meal functions. A favorable impression is essential to develop Portland's reputation as a convention city and to attract repeat business.

In this fiscal year, the CONTRACTOR will direct a large percentage of its efforts to the conventions that have booked the Convention Center for 1997 and 1998. This work will include developing of housing programs, conducting on-site inspections, negotiating contracts with hotels, and participating on local host committees.

Budgeted Expenses:	Salaries and Benefits	\$103,000
	Materials/Services	<u>\$ 45,012</u>
		\$148,012

COMPENSATION

1. The COMMISSION shall pay CONTRACTOR up to the maximum of \$1,380,500 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 Agreement is \$1,380,500. The budget breakdown for major project elements is shown below:

Direct Sales	\$ 920,664
Marketing and Advertising	\$ 301,455
Public Relations	\$ 23,945
Convention Services	<u>\$ 148,012</u>
	\$1,394,066

Breakdown by major type of expenditure is:

Salaries and Benefits	\$ 766,390
Materials/Services	<u>\$ 627,676</u>

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 20th 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 contains 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 and overhead, not to exceed:

Executive Director	\$85.00
Director of Sales	\$45.00
Sales Manager	\$40.00
Convention Services Mgr.	\$31.00
Public Relations Manager	\$26.50
Records/Research	\$15.00

7. CONTRACTOR will invoice the COMMISSION only for expenditures related to marketing and servicing conventions that utilize the Oregon Convention Center and conventions that may not utilize the Oregon

Convention Center, but that will generate rooms tax revenues for COMMISSION'S use in operating the OCC. 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. The cost of rent and operating costs for the Washington, D.C. office shall be eligible for reimbursement at actual costs. No overhead will be applied.
9. The COMMISSION shall pay all approved invoices within 30 days of receipt.

SUBCONTRACTED WORK

When any subcontractors are retained to be used in the performance of this Agreement, CONTRACTOR agrees to make a good faith effort subcontract with disadvantaged businesses women-owned businesses. CONTRACTOR shall comply with all relevant provisions of the COMMISSION'S approved Purchasing Guidelines.

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 DBE/WBE participation. CONTRACTOR will meet with the COMMISSION staff as requested in order to review draft materials and plans 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 Director. 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.

It is also necessary that the CONTRACTOR work very closely with OCVSN to create a unified seamless approach to marketing of the Portland product to the CONTRACTOR'S targeted groups. The job is to promote Portland to all groups who fit the profile without giving competing or confusing messages or information to perspective customers.

VISITOR INFORMATION CENTER

Objectives of Visitors Information Center -OCC

The objectives of operating a Visitors Information Center (VIC) at the Oregon Convention Center (OCC) are:

- To provide convention delegates and others attending functions at the OCC with information on local, regional and statewide attractions, activities, resorts, lodging, restaurants, etc., and to encourage these visitors to extend their visit in Oregon and/or to make a return trip.
- To provide an attractive space that informs and educates visitors about what to see and do in the city, in the region and in the State through brochure racks and displays in a way that is functional both when the Center is staffed and is not staffed.
- To provide OCC facility information and to serve as a gathering area for OCC facility tours for the general public (OCC Public Tour Program).

VIC-OCC Administration and Management

The VIC-OCC programming and operations will be administered by COMMISSION through the OCC Sales/Marketing Department. The Public Tour Program schedule and timing will be directly coordinated with OCC management. The VIC will be networked into the State Welcome Center Program through training, brochure procurement and overall information coordination through CONTRACTOR'S Visitors Information System.

VIC-OCC Staffing

Staffing will include one part time supervisor provided by Center's operation and part-time volunteers for weekend and event coverage (see hours of operation). Paid staff and volunteers will both serve in the VIC as well as

provide scheduled facility tours for the public. Such cross-training provides job enrichment generally not available at other visitor centers or in other tour programs.

VIC-OCC Staff Training

CONTRACTOR will be responsible for staff and volunteer information training, visitor servicing and visitor services training. CONTRACTOR will coordinate with OCC staff and volunteers to schedule this training at a minimum of twice each year.

Collateral Materials

CONTRACTOR will be responsible for securing and inventorying all collateral material including continuous loop videos. CONTRACTOR will follow the State tourism Division's "Guidelines for Tourism Brochure Distribution at State Welcome Center". Brochure updating and stocking will be CONTRACTOR'S responsibility.

Hours of Operations

It is recommended that staffing needs be closely monitored and remain somewhat flexible with annual evaluations. It may be desirable to have the Center staffed only when the facility is in use and during weekends. Following is a suggested staffing schedule:

8:30 am to 5:00 p.m., Monday - Friday
Weekends when facility in use

Funding

Funding for the VIC-OCC will be the responsibility of the COMMISSION. CONTRACTOR will provide training support and all collateral materials relating to the visitor industry and information.

Review

Both COMMISSION and CONTRACTOR management may review this portion of the Agreement at any time, and upon concurrence by both parties duly acknowledged in writing, make changes and/or adjustments as are deemed necessary.