



## BOARD OF SUPERVISORS AGENDA ITEM REPORT AWARDS / CONTRACTS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: June 21, 2022

\* = Mandatory, information must be provided

or Procurement Director Award: ☐

**\*Contractor/Vendor Name/Grantor (DBA):**

Metropolitan Tucson Convention and Visitors Bureau, dba Visit Tucson

**\*Project Title/Description:**

Promote and Enhance Tourism, Business Travel, Film Production and Youth, Amateur, Semi-Professional and Professional and Professional Sports Development and Marketing.

**\*Purpose:**

Visit Tucson is a 501 (c)(6) nonprofit organization that provides destination marketing services for Pima County. As Pima County's designated official tourism promotion agency, Visit Tucson is entitled to receive 50% of Pima County's bed tax revenue under A.R.S. 41.S108 to promote and enhance tourism. Visit Tucson is taking an active role in building a strong region, engaging with others to drive economic development and growth while leveraging that growth to increase overall regional visitation.

**\*Procurement Method:**

Pima County Board of Supervisors Policy D 29.6 C, Direct Selection

**\*Program Goals/Predicted Outcomes:**

The goal of this contract is to continue to promote and enhance tourism, travel, film production, economic development and sports (professional, semi-professional and youth) locally and regionally. The primary goal is to increase visitation to Pima County through various marketing, sales and advertising programs nationally and globally.

**\*Public Benefit:**

Tourism affects businesses in Tucson and the region as well as the public by stimulating economic growth, such as increasing employment opportunities, various revenues and infrastructure funding. Increasing tourism benefits the overall economic development of Pima County and the Southern Arizona Region. Travel and Tourism is the number one export industry in Arizona.

**\*Metrics Available to Measure Performance:**

Contractor will submit quarterly written reports to County outlining progress toward all aspects of this Agreement, including the contractor's 2022-23 performance measures as provided in Exhibit A of this contract.

**\*Retroactive:**

No.

JUN07\*22AM0900PD

THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (\*) fields

**Contract / Award Information**

Document Type: CT Department Code: ED Contract Number (i.e., 15-123): 22\*401  
Commencement Date: 7-1-2022 Termination Date: 6-30-2023 Prior Contract Number (Synergen/CMS): 21\*610 *A*  
☒ Expense Amount \$ 3,450,000.00 \* ☐ Revenue Amount: \$ \_\_\_\_\_

**\*Funding Source(s) required: General Fund**

Funding from General Fund? ☒ Yes ☐ No If Yes \$ 3,450,000.00 % \_\_\_\_\_

Contract is fully or partially funded with Federal Funds? ☐ Yes ☒ No

If Yes, is the Contract to a vendor or subrecipient? \_\_\_\_\_

Were insurance or indemnity clauses modified? ☒ Yes ☐ No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☒ No

If Yes, attach the required form per Administrative Procedure 22-10.

**Amendment / Revised Award Information**

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Contract Number (i.e., 15-123): \_\_\_\_\_

Amendment No.: \_\_\_\_\_ AMS Version No.: \_\_\_\_\_

Commencement Date: \_\_\_\_\_ New Termination Date: \_\_\_\_\_

Prior Contract No. (Synergen/CMS): \_\_\_\_\_

☐ Expense ☐ Revenue ☐ Increase ☐ Decrease

Amount This Amendment: \$ \_\_\_\_\_

Is there revenue included? ☐ Yes ☐ No If Yes \$ \_\_\_\_\_

**\*Funding Source(s) required: \_\_\_\_\_**

Funding from General Fund? ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_

**Grant/Amendment Information** (for grants acceptance and awards)

☐ Award ☐ Amendment

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Grant Number (i.e., 15-123): \_\_\_\_\_

Commencement Date: \_\_\_\_\_ Termination Date: \_\_\_\_\_ Amendment Number: \_\_\_\_\_

☐ Match Amount: \$ \_\_\_\_\_ ☐ Revenue Amount: \$ \_\_\_\_\_

**\*All Funding Source(s) required: \_\_\_\_\_**

\*Match funding from General Fund? ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_

\*Match funding from other sources? ☐ Yes ☐ No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_

\*Funding Source: \_\_\_\_\_

\*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?

Contact: Diane Frisch

Department: Attractions and Tourism

Telephone: 520.724.7355

Department Director Signature: Diane E. Frisch

Date: 6/6/2022

Deputy County Administrator Signature: [Signature]

Date: 6/6/2022

County Administrator Signature: [Signature]

Date: 6/6/2022

**Pima County Department of Attractions & Tourism**

**Project: Promote and Enhance Tourism, Business Travel, Film Production & Youth, Amateur, Semi-Professional & Professional Sports Development & Marketing**

**Contractor: Metropolitan Tucson Convention and Visitors Bureau, dba Visit Tucson  
115 North Church Avenue, Suite 200, Tucson, Arizona 85701**

**Amount: \$3,450,000.00**

**Contract No.: CT-ED-22\*401**

**Funding: General Fund**

**PROFESSIONAL SERVICES CONTRACT**

**1. Parties and Background.**

- 1.1. Parties. This Contract is between Pima County, a body politic and corporate of the State of Arizona ("County"), and METROPOLITAN TUCSON CONVENTION AND VISITORS BUREAU, dba Visit Tucson, an Arizona non-profit corporation ("Contractor"). This Contract is effective as of July 1, 2022.
- 1.2. Authority. County selected Contractor pursuant to and consistent with Board of Supervisors Policy D29.6.
- 1.3. A.R.S. § 42-6108 provides for the levy and collection of a tax on the gross proceeds of sales or gross income of businesses falling within the transient lodging classification, or online lodging marketplace classification, pursuant to A.R.S. §§ 42-5070 and 42-5076, respectively, located in unincorporated areas of County.
- 1.4. County has levied a tax under A.R.S. § 42-6108, at the rate of 6%.
- 1.5. A.R.S. § 42-6108 requires that at least Fifty Percent (50%) of the revenue from the tax be used by County to promote and enhance tourism through the recognized tourism promotion agency in County.
- 1.6. Pursuant to A.R.S. § 42-6108, County passed Resolution No. 1991-181 on August 6, 1991, naming Contractor as the official recognized tourism promotion agency for County.
- 1.7. Resolution No. 1991-181 remains in effect so that Contractor is currently the official recognized tourism promotion agency for County.
- 1.8. Increasing tourism will contribute to the overall economic growth of County.

**2. Term.**

- 2.1. This Contract commences on the July 1, 2022 and terminates on June 30, 2023 unless sooner terminated. This Contract is not effective until County's Board of Supervisors approves it. In no event is this Contract subject to automatic renewal.

Contract No. **CT-ED-22\*401**

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Revised 6/25/21

3. **Scope of Services.** Contractor's primary goals are to attract a growing number of visitors to County and Southern Arizona, and to generate increased direct spending and economic impact from those travelers. Contractor will use its best efforts to meet the 2022-23 goals set forth in the performance measures attached as **Exhibit A, (two pages) the "2022-23 Goals"**.
4. **County Priorities.** Contractor agrees to execute the following 2022-23 County priorities:
  - 4.1 **Marketing.** Contractor will market, promote and advertise in targeted domestic and international feeder markets: County attractions and venues; events; lodging, golf and spas; unique dining; medical tourism; geo-tourism; cycling, The Loop and outdoor adventure opportunities; guest ranches; downtown; Mt. Lemmon and other areas outside metro Tucson within unincorporated County; and additional regional attributes that distinguish County and Southern Arizona from competitive destinations.
  - 4.2 **Public Relations.** Contractor will target regional, national and international media with story ideas to generate positive coverage about travel to and within County and Southern Arizona.
  - 4.3 **Convention Sales & Services.** Contractor will work with hotels, resorts and venues throughout County to bring in additional meeting room nights. Contractor will work with planners of incoming meetings to connect them to Visit Tucson partner businesses that can enhance their meeting experiences.
  - 4.4 **Mexico Marketing.** Contractor will market and sell travel assets in County and Southern Arizona to travelers from Mexico. Contractor will work with U.S. and Mexico officials to enhance the processes for Mexican visitors to travel between Mexico and County/Southern Arizona. Contractor will work to create and sustain additional travel options for Mexican travelers to and from County/Southern Arizona. Contractor will provide County with office space at Contractor's Hermosillo visitor center to meet with Mexican businesses looking to expand into County.
  - 4.5 **Canada Marketing.** Contractor will market and sell travel assets in County and Southern Arizona to travelers from Canada. Contractor will include quarterly updates on new nonstop flights to Tucson International Airport from five Canadian airports through a partnership with Flair Airlines.
  - 4.6 **Sports.** Contractor will market and promote the use of County venues, in cooperation with County, to youth, amateur and professional organizations, groups and teams from outside Southern Arizona. Contractor will actively market the Kino Complex expansion throughout the term of this Contract. Contractor will engage in similar efforts for municipalities in County with which it contracts.
  - 4.7 **Tourism.** Contractor will work to grow the number of domestic and international tour operators and travel agents who sell County and Southern Arizona itineraries. Contractor will also work with motor coach tour operators to increase trips to and stops in County and Southern Arizona.

- 4.8 **Film.** Contractor will help to grow direct spending in County and Southern Arizona by targeting producers of independent films, reality and other television series, music videos, and print, digital and television commercials, to film their productions in County and Southern Arizona. Contractor will work with County to upload County properties into database to attract film scouts to possible locations. Contractor will provide quarterly information on filming within County including film permit locations.

5. **Partnership and Other Services.**

- 5.1 **Partnership.** Contractor will operate a partnership (membership) program for companies operating in County and Southern Arizona to invest in and benefit from Visit Tucson's programs. The private-sector revenue generated from this program will augment Visit Tucson's bed-tax (public) funding, while better connecting these businesses with incoming travelers and groups.

- 5.2 **Visitor Services.** Contractor will support County in operation of the Regional Visitor Center in the Historic Courthouse by providing, at Contractor's expense, two trained employees to help staff the Regional Visitor Center during its normal operating hours, M-Sun, 10am-5pm. Contractor will distribute visitor guides and gem show materials. Contractor will pay all costs associated with purchasing, leasing, installing and maintaining kiosks in the Regional Visitor Center. Contractor and County will mutually agree on the design, style, size and location of any kiosk before it is installed in the Regional Visitor Center. Contractor will work with and refer visitor center volunteers to County, should County opt to create a volunteer program to help with the operation of the Regional Visitors Center. Contractor will provide a CTA training program within the market.

- 5.3 **Collaboration.** Contractor will collaborate with its partner businesses, County, other public funding stakeholders and with economic development, attractions, lodging, arts and cultural, and other regional organizations on initiatives that benefit tourism, economic development and quality of life throughout County. Contractor will work to increase its revenue, and leverage County's investment in Contractor, by entering into investment agreements from municipalities throughout County and with partner businesses.

- 5.4 **Events.** Contractor will market, and, in some cases, invest in, existing and new events in County that Contractor believes have promise to attract visitors from outside Southern Arizona.

- 5.5 **Capital Projects.** Contractor will work with public and private stakeholders to identify capital projects throughout County, and possible funding sources for those projects, that have the potential to attract additional travelers to the region.

6. **Reporting.** Contractor will provide quarterly written reports to County outlining progress toward all aspects of this Contract, including Contractor's 2022-23 Goals. Reports for the previous quarter's results and activities will be due to County on October 25, 2022, January 24, 2023, April 25, 2023 and July 25, 2023.

- 6.1 Contractor will provide County with Metro Tucson competitive set lodging reports in August 2022 covering July 2021-June 2022 lodging, and in February 2023 covering

January-December 2022 lodging as set forth in **Exhibit B (one page)**. The reports will cover, but are not limited to, Metro Tucson's performance against cities in the western and southwestern United States regarding hotel occupancy, average daily rates, and revenue per available room.

7. **Modifications/Revisions.** Contractor will modify its activities or revise and resubmit the Marketing Plan or modify programs or specific activities if County determines that insufficient progress is being made to justify the expenditures of tax revenues or that an alternative approach or action may be more effective.
8. **Public Access to Records.** Contractor will allow any requesting member of the public access to all records relating to its funds and activities, including the Fiscal Year 2022-23 Budget as set forth in **Exhibit C (one page)**.
9. **Payment.** In consideration of the services specified in this Contract, County will pay Contractor Fifty Percent (50%) of the revenue generated by the tax authorized by A.R.S. § 42-6108 for Fiscal Year 2022-23, not to exceed a total of \$3,450,000.00. County will distribute the funds as they are received by County from the Department of Revenue.
10. **Financial Audit Requirements.**
  - 10.1. **State of Arizona Audit Requirements.** Since Contractor is a non-profit organization, as defined in A.R.S. § 10-3140, Contractor will comply with A.R.S. § 11-624, "Audit of Non-Profit Corporations Receiving County Monies." Contractor will, at its expense, provide the Board of Supervisors with either audited financial statements prepared in accordance with federal single audit regulations or financial statements prepared in accordance with generally accepted accounting principles and audited by an independent certified public accountant, covering the fiscal year covered by this Contract. The audit requirements in this Section 10, and the reporting obligations in Section 6, survive expiration of the term of this Contract.
  - 10.2. **Additional County Requirements for all Contractors.**
    - 10.2.1. Contractor will establish and maintain a separate, identifiable accounting of all funds provided by County pursuant to this Contract.
    - 10.2.2. County, in addition to the financial reporting required in Section 10.1 above, may require Contractor to provide a program-specific or financial audit at any time by providing written notice to Contractor, to confirm that City of Tucson, Pima County, Oro Valley and any other funds collected by Contractor are used to promote the entire region. Such notice will specify the period to be covered by the audit, the type of audit and the time for completion and submission of the audit.
  - 10.3. All audits provided under this Section must be performed by a qualified independent accounting firm and a written audit report submitted to County. The annual audit required by Section 10.1 must be submitted no later than three (3) months after the close of the fiscal year covered by this Contract unless other time is specified by



County. It must include any response Contractor wishes to make concerning any audit findings. Audits must be submitted to:

Diane Frisch, Director  
Pima County Attractions & Tourism  
115 North Church Avenue, Suite 221  
Tucson, Arizona 85701  
520.724.7355

- 10.4. Contractor will pay all costs for audits and County is not responsible for audit costs. Funds provided by County under this Contract may be used to pay for an audit provided the cost is reasonable and is specifically included in the budget attached as Exhibit C.
11. **Record Retention.** Contractor will retain all records of participant activity, expenses, and equipment purchased through funding under this Contract for five (5) years after the last expenditure report has been submitted, or, if later, after all other pending matters have been closed.
12. **Accountability.** To the greatest extent permissible by law, County, and any authorized federal, state, or local agency will at all reasonable times have the right of access to Contractor's facility, books, documents, papers, or other records which are pertinent to this Contract, in order to make audits, examinations, excerpts and transcripts and for the purpose of evaluating Contractor's performance and Contractor's compliance with this Contract. This provision must be included in all contracts between Contractor and its subcontractors providing goods or services pursuant to this Contract. Contractor is responsible for subcontractors' compliance with this provision and for any disallowances or withholding or reimbursements resulting from noncompliance of said subcontractors with this provision.
13. **Insurance.** Contractor will procure and maintain at its own expense insurance policies (the "**Required Insurance**") satisfying the below requirements (the "**Insurance Requirements**") until all its obligations under this Contract have been met. The below Insurance Requirements are minimum requirements for this Contract and in no way limit Contractor's indemnity obligations under this Contract. County in no way warrants that the required insurance is sufficient to protect the Contractor for liabilities that may arise from or relate to this Contract. If necessary, Contractor may obtain commercial umbrella or excess insurance to satisfy the Insurance Requirements.
- 13.1. Insurance Coverages and Limits:
- 13.1.1. Commercial General Liability (CGL) – Occurrence Form covering liability arising from premises, independent contractors, personal injury, bodily injury, broad form contractual liability and products-completed operations with minimum limits not less than \$2,000,000.00 Each Occurrence and \$2,000,000.00 General Aggregate.
- 13.1.2. Business Automobile Liability – Coverage for any owned, leased, hired, and/or non-owned autos assigned to or used in the performance of this Contract with minimum limits not less than \$1,000,000.00 Each Accident.

- 13.1.3. Workers' Compensation and Employers' Liability – Workers' Compensation with Employers Liability limits of \$1,000,000.00 each accident and \$1,000,000.00 each employee – disease. Workers' Compensation statutory coverage is compulsory for employers of one or more employees.

13.2. Additional Coverage Requirements:

- 13.2.1. Claims Made Coverage: If any part of the Required Insurance is written on a claims-made basis, any policy retroactive date must precede the effective date of this Contract, and Contractor must maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.
- 13.2.2. Additional Insured Endorsement: The General Liability, Business Automobile Liability shall each be endorsed to include County, its departments, districts, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- 13.2.3. Subrogation Endorsement: The General Liability, Business Automobile Liability and Workers' Compensation Policies shall each contain a waiver of subrogation endorsement in favor of County, and its departments, districts, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- 13.2.4. Primary Insurance Endorsement: The Required Insurance policies must stipulate that they are primary and that any insurance carried by County, or its agents, officials, or employees, is excess and not contributory insurance.
- 13.2.5. The Required Insurance policies may not obligate County to pay any portion of Contractor's deductible or Self Insurance Retention (SIR).
- 13.2.6. Subcontractors: Contractor must either (a) include all subcontractors as additional insureds under its Required Insurance policies, or (b) require each subcontractor to separately meet all Insurance Requirements and verify that each subcontractor has done so, Contractor must furnish, if requested by County, appropriate insurance certificates for each subcontractor. Contractor must obtain County's approval of any subcontractor request to modify the Insurance Requirements as to that subcontractor.
- 13.3. Notice of Cancellation: Contractor must notify County, within two (2) business days of Contractor's receipt of notice from an insurer, if any Required Insurance policy is suspended, voided, or cancelled for any reason. Notice must include the Pima County project or contract number and project description.



13.4. Verification of Coverage:

- 13.4.1. Contractor must furnish County with a certificate of insurance (valid ACORD form or equivalent approved by County) for each Required Insurance policy, which must specify that the policy has all the required endorsements, and must include the Pima County project or contract number and project description. Each certificate must be signed by an authorized representative of the insurer.
- 13.4.2. County may at any time require Contractor to provide a complete copy of any Required Insurance policy or endorsement. Note: Contractors for larger projects must provide actual copies of the additional insured and subrogation endorsements.
- 13.4.3. Contractor must provide the certificates to County before work commences. Each Required Insurance policy must be in effect at least 10 days before work under this Contract commences. Contractor must provide County a renewal certificate not less than 15 days prior to a Required Insurance policy's expiration date. Failure to maintain the Required Insurance policies, or to provide evidence of renewal, is a material breach of this Contract.
- 13.4.4. All insurance certificates must be sent directly to the appropriate County Department.

13.5. Approval and Modifications:

The Pima County Risk Manager may modify the Insurance Requirements at any point during the Term of this Contract. This can be done administratively, with written notice from the Risk Manager and does not require a formal Contract amendment. Neither County's failure to obtain a required insurance certificate or endorsement, County's failure to object to a non-complying insurance certificate or endorsement, nor County's receipt of any other information from the Contractor, its insurance broker(s) and/or insurer(s), constitutes a waiver of any of the Insurance Requirements.

- 13. **Indemnification.** To the fullest extent permitted by law, Contractor will defend, indemnify, and hold harmless County and any related taxing district, and the officials and employees of each of them (collectively, "Indemnitees") from and against any and all claims, actions, liabilities, losses, and expenses (including reasonable attorney fees) (collectively, "Claims") arising out of actual or alleged injury of any person (including death) or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by any act or omission of Contractor or any of Contractor's directors, officers, agents, employees, volunteers, or subcontractors. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Indemnatee will, in all instances, except for Claims arising solely from the acts or omissions of the Indemnatee, be indemnified by Contractor from and against any and all Claims. Contractor is responsible for primary loss investigation, defense and judgment costs for any Claim to which this indemnity applies. This indemnity will survive the expiration or termination of this Contract.

14. **Laws and Regulations.**

14.1. Compliance with Laws. Contractor will comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders.

14.2. Licensing. Contractor warrants that it is appropriately licensed to provide the services under this Contract and that its subcontractors will be appropriately licensed.

14.3. Choice of Law; Venue. The laws and regulations of the State of Arizona govern the rights and obligations of the parties under this Contract. Any action relating to this Contract must be filed and maintained in the appropriate court of the State of Arizona in Pima County.

15. **Independent Contractor.** Contractor is an independent contractor. Neither Contractor, nor any of Contractor's officers, agents or employees will be considered an employee of Pima County for any purpose or be entitled to receive any employment-related benefits, or assert any protections, under the Pima County Merit System. Contractor is responsible for paying all federal, state and local taxes on the compensation received by Contractor under this Contract and will indemnify and hold County harmless from any and all liability that County may incur because of Contractor's failure to pay such taxes.

16. **Subcontractors.** Contractor is fully responsible for all acts and omissions of any subcontractor, and of persons directly or indirectly employed by any subcontractor, and of persons for whose acts any of them may be liable, to the same extent that the Contractor is responsible for the acts and omissions of its own employees. Nothing in this Contract creates any obligation on the part of County to pay or see to the payment of any money due any subcontractor, except as may be required by law.

17. **Assignment.** Contractor may not assign its rights or obligations under this Contract, in whole or in part, without County's prior written approval. County may withhold approval at its sole discretion.

18. **Non-Discrimination.** Contractor will comply with all provisions and requirements of Arizona Executive Order 2009-09, which is hereby incorporated into this contract, including flow-down of all provisions and requirements to any subcontractors. During the performance of this Contract, Contractor will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

19. **Americans with Disabilities Act.** Contractor will comply with Title II of the Americans with Disabilities Act (Public Law 110-325, 42 U.S.C. §§ 12101-12213) and the federal regulations for Title II (28 CFR Part 35).

20. **Authority to Contract.** Contractor warrants its right and power to enter into this Contract. If any court or administrative agency determines that County does not have authority to enter into this Contract, County will not be liable to Contractor or any third party by reason of such determination or by reason of this Contract.

21. **Full and Complete Performance.** The failure of either party to insist, in one or more instances, upon the other party's complete and satisfactory performance under this Contract, or to take any action based on the other party's failure to completely and

satisfactorily perform, is not a waiver of that party's right to insist upon complete and satisfactory performance, or compliance with any other covenant or condition in this Contract, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time is not an accord and satisfaction.

22. **Cancellation for Conflict of Interest.** This Contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated into this Contract by reference.

23. **Termination by County.**

23.1. Without Cause. County may terminate this Contract at any time without cause by notifying Contractor, in writing, at least 30 days before the effective date of the termination. In the event of such termination, County's only obligation to Contractor will be payment for services rendered prior to the date of termination.

23.2. With Cause. County may terminate this Contract at any time without advance notice and without further obligation to County when County finds Contractor to be in default of any provision of this Contract.

23.3. Non-Appropriation. Notwithstanding any other provision in this Contract, County may terminate this Contract if for any reason there are not sufficient appropriated and available monies for the purpose of maintaining County or other public entity obligations under this Contract. In the event of such termination, County will have no further obligation to Contractor, other than to pay for services rendered prior to termination.

24. **Notice.** Any notice required or permitted to be given under this Contract must be in writing and be served by personal delivery or by certified mail upon the other party as follows:

County:

Diane Frisch, Director  
Pima County Attractions & Tourism  
115 North Church Avenue, Suite 221  
Tucson, Arizona 85701  
520.724.7355

Contractor:

Mr. Jose Felipe Garcia, President and CEO  
Metropolitan Tucson Convention  
Visitors Bureau dba: Visit Tucson  
115 North Church Avenue, Suite 200  
Tucson, Arizona 85701  
520.624.1817

25. **Non-Exclusive Contract.** Contractor understands that this Contract is nonexclusive and is for the sole convenience of County. County reserves the right to obtain like services from other sources for any reason.

26. **Other Documents.** Contractor and County in entering into this Contract have relied upon information provided in Visit Tucson's marketing plan and information provided by Contractor. To the extent not inconsistent with the provisions of this Contract, these documents are hereby incorporated into and made a part of this Contract as if set forth in full herein.

27. **Remedies.** Either party may pursue any remedies provided by law for the breach of this Contract. No right or remedy is intended to be exclusive of any other right or remedy and each is cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Contract.
28. **Severability.** Each provision of this Contract stands alone, and any provision of this Contract found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of this Contract.
29. **Books and Records.** Contractor will keep and maintain proper and complete books, records and accounts, which will be open at all reasonable times for inspection and audit by duly authorized representatives of County. In addition, Contractor will retain all records relating to this Contract for at least five (5) years after its expiration or termination or, if later, until any related pending proceeding or litigation has concluded.
30. **Public Records.**
- 30.1. **Disclosure.** Pursuant to A.R.S. § 39-121 et seq., and A.R.S. § 34-603(H) in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all documents submitted in response to the solicitation resulting in award of this Contract, including, but not limited to, pricing schedules, product specifications, work plans, and any supporting documents, are public records. As such, those documents are subject to release and/or review by the general public upon request, including competitors.
- 30.2. **Records Marked Confidential; Notice and Protective Order.** If Contractor reasonably believes that some of those records contain proprietary, trade-secret or otherwise-confidential information, Contractor must prominently mark those records "CONFIDENTIAL." In the event a public-records request is submitted to County for records marked CONFIDENTIAL, County will notify Contractor of the request as soon as reasonably possible. County will release the records 10 business days after the date of that notice, unless Contractor has, within that period, secured an appropriate order from a court of competent jurisdiction, enjoining the release of the records. County will not, under any circumstances, be responsible for securing such an order, nor will County be in any way financially responsible for any costs associated with securing such an order.
31. **Legal Arizona Workers Act Compliance.**
- 31.1. Compliance with Immigration Laws. Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to its employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor will further ensure that each subcontractor who performs any work for Contractor under this Contract likewise complies with the State and Federal Immigration Laws.
- 31.2. Books & Records. County has the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

31.3. Remedies for Breach of Warranty. Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor will be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion. Any additional costs attributable directly or indirectly to such remedial action are the responsibility of Contractor.

31.4. Subcontractors. Contractor will advise each subcontractor of County's rights, and the subcontractor's obligations, under this Section 24 by including a provision in each subcontract substantially in the following form:

"Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor is a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

32. **Grant Compliance.** "Not Applicable".

33. **Israel Boycott Certification.** Pursuant to A.R.S. § 35-393.01, if Contractor engages in for-profit activity and has 10 or more employees, and if this Contract has a value of \$100,000.00 or more, Contractor certifies it is not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.

34. **Amendment.** The parties may modify, amend, alter or extend this Contract only by a written amendment signed by the parties.

35. **Entire Agreement.** This document constitutes the entire agreement between the parties pertaining to the subject matter it addresses, and this Contract supersedes all prior or contemporaneous agreements and understandings, oral or written.

36. **Effective Date.** This Contract will become effective when all parties have signed it. The effective date of the Contract will be the date this Contract is signed by the last party (as indicated by the date associated with that party's signature).

**PIMA COUNTY**

\_\_\_\_\_  
Chair, Board of Supervisors


\_\_\_\_\_  
Date

ATTEST

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
Date

APPROVED AS TO FORM

  
\_\_\_\_\_  
Deputy County Attorney

Kathryn Ore      June 6, 2022  
\_\_\_\_\_  
Print DCA Name

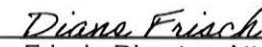
**CONTRACTOR**

  
\_\_\_\_\_  
Authorized Officer Signature

J. Felipe Garay  
\_\_\_\_\_  
Printed Name and Title

June 6, 2022  
\_\_\_\_\_  
Date

APPROVED AS TO CONTENT

  
\_\_\_\_\_  
Diane Frisch, Director, Attractions & Tourism

June 6, 2022  
\_\_\_\_\_  
Date



# Exhibit A

<b>Exhibit A</b>			
<b>Visit Tucson 2022-23 Performance Indicators &amp; Measures</b>			
<b>KEY MEASURES OF PERFORMANCE</b>	<b>2021-22 Goal</b>	<b>July 1, 2021-May 31, 2022</b>	<b>2022-23 Goal</b>
<b>Marketing</b>			
Social media engagement	4,000,000	* 4,894,166	4,500,000
Users to Visit Tucson's website	1,000,000	# 1,200,215	1,250,000
		* through 4/22	
		# through 5/22	
<b>Public Relations</b>			
Generate media coverage -- value	\$30,000,000	\$32,240,359	\$32,000,000
<b>Sales</b>			
Bookings	275	282	310
Room nights	150,000	129,786	160,000
TCC room nights (meetings & sports)	20,000	2,963	30,000
Economic impact	\$60,000,000	\$62,230,861	\$67,000,000
<b>Services</b>			
Number of meetings serviced	275	308	310
<b>Sports</b>			
Bookings	50	51	60
Room Nights	35,000	35,804	40,000
Economic Impact	\$18,000,000	\$38,018,254	\$32,000,000
<b>Mexico Trade &amp; Marketing</b>			
Attract consumers to Sonora tradeshow	10,000	12,000	10,000
Consumers engaged on Vamos Facebook page	80,000	17,300	80,000
Trade/tourism meetings with Mexico officials	14	25	20
<b>Tourism</b> *The Travel professionals educated & Room Nights goals for 21-22 were inverted, room nights should have been 4000 & Travel Professionals educated should have been 800			
Travel professionals trained/educated	4,000	376	600
Room nights	800	1,622	4000
<b>Film</b>			
Projects booked and aided	35	36	40
Direct spending	\$7,500,000	\$16,514,700	\$9,000,000

## Exhibit A

### Visit Tucson 2021-22 Performance Indicators & Measures

Oro Valley Performance Measures	2021-22 Goal	2022-23 Goal
Meeting room nights	20,000	26,000
Sports room nights	6,500	7,000
Visitors guide ad	half-page	Half Page
Visitors guide copy/photos	full page	Half Page
Host visitorovalley.org	x	x
Provide quarterly web traffic reports with quarterly users	x	x
Use Oro Valley info throughout visittucson.org	x	x
Posts per month on Visit Tucson social media	4	x
Promote OV as a winter training site for aquatics & cycling	x	x
Provide 60-90 video highlighting Oro Valley	x	x
Promote Oro Valley as film/TV/ad production site	x	x
Visit Tucson board seat appointed by Oro Valley Town Council	x	x
Rebate 5% into tourism activities that benefit Town	x	x
Visit Tucson presents quarterly performance reports to Town and provides an annual presentation to Town Council	x	x

End of Exhibit A

# EXHIBIT B

Tucson Competitive Set Comparison—July 2020-June 2021														
Updated: May 2022														
Source: STR [Occupancy, Rate, RevPAR & Room Revenue]														
	1-19/12-19		7-19/6-20		1-20/12-20		7-20/6-21		1-21/12-21		Properties		Rooms	
	Occupancy	Rank	Occupancy	Rank	Occupancy	Rank	Occupancy	Rank	Occupancy	Rank	Census	Sample	Census	Sample
Tucson	67.3%	13	56.6%	11	47.0%	4	50.0%	6	57.9%	9	159	102	16,146	13,180
Phoenix	70.7%	7	59.5%	5	49.8%	2	54.4%	2	63.0%	2	538	397	69,816	59,427
Scottsdale	70.4%	9	56.0%	12	40.6%	13	44.2%	13	55.4%	11	89	80	16,149	15,423
Albuquerque	67.8%	12	55.9%	13	45.2%	5	52.7%	3	62.5%	4	179	131	17,832	14,578
Palm Springs	62.1%	15	52.7%	15	42.8%	9	44.6%	110	53.1%	13	175	85	16,554	12,518
San Diego	76.7%	2	64.0%	2	48.4%	3	50.9%	4	61.9%	5	502	343	63,443	53,473
San Francisco	82.0%	1	65.7%	1	41.8%	11	39.4%	15	47.7%	15	428	227	51,538	42,124
Portland	72.1%	15	57.4%	9	40.9%	12	45.9%	9	53.9%	12	318	233	31,884	28,414
Denver	73.9%	13	59.7%	4	42.9%	8	48.0%	8	59.0%	8	441	335	57,484	52,525
Las Vegas	70.6%	8	61.0%	3	43.8%	6	44.6%	110	56.0%	10	391	150	169,283	34,782
Seattle	73.9%	13	59.2%	6	37.9%	14	40.0%	14	52.3%	14	386	275	49,676	44,866
San Antonio	66.4%	14	54.2%	14	42.2%	10	49.2%	7	59.3%	7	468	339	47,689	42,103
Santa Fe	70.3%	10	57.2%	10	37.8%	15	44.3%	12	59.9%	6	66	46	5,845	4,953
Colorado Springs	69.9%	11	58.7%	7	54.0%	1	61.5%	1	66.4%	1	148	93	12,579	10,109
Austin	72.1%	15	58.0%	8	43.1%	7	50.2%	5	62.6%	3	392	330	45,939	43,158
	1-19/12-19		7-19/6-20		1-20/12-20		7-20/6-21		1-21/12-21					
	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank				
Tucson	\$115.05	13	\$109.67	13	\$104.67	9	\$101.38	8	\$115.51	11				
Phoenix	\$133.36	10	\$123.97	10	\$116.34	5	\$111.12	7	\$128.17	7				
Scottsdale	\$204.20	2	\$193.89	2	\$196.79	1	\$185.95	1	\$204.70	1				
Albuquerque	\$89.17	15	\$84.52	15	\$71.14	15	\$73.13	15	\$91.20	15				
Palm Springs	\$172.38	3	\$153.26	4	\$155.64	3	\$160.55	2	\$182.51	2				
San Diego	\$166.78	4	\$155.68	3	\$130.03	4	\$132.16	3	\$164.54	4				
San Francisco	\$251.24	1	\$237.02	1	\$177.30	2	\$124.37	4	\$153.06	5				
Portland	\$135.55	9	\$128.09	8	\$99.27	11	\$97.14	11	\$115.39	12				
Denver	\$135.67	8	\$127.31	9	\$94.88	13	\$92.17	12	\$116.75	10				
Las Vegas	\$117.74	12	\$113.76	12	\$97.94	12	\$89.75	14	\$113.91	13				
Seattle	\$160.74	5	\$151.07	5	\$106.77	7	\$97.27	10	\$123.13	9				
San Antonio	\$113.13	14	\$104.70	14	\$88.81	14	\$92.05	13	\$109.56	14				
Santa Fe	\$143.06	7	\$141.05	6	\$107.60	6	\$122.17	5	\$164.96	3				
Colorado Springs	\$130.37	11	\$120.96	11	\$105.64	8	\$115.72	6	\$142.24	6				
Austin	\$144.02	6	\$130.19	7	\$102.04	10	\$101.26	9	\$127.11	8				
	1-19/12-19		7-19/6-20		1-20/12-20		7-20/6-21		1-21/12-21					
	RevPAR	Rank	RevPAR	Rank	RevPAR	Rank	RevPAR	Rank	RevPAR	Rank				
Tucson	\$77.46	13	\$62.13	13	\$49.24	7	\$50.71	8	\$66.90	10				
Phoenix	\$94.23	10	\$73.82	9	\$57.97	5	\$60.47	5	\$80.72	6				
Scottsdale	\$143.72	2	\$108.65	2	\$79.86	1	\$82.27	1	\$113.39	1				
Albuquerque	\$60.44	15	\$47.22	15	\$32.18	15	\$38.51	15	\$57.02	15				
Palm Springs	\$107.06	5	\$80.81	5	\$66.56	3	\$71.61	2	\$96.90	4				
San Diego	\$127.95	3	\$99.69	3	\$62.88	4	\$67.32	4	\$101.79	2				
San Francisco	\$205.99	1	\$155.62	1	\$74.03	2	\$49.06	9	\$72.97	8				
Portland	\$97.80	9	\$73.47	10	\$40.62	13	\$44.56	11	\$62.23	14				
Denver	\$100.27	8	\$75.97	7	\$40.73	10	\$44.26	12	\$68.93	9				
Las Vegas	\$83.12	12	\$69.36	12	\$42.93	9	\$40.05	13	\$63.74	13				
Seattle	\$118.86	4	\$89.45	4	\$40.47	12	\$38.89	14	\$64.42	12				
San Antonio	\$75.10	14	\$56.75	14	\$37.50	14	\$45.32	10	\$64.97	11				
Santa Fe	\$100.60	7	\$80.75	6	\$40.67	11	\$54.15	6	\$98.81	3				
Colorado Springs	\$91.17	11	\$71.01	11	\$57.01	6	\$71.19	3	\$94.50	5				
Austin	\$103.83	6	\$75.50	8	\$43.99	8	\$50.85	7	\$79.62	7				
	1-19/12-19		7-19/6-20		1-20/12-20		7-20/6-21		1-21/12-21					
	Room Revenue	Rank	Room Revenue	Rank	Room Revenue	Rank	Room Revenue	Rank	Room Revenue	Rank				
Tucson	\$433,294,391	12	\$344,531,233	12	\$274,650,887	12	\$289,811,123	13	\$389,398,025	13				
Phoenix	\$2,279,363,043	4	\$1,759,934,910	4	\$1,366,807,618	2	\$1,485,559,827	3	\$2,030,992,216	3				
Scottsdale	\$775,761,799	10	\$571,060,666	10	\$421,152,374	9	\$451,458,132	10	\$655,212,063	10				
Albuquerque	\$384,001,087	13	\$297,002,857	13	\$199,613,559	14	\$239,579,437	14	\$357,881,347	14				
Palm Springs	\$598,025,001	11	\$398,516,527	11	\$308,024,827	11	\$389,527,500	11	\$577,387,018	11				
San Diego	\$2,953,603,990	3	\$2,187,103,472	3	\$1,353,320,872	3	\$1,538,588,610	2	\$2,355,219,241	2				
San Francisco	\$4,011,997,842	2	\$2,820,834,141	2	\$1,114,574,255	4	\$742,396,573	7	\$1,276,307,512	6				
Portland	\$1,058,836,391	9	\$778,727,113	9	\$415,566,356	10	\$471,997,306	9	\$695,488,656	9				
Denver	\$1,886,094,325	6	\$1,404,593,470	6	\$755,690,918	5	\$890,159,929	4	\$1,414,487,813	4				
Las Vegas	\$5,047,588,035	1	\$3,762,605,854	1	\$2,278,084,580	1	\$2,375,740,559	1	\$3,893,596,160	1				
Seattle	\$2,143,672,957	5	\$1,555,332,426	5	\$673,660,111	6	\$676,653,008	8	\$1,158,559,261	7				
San Antonio	\$1,307,867,555	8	\$962,487,942	8	\$628,204,090	8	\$789,843,443	6	\$1,132,321,584	8				
Santa Fe	\$207,636,618	15	\$160,835,209	15	\$80,640,016	15	\$112,020,278	15	\$208,950,432	15				
Colorado Springs	\$374,060,073	14	\$293,160,494	14	\$236,577,544	13	\$327,254,004	12	\$432,661,119	12				
Austin	\$1,566,394,468	7	\$1,134,694,040	7	\$664,945,761	7	\$815,934,002	5	\$1,322,836,506	5				

END OF EXHIBIT B

# EXHIBIT C

## Metropolitan Tucson Convention & Visitors Bureau DBA Visit Tucson - FY 2022-23 Budget

	2020-21 FINAL	2021-22 APPROVED	2021-22 REFORECAST	2022-23 DRAFT	% Change Reforecast 21-22 to Draft 22-23	EXPLANATION
<b>REVENUE</b>						
City of Tucson	\$3,495,408	\$5,000,000	\$5,000,000	\$5,900,000	18%	33% of 6% Bed Tax
Pima County	\$1,430,168	\$2,200,000	\$3,000,000	\$3,000,000	0%	50% of 6% Bed Tax
Oro Valley	\$206,250	\$410,000	\$410,000	\$410,000	0%	Pending Oro Valley Council approval
ARPA - Pima County			\$750,000	\$1,250,000	67%	Grant funds
AOT - Visit Tucson Initiatives Grant			\$500,000	\$500,000	0%	Grant funds
Pima County CARES Revenue	\$499,710					
Partner Development	\$74,340	\$102,700	\$167,500	\$192,540	15%	Partner Dues & Fees
Tradeshows, Fam & Client Events	\$6,750	\$23,750	\$43,750	\$49,350	13%	Events/Tradeshows
Advertising Income	\$82,694	\$111,000	\$247,000	\$386,000	56%	Advertising Co-Ops
Tohono O'odham	\$10,227	\$40,000	\$40,000	\$0	-100%	Moving the agreement to a program spend
Other Income	(\$5,663)	\$1,068,792	\$1,069,892	\$1,100	-100%	Other Misc. Income
<b>TOTAL REVENUE</b>	<b>\$5,799,884</b>	<b>\$8,956,242</b>	<b>\$11,228,142</b>	<b>\$11,688,990</b>		
<b>EXPENSES-Administrative</b>						
Depreciation	\$76,446	\$118,320	\$118,320	\$115,120	-3%	Equipment, Software, Tenant Improvements, and Furniture & Fixtures
Janitorial/Equip/Phone	\$70,006	\$95,000	\$95,000	\$104,000	9%	Janitorial, Equipment, Phone
Misc Expense	\$66,078	\$119,000	\$128,000	\$123,000	-4%	Comm Involvement, Dues & Subscriptions, Parking, Employee education/recognition
Office Expense	\$295,164	\$410,400	\$410,000	\$412,400	1%	Business Insurance, Supplies, Rent,
Personnel-Wages	\$1,681,129	\$2,878,879	\$2,654,181	\$2,977,989	12%	28 full time, 7 part time employees
Payroll Taxes, Ins, 401k	\$350,471	\$525,600	\$527,000	\$532,000	1%	28 full time, 7 part time employees
Professional Services	\$48,639	\$81,500	\$140,500	\$140,500	0%	Accounting/Payroll, Consulting/Lobbying, Strategic Planning
Administrative Travel/Training	(\$120)	\$5,000	\$4,000	\$20,000	400%	Admin travel
Vehicle						
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$2,587,813</b>	<b>\$4,233,699</b>	<b>\$4,077,001</b>	<b>\$4,425,009</b>		
<b>EXPENSES-Programming</b>						
Film Tucson	\$7,219	\$56,600	\$758,800	\$64,800	-91%	Film Marketing, Promotion, Travel & Tradeshows-One time expenditure on TV show
Film-HBO MAX project	\$0	\$1,000,000	\$1,000,000	\$140,000	-86%	Pending final decision by HBO
Tucson Sports	\$29,971	\$235,500	\$177,000	\$303,650	72%	Sports Marketing, Travel & Tradeshows
Marketing	\$1,328,516	\$2,018,500	\$2,816,166	\$3,397,431	21%	Marketing Advertising, Tradeshows, Printing, & Misc
Communications	\$60,369	\$249,800	\$198,600	\$301,400	52%	PR & Communications
Partner Development	\$10,672	\$45,000	\$45,000	\$58,500	30%	Partnership development expenses
Strategic Initiatives	\$0	\$40,000	\$40,000	\$40,000	0%	Comm Involvement, Sustainable Initiatives, & Equity/Diversity/Inclusion
Sales	\$177,809	\$887,000	\$874,300	\$1,001,500	15%	Tradeshows, Fams, Meeting Incentives, Convention Services, & Promo Items
Mexico Marketing	\$71,939	\$291,000	\$311,050	\$288,000	-7%	Advertising, Tradeshows, Visitor Centers-some expenses have been moved to other line items
Tourism	(\$1,032)	\$80,900	\$75,000	\$90,000	20%	Sales Missions, Tradeshows, Fams, Site Visits
Oro Valley				\$20,500		To confirm 5% rebate upon Oro Valley Council approval (broken out to separate line item)
Green Valley	\$17,991	\$35,000	\$40,000	\$48,000	20%	Bed tax rebate
Visitor Center	\$0	\$2,000	\$2,000	\$2,000	0%	Visitor Center expenses
Events	\$216,255	\$601,500	\$561,000	\$682,500	22%	VT Event Development
Community Initiatives	\$9,000	\$15,000	\$15,000	\$300,000	1900%	Air Service development, Gastronomy, Santa Cruz Valley
<b>TOTAL PROGRAMMING EXPENSES</b>	<b>\$1,928,709</b>	<b>\$5,557,800</b>	<b>\$6,913,916</b>	<b>\$6,738,281</b>		
<b>TOTAL EXPENSES</b>	<b>\$4,516,522</b>	<b>\$9,791,499</b>	<b>\$10,990,917</b>	<b>\$11,163,290</b>		
<b>NET INCOME</b>	<b>\$1,283,362</b>	<b>(\$835,257)</b>	<b>\$237,225</b>	<b>\$525,700</b>		