BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

○ Award ◉ Contract ○ Grant

Requested Board Meeting Date: June 23, 2020

** = 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 & Youth, Amateur, Semi-Professional & Professional Sports Development & 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. 41-6108 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 2020-21 performance measures as provided in Exhibit A of this contract.

***Retroactive:**
No.

To: COB-
Ver- 1
Pgs- 16 (1)

Procure Dept 06/10/20 PM11:04

Contract / Award Information

Document Type: CT Department Code: ED Contract Number (i.e.,15-123): 20*388

Commencement Date: 7-1-2020 Termination Date: 6-30-2021 Prior Contract Number (Synergen/CMS): 19*507

☒ **Expense Amount: $*** 2,000,000.00 ☐ Revenue Amount: $ _____

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

Funding from General Fund? ◉ Yes ○ No If Yes $ 2,000,000.00 % _____

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 or ○ 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 & Tourism Telephone: 520.724.7355

Department Director Signature/Date: Diane Frisch 06/08/2020

Deputy County Administrator Signature/Date: [signature] 6/9/2020

County Administrator Signature/Date: [signature] 6/10/20

(Required for Board Agenda/Addendum Items)

PIMA COUNTY
ATTRACTIONS AND TOURISM

Date: June 5, 2020

To: C.H. Huckelberry
County Administrator

Fm: Diane Frisch
Director

Via: Jan Lesher
Chief Deputy County Administrator

Re: Request for Direct Selection Procurement of Professional Services for Attractions & Tourism

Pursuant to Pima County Board of Supervisors **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 the County, I am requesting the direct selection procurement for professional services for the Metropolitan Tucson Convention and Visitors Bureau, dba Visit Tucson. Scope of work includes the Contractor's primary goal of attracting a growing number of visitors to Pima County and Southern Arizona and generating increased direct spending and economic impact from those travelers. Contractor will be measured by performance goals over the 2020-2021 year as set forth by contract.

Thank you for your consideration of this request.

APPROVED / NOT APPROVED

C.H. Huckelberry, County Administrator

6/8/20
Date

115 N. Church Avenue, Suite 221, Tucson, AZ 85701 • Phone: (520) 724-7355

PIMA COUNTY DEPARTMENT OF ATTRACTIONS AND 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, Suite200** **Tucson, Arizona 85701**
CONTRACT NO.:	**CT-ED-20*388**
AMOUNT:	**$2,000,000.00**
FUNDING:	**General Fund**

1. **Parties; Effective Date**. This Contract ("***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, 2020.

2. **Background & Purpose**.

   2.1. 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.

   2.2. Pima County has levied a tax under A.R.S. § 42-6108, at the rate of 6%.

   2.3. 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 Pima County.

   2.4. 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.

   2.5. Resolution No. 1991-181 remains in effect so that Contractor is currently the official recognized tourism promotion agency for County.

   2.6. Increasing tourism will contribute to the overall economic growth of Pima County;

3. **Term**. This Contract commences on the July 1, 2020 and terminates on June 30, 2021 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.

4. **Scope of Work**. Contractor's primary goals are to attract a growing number of visitors to Pima 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 2020-21 goals set forth in the performance measures attached as **Exhibit A, (two pages)** the "**2020-21 Goals**".

4.1. Contractor will develop an annual marketing plan/program of work, with upfront input from the County, to help accomplish those goals.

4.2. Contractor will use County's investment, along with revenue from additional public and private sources, to hire and deploy a professional staff and contractors, and to plan and implement programs that help attract visitors and their spending.

5. **County Priorities**. Contractor agrees to execute the following 2020-21 County priorities:

5.1. **Marketing**. Contractor will market, promote and advertise in targeted domestic and international feeder markets: Pima 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 Pima County; and additional regional attributes that distinguish Pima County and Southern Arizona from competitive destinations.

5.2. **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.

5.3. **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.

5.4. **Mexico Marketing**. Contractor will market and sell travel assets in County and Southern Arizona to Mexican travelers. 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.

5.5. **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 Pima County with which it contracts.

5.6. **Tourism**. Contractor will work to grow the number of domestic and international tour operators and travel agents who sell County/Southern Arizona itineraries. Contractor will also work with motor coach tour operators to increase trips to and stops in County and Southern Arizona.

5.7. **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 Pima County to upload Pima County properties into database to attract film scouts to possible locations. Contractor will provide quarterly information on filming within Pima County including film permit locations.

6. **Partnership and Other Services**.

6.1. **Partnership**. Contractor will operate a partnership (membership) program for companies operating in Pima 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.

6.2. **Visitor Services**. Contractor will support Pima County in operation of the Regional Visitor Center in the Historic Courthouse by providing at its expense one and a half trained employees to help staff the Regional Visitor Center during its normal operating hours. Contractor will create or purchase display racks from which Contractor-printed visitor materials are distributed at the Regional Visitor Center. Contractor will continue to 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 Pima County will mutually agree on the design, style, size and location of any distribution rack or kiosk before it is installed in the Regional Visitor Center. Contractor will work with and refer visitor center volunteers to Pima County, should Pima 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.

6.3. **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 Pima County. Contractor will work to increase its revenue, and leverage the County's investment in Contractor, by entering into investment agreements from municipalities throughout Pima County and with partner businesses.

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

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

7. **Reporting**. Contractor will provide quarterly written reports to County outlining progress toward all aspects of this Agreement, including the Contractor's 2020-21 Goals. Reports for the previous quarter's results and activities will be due to County on October 24, 2020, January 23, 2021, April 25, 2021 and July 25, 2021.

   Contractor will provide County with metro Tucson competitive set lodging reports in August 2020 covering July 2019-June 2020 lodging, and in February 2021 covering January-December 2020 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.

8. **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.

9. **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 2020-21 Budget as set forth in **Exhibit C (one page)**.

10. **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 2020-2021, not to exceed a total of $2,000,000.00. County will distribute the funds as they are received by the County from the Department of Revenue.

11. **Financial Audit Requirements**.

    11.1. **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, coving the fiscal year covered by this Contract. The audit requirements in this Section 11, and the reporting obligations in Section 7, survive expiration of the term of this Contract.

    11.2. **Additional County Requirements for all Contractors**.

        11.2.1. Contractor will establish and maintain a separate, identifiable accounting of all funds provided by County pursuant to this Contract.

        11.2.2. County, in addition to the financial reporting required in Section 11.1 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.

    11.3. 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 11.1 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 and Tourism
        115 North Church Avenue, Suite 221
        Tucson, Arizona 85701
        520.724.7355

    11.4. Contractor will pay all costs for audits and County is not responsible for audit costs. Funds provided by Pima 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.

12. **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.

13. **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.

14. **Insurance**. Contractor will procure and maintain at its own expense insurance policies (the 'Required Insurance') satisfying the below requirements (the 'Insurance Requirements") until all of 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. The 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.

14.1 Insurance Coverages and Limits:

14.1.1 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.

14.1.2 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.

14.1.3 Workers' Compensation (WC) and Employer's 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.

14.2 Additional Coverage Requirements:

14.2.1 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.

14.2.2 Insurer Financial Ratings: Coverage must be placed with insurers acceptable to the County with A.M. Best rating of not less than A- VII, unless otherwise approved by the County.

14.2.3 Additional Insured: The General Liability and Automobile Liability policy must be endorsed to include Pima County and all its related special districts, elected officials, officers, agents, employees and volunteers (collectively "County and its Agents") as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor. The full policy limits and scope of protection must apply to the County and its Agents as an additional insured, even if they exceed the Insurance Requirements.

14.2.4 Waiver of Subrogation: Commercial General Liability, Automobile Liability and Workers' Compensation coverages must each contain a waiver of subrogation in favor of County and its Agents for losses arising from work performed by or on behalf of the Contractor.

14.2.5 Primary Insurance: The Required Insurance policies, with respect to any claims related to this Contract, must be primary and must treat any insurance carried by County as excess and not contributory insurance. The Required Insurance policies may not obligate the County to pay any portion of a Contractor's deductible or Self Insurance Retention (SIR).

14.2.6 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.

14.3 Verification of Coverage:

14.3.1 Certificates: Insurer or Broker of Contractor must evidence compliance with the Insurance Requirements by furnishing certificates of insurance executed by a duty authorized representative of each insurer. Each certificate must include:

- The Pima County tracking number for this Contract, which is shown on the first page of the Contract, and a project description, in the body of the Certificate,
- A notation of policy deductibles or SIRs relating to the specific policy, and
- Certificates must specify that the appropriate policies are endorsed to include additional insured and subrogation waiver endorsements for the County and its Agents.

14.3.2 Timing of Coverage: Each Required Insurance policy and appropriate endorsements must be in effect not less than 15 days prior to commencement of work under this Contract.

14.3.3 Renewal Certificate: A renewal certificate must be provided to County not less than 15 days prior to the policy's expiration date, along with actual copies of the additional-insured and waiver-of-subrogation endorsements.

14.3.4 Policies: County reserves the right to, at any time, require complete copies of any or all Required Insurance policies.

14.3.5 Cancellation Notice: Contractor must notify the County in advance, in writing, if a Required Insurance policy will expire, be cancelled, be suspended, or be materially changed. The notice must be provided to the County by the earlier of (a) 30 days before the change will take effect, and (b) 2 business days after Contractor receives notice of the change from its insurer. For cancellation for non-payment, Insurer must provide County with written notice ten (10) days prior to cancellation of policy.

14.4 Approval and Modifications: The Pima County Risk Manager may approve a modification of the Insurance Requirements without the necessity of a formal Contract amendment, but the approval must be in writing. Neither the County's failure to receive a required Insurance certificate or endorsement, the County's failure to object to a non-complying Insurance certificate or endorsement, or the 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.

15. **Professional Standards and Levels of Service**. In carrying out its duties under this Contract, Contractor will perform in a humane and respectful manner and in accordance with any applicable professional accreditation standards. Contractor will obtain and maintain all applicable licenses, permits and authority required for its performance and the performance of its employees and agents under this Contract. County recognizes that achieving the economic development strategic objectives and the 2020-21 Goals is a community effort, and is in part dependent on local and national economic conditions, over which Contractor does not exercise control.

16. **Indemnification**. Contractor will indemnify, defend, and hold harmless County, its officers, employees and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault or negligence by Contractor, its agents, employees or anyone under its direction or control or on its behalf in connection with performance of this Contract.

17. **Compliance with Laws**. Contractor will comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this Contract. The laws and regulations of the State of Arizona govern the rights of the parties, the performance of this Contract, and any disputes hereunder. Any action relating to this Contract must be brought and maintained in a court of the State of Arizona in Pima County. Any changes in the governing laws, rules, and regulations during the terms of this Contract apply, but do not require an amendment.

18. **Independent Contractor**. The status of Contractor is that of an independent contractor. Neither Contractor, or Contractor's officers, agents or employees are considered an employee of Pima County or are entitled to receive any employment-related fringe benefits under the Pima County Merit System. Contractor will pay all federal, state and local taxes associated with the compensation received pursuant to this Contract and will indemnify and hold County harmless from any and all liability which County may incur because of Contractor's failure to pay such taxes. Contractor is solely responsible for program development and operation.

19. **Subcontractor**. 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 Contractor is responsible for the acts

and omissions of persons directly employed by it. 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.

20. **Assignment**. Contractor will not assign its rights or obligations under this Contract, in whole or in part, without prior written approval of County.

21. **Non-Discrimination**. Contractor agrees that 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. Contractor will comply with the provisions of Arizona Executive Order 75-5, as amended by Executive Order 2009-09 issued by the Governor of the State of Arizona, which is incorporated into this Contract as if set forth in full herein.

22. **Americans with Disabilities Act**. Contractor will comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36.

23. **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 is not liable to Contractor or any third party by reason of such determination or by reason of this Contract.

24. **Full and Complete Performance**. The failure of either party to insist on one or more instances upon the full and complete performance of any of the terms or conditions of this Contract to be performed on the part of the other, or to take any action permitted as a result thereof, is not a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, 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.

25. **Conflict of Interest**. This Contract is subject to cancellation within three (3) years after its execution pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Contract on behalf of County is, at any time while this Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract with respect to the subject matter of this Contract.

26. **Legal Arizona Workers Act Compliance**.

    26.1. Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's 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.

    26.2. 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.

    26.3. 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.

26.4. 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.

26.5. Contractor will advise each subcontractor of County's rights, and the subcontractor's obligations, under this Section 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 the 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."

26.6. Any additional costs attributable directly or indirectly to remedial action under this Section are the responsibility of Contractor. In the event that remedial action under this Section results in delay to one or more tasks on the critical path of Contractor's approved construction or critical milestones schedule, such period of delay is an excusable delay for which Contractor is entitled to an extension of time, but not costs.

27. **Termination/Suspension**.

27.1. **Termination for Convenience**. Each party reserves the right to terminate this Contract at any time and without cause by serving upon the other party sixty (60) days advance written notice specifying the effective date of termination, provided that County will follow the procedure in Section 27.5 below to the extent applicable. In the event of termination, County's only obligation is:

27.1.1. If Contractor terminates, payment for services rendered prior to the date of termination unless the parties agree otherwise; or

27.1.2. If County terminates, payment for services rendered prior to the date of termination and reasonable and actual obligations incurred prior to the date of notice of termination.

27.2. **Non-appropriation**. Notwithstanding any other provision in this Contract, this Contract may be terminated if, for any reason, there are not sufficient appropriated and available monies for the purpose of maintaining County's obligations under this Contract. In the event of such termination, County will have no further obligation to Contractor, other than for services rendered prior to termination.

27.3. **Suspension for Cause**. County may suspend operations and payments under this Contract immediately for violation of contractual requirements, unsafe working conditions, violation of Federal or State law, or lack of reasonable progress in accomplishing objectives and schedules contained in this Contract.

27.4. **Administrative Suspension**. County may temporarily suspend operations and payments under this Contract immediately at any time if County's Board of Supervisors or Administration determines that health, safety or other pressing public interest requires suspension of this Contract. In the event of such suspension, Contractor will assist County by providing information and documents to evaluate the status of the Contract and whether it should be continued.

27.5. **Duties upon Termination**.

27.5.1. Unless County determines that health, safety or other pressing public interest requires immediate action, County will send Contractor's President written notice prior to taking action to terminate or suspend this Contract if the primary reason for termination or suspension is:

27.5.2. Services were not rendered as defined by this Contract;

27.5.3. Contractor failed to supply information or reports as required;

27.5.4. Contractor is not in compliance with agreed disbursement documentation, accounting procedures or performance;

27.5.5. Contractor failed to make required payments to subcontractors; or

27.5.6. County has a reasonable cause to believe Contractor is not in compliance with the nondiscrimination clause of this Contract.

27.5.7. Contractor's President will respond within fifteen (15) days of receipt of County's notice and will submit to County a written plan to cure the deficiency or deficiencies within a stated time frame of no more than sixty (60) days, together with any additional information or documents requested by County. Subject to County's right to take immediate action in the event that health, safety or other pressing public interest requires:

27.5.8. County will, within fifteen (15) days of receipt of the President's plan, either accept the proposed plan and time frame or require different or additional steps be taken or modify the timetable; and

27.5.9. If Contractor's President confirms within five (5) days of County's response that Contractor will proceed with the cure, as amended or modified by County, County will allow Contractor to implement the plan for cure during the timetable period so long as Contractor is making progress in accord with the plan and is responding promptly to any additional requests by County.

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

County:

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

Contractor:

Mr. Brent DeRaad, President and CEO
Metropolitan Tucson Convention & Visitors Bureau
dba: Visit Tucson
115 North Church Avenue, Suite 200
Tucson, Arizona 85701
520.624.1817

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

30. **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.

31. **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.

32. **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.

33. **Entire Agreement**. This document constitutes the entire agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Contract may be modified, amended, altered or extended only by a written amendment signed by the parties.

REMAINDER OF PAGE INTENTIONALLY BLANK
SIGNATURE PAGE FOLLOWS

The parties hereto have executed this Contract on the day, month and year written below.

PIMA COUNTY

Chairman, Board of Supervisors

Date

ATTEST

Clerk of the Board

Date

APPROVED AS TO FORM

Deputy County Attorney

Regina L Nassen
Print DCA Name

June 9, 2020
Date

CONTRACTOR

Authorized Officer Signature

Brent DeRaad, President + CEO
Printed Name and Title

6/9/2020
Date

APPROVED AS TO CONTENT

Department Head

06/09/2020
Date

Exhibit A

Visit Tucson 2020-21 Performance Indicators & Measures

KEY MEASURES OF PERFORMANCE	2019-20 Goal	July 1, 2019 - May 30, 2020	2020-21 Goal
Marketing			
Social media engagement	1,500,000	2,565,415	2,000,000
Users to Visit Tucson website	1,200,000	1,090,525	1,000,000
Public Relations			
Generate media coverage -- value	$34,400,000	$33,898,071	$20,000,000
Sales			
Bookings	364	267	230
Room nights	173,000	117,300	120,000
TCC room nights (meetings & sports)	25,000	28,268	15,000
Economic Impact	$72,000,000	$55,470,896	$45,000,000
Services			
Number of meetings serviced	350	235	230
Sports			
Bookings	73	50	35
Room nights	46,000	34,119	28,000
Economic Impact	$25,000,000	$23,778,016	$12,000,000
Mexico Trade & Marketing			
Attract consumers to Sonora tradeshows	20,500	12,500	5,000
Consumers engaged on Vamos Facebook page	115,000	90,000	80,000
Trade/tourism meetings with Mexico officials	6	15	14
Tourism			
Travel professionals trained/educated	850	1,076	275
Room nights	7,500	5,478	2,500
Film			
Projects booked and aided	55	57	35
Direct spending	$10,000,000	$7,900,000	$6,500,000

Exhibit A

Visit Tucson 2020-21 Performance Indicators & Measures

Oro Valley Performance Measures	2019-20 Goal	2020-21 Goal
Meetings room nights	12,000	12,600
Sports room nights	6,000	4,200
Visitors guide ad	half page	half page
Visitors guide copy/photos	full page	full page
Host www.visitorovalley.org	x	x
Provide quarterly web traffic reports with quarterly users	x	x
Use Oro Valley info throughout www.visittucson.org	x	x
Posts per month on Visit Tucson social media	2	2
Promote OV as a winter training site for aquatics & cycling	x	x
Visit Tucson covers trade show registrations for OV officials	2	0
Provide 30-60 second OV Aquatic Center video	x	remove
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*	waived	waived
Visit Tucson provides quarterly performance reports to Town	x	x

End of Exhibit A

Exhibit B
Tucson Competitive Set Comparison
January - December 2019

Tucson Competitive Set Comparison--January-December 2019
Updated: January 2020
Source: STR (Occupancy, Rate, RevPAR & Room Revenue)

	7-16/6-17		1-17/12-17		7-17/6-18		1-18/12-18		7-18/6-19		1-9/12-19		Properties		Rooms	
	Occupancy	Rank	Occupancy	Rank	Occupancy	Rank	Occupancy	Rank	Occupancy	Rank	Occupancy	Rank	Census	Sample	Census	Sample
Tucson	61.8%	15	63.7%	13	64.9%	13	65.8%	13	65.9%	14	67.3%	13	151	98	15,316	12,503
Phoenix	67.0%	11	67.7%	10	68.6%	10	69.7%	T8	70.1%	8	70.7%	7	494	86	67,867	57,904
Scottsdale	68.0%	10	68.4%	8	69.1%	8	69.7%	T8	69.8%	T9	70.4%	9	79	70	15,258	14,325
Albuquerque	62.1%	14	63.0%	14	63.4%	14	64.7%	14	66.5%	12	67.8%	12	167	117	17,476	13,516
Palm Springs	62.7%	13	61.9%	15	61.7%	15	61.6%	15	61.9%	15	62.1%	15	140	82	15,393	12,349
San Diego	77.6%	2	77.3%	2	77.9%	2	78.7%	2	77.9%	2	76.7%	2	497	347	63,905	55,072
San Francisco	83.5%	1	82.8%	1	82.5%	1	81.9%	1	81.7%	1	82.0%	1	409	247	53,733	46,023
Portland	75.2%	4	74.5%	4	73.5%	4	73.2%	4	72.8%	5	72.1%	T5	295	228	30,312	27,398
Denver	73.4%	5	73.4%	5	73.3%	5	73.1%	5	73.2%	4	73.9%	T3	371	314	52,391	49,531
Las Vegas	72.2%	6	72.1%	6	70.5%	7	70.5%	6	71.4%	6	70.6%	8	390	139	166,466	29,235
Seattle	77.2%	3	76.8%	3	75.6%	3	75.1%	3	74.0%	3	73.9%	T3	381	284	49,873	45,714
San Antonio	65.2%	12	65.0%	12	65.1%	12	66.0%	12	66.4%	13	66.4%	14	442	333	47,836	42,583
Santa Fe	68.2%	9	66.7%	11	67.8%	11	69.0%	11	69.3%	11	70.3%	10	64	42	5,655	4,593
Colorado Springs	69.0%	8	67.8%	9	68.8%	9	69.7%	T8	69.8%	T9	69.9%	11	120	86	11,514	9,618
Austin	71.8%	7	71.8%	7	71.1%	6	70.3%	7	71.2%	7	72.1%	T5	364	305	42,456	39,491

	7-16/6-17		1-17/12-17		7-17/6-18		1-18/12-18		7-18/6-19		1-9/12-19	
	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank
Tucson	$100.33	14	$106.44	14	$107.25	14	$111.60	14	$113.92	13	$115.05	13
Phoenix	$126.92	10	$126.87	10	$128.39	10	$129.78	10	$132.42	10	$133.36	10
Scottsdale	$190.53	2	$190.06	2	$192.98	2	$196.80	2	$201.51	2	$204.20	2
Albuquerque	$80.63	15	$82.14	15	$82.90	15	$84.25	15	$86.64	15	$89.17	15
Palm Springs	$163.71	3	$162.09	3	$169.52	3	$170.72	3	$172.22	3	$172.38	3
San Diego	$158.30	4	$160.08	4	$161.51	5	$166.30	4	$168.61	4	$166.78	4
San Francisco	$227.06	1	$229.24	1	$234.30	1	$241.33	1	$251.47	1	$251.24	1
Portland	$134.01	7	$135.64	7	$136.10	7	$136.62	8	$136.75	8	$135.55	9
Denver	$129.17	8	$131.29	9	$131.49	9	$131.63	9	$133.25	9	$135.67	8
Las Vegas	$117.93	12	$117.27	12	$115.58	12	$114.44	13	$115.50	12	$117.74	12
Seattle	$157.44	5	$159.79	5	$161.77	4	$165.09	5	$163.49	5	$160.74	5
San Antonio	$111.11	13	$111.41	13	$114.18	13	$115.72	12	$113.46	14	$113.13	14
Santa Fe	$128.83	9	$132.11	8	$134.60	8	$139.50	7	$140.70	7	$143.06	7
Colorado Springs	$119.04	11	$124.09	11	$125.81	11	$126.75	11	$125.66	11	$130.37	11
Austin	$140.28	6	$139.16	6	$139.38	6	$140.76	6	$142.36	6	$144.02	6

	7-16/6-17		1-17/12-17		7-17/6-18		1-18/12-18		7-18/6-19		1-9/12-19	
	RevPAR	Rank	RevPAR	Rank	RevPAR	Rank	RevPAR	Rank	RevPAR	Rank	RevPAR	Rank
Tucson	$61.97	14	$67.76	14	$71.03	14	$73.45	14	$75.10	14	$77.46	13
Phoenix	$84.98	11	$85.89	10	$88.05	10	$90.42	10	$92.87	10	$94.23	10
Scottsdale	$129.65	2	$130.06	2	$133.35	2	$136.99	2	$140.75	2	$143.72	2
Albuquerque	$50.04	15	$51.72	15	$52.52	15	$54.53	15	$57.63	15	$60.44	15
Palm Springs	$102.67	5	$100.28	6	$104.57	5	$105.19	5	$106.52	5	$107.06	5
San Diego	$122.79	3	$123.74	3	$125.86	3	$130.93	3	$131.37	3	$127.95	3
San Francisco	$189.58	1	$189.73	1	$193.23	1	$197.72	1	$205.37	1	$205.99	1
Portland	$100.75	7	$101.01	5	$99.97	6	$100.02	6	$99.59	7	$97.80	9
Denver	$94.82	8	$96.34	8	$96.40	8	$96.26	T8	$97.49	T8	$100.27	8
Las Vegas	$85.13	10	$84.59	11	$81.53	12	$80.68	12	$82.45	12	$83.12	12
Seattle	$121.55	4	$122.72	4	$122.32	4	$123.94	4	$120.92	4	$118.86	4
San Antonio	$72.48	13	$72.46	13	$74.34	13	$76.37	13	$75.33	13	$75.10	14
Santa Fe	$87.80	9	$88.05	9	$91.23	9	$96.26	T8	$97.49	T8	$100.60	7
Colorado Springs	$82.13	12	$84.16	12	$86.58	11	$88.37	11	$87.72	11	$91.17	11
Austin	$100.77	6	$99.86	7	$99.07	7	$98.89	7	$101.43	6	$103.83	6

	7-16/6-17		1-17/12-17		7-17/6-18		1-18/12-18		7-18/6-19		1-9/12-19	
	Room Revenue	Rank	Room Revenue	Rank	Room Revenue	Rank	Room Revenue	Rank	Room Revenue	Rank	Room Revenue	Rank
Tucson	$354,700,750	12	$388,515,462	12	$406,411,105	12	$414,666,868	12	$422,477,011	12	$433,294,391	12
Phoenix	$1,972,586,995	4	$2,009,018,601	4	$2,082,001,506	4	$2,166,316,138	4	$2,230,727,631	4	$2,279,363,043	4
Scottsdale	$696,946,035	10	$703,691,334	10	$727,500,356	10	$748,697,770	10	$761,925,318	10	$775,761,799	10
Albuquerque	$323,818,657	14	$334,875,187	14	$340,160,679	14	$349,869,778	14	$368,520,058	13	$384,001,087	13
Palm Springs	$544,043,056	11	$538,155,760	11	$568,740,580	11	$579,809,349	11	$592,100,839	11	$598,025,001	11
San Diego	$2,741,875,115	3	$2,777,547,796	3	$2,821,404,610	3	$2,959,409,937	3	$3,000,287,701	3	$2,953,603,990	3
San Francisco	$3,558,406,940	2	$3,581,673,987	2	$3,693,507,458	2	$3,812,741,316	2	$3,978,369,173	2	$4,011,997,842	2
Portland	$1,004,510,516	9	$1,019,846,861	9	$1,022,374,776	9	$1,041,000,170	9	$1,060,034,848	9	$1,058,836,391	9
Denver	$1,552,944,679	6	$1,617,455,422	6	$1,656,429,261	6	$1,692,607,306	6	$1,776,383,289	6	$1,886,094,325	6
Las Vegas	$5,134,122,278	1	$5,107,607,589	1	$4,932,233,894	1	$4,885,250,193	1	$5,005,660,286	1	$5,047,588,035	1
Seattle	$1,924,037,556	5	$1,983,443,867	5	$2,028,811,992	5	$2,110,667,019	5	$2,129,299,209	5	$2,143,672,957	5
San Antonio	$1,214,895,341	8	$1,224,322,533	8	$1,268,266,505	8	$1,312,155,802	8	$1,305,359,567	8	$1,307,867,555	8
Santa Fe	$183,316,178	15	$180,095,328	15	$188,367,492	15	$199,147,668	15	$201,304,659	15	$207,636,618	15
Colorado Springs	$327,999,363	13	$342,205,342	13	$351,270,346	13	$355,039,011	13	$355,347,620	14	$374,060,073	14
Austin	$1,325,608,031	7	$1,355,316,284	7	$1,391,137,763	7	$1,417,995,811	7	$1,485,584,281	7	$1,566,394,468	7

End of Exhibit B

CT-ED-20*388

Exhibit C
Visit Tucson's FY2020-21 Budget

METROPOLITAN TUCSON CONVENTION & VISITORS BUREAU
BUDGET
FY 2020-2021

DESCRIPTION	ADOPTED FY 19-20	ESTIMATE FY 19-20	PROJECTED FY 20-21	% Change FY Estimated 19-20 to FY 20-21	EXPLANATION
REVENUE					
City of Tucson	5,921,719	5,921,719	4,400,000	-25.70%	34% of 6% Bed Tax
Pima County	3,500,000	2,500,000	1,750,000	-30.00%	50% of 6% Bed Tax
Oro Valley	300,000	300,000	275,000	-8.33%	Oro Valley Council Approved
Partnership Dues	190,000	150,000	85,000	-43.33%	Partner Dues
Partnership Programs & Visitor Center Revenue	69,200	36,808	15,800	-57.07%	Events/CTA Program/Annual Meeting
Industry Meetings & Co-Op Advertising Revenue	165,650	131,144	69,200	-47.23%	Industry Meetings/Advertising
Other Income	23,000	-96,250	13,500	114.03%	Mexico Co-Op With Partners, Loss From Sale of Building in 2019-2020
Tohono O'odham Casino	75,000	75,000	50,000	-33.33%	
TOTAL REVENUE	**10,244,569**	**9,018,421**	**6,658,500**	**-26.17%**	
EXPENSES					
ADMINISTRATIVE					
Administrative Salaries	449,615	424,461	341,730	-19.49%	3 full time, 2 part time employees
Administrative Payroll Taxes & Benefits	134,200	93,453	73,815	-21.01%	3 full time, 2 part time employees
Building Maintenance/Utilities/CAM	3,165	5,566	3,300	-40.71%	Maint / Utilities / Janitorial / CAM.
Equipment Maintenance	2,190	2,153	2,190	1.70%	Repair & Maintenance of computers and office equipment
Community Involvement	55,000	55,000	42,000	-23.64%	Community Relations / BOD Meetings/Local Events
Membership Dues & Subscriptions	19,000	19,000	18,000	-5.26%	National/Local/Professional/Industry Orgs.Memberships/Resource Materials
Education/Training/Travel	2,250	2,906	450	-84.51%	Continuing Education & Computer Training
Parking	5,000	6,050	6,200	2.48%	Employee Parking
Miscellaneous Expense	1,560	1,425	1,350	-5.26%	Delivery / Business Cards / Name Plates / Banners
Office Supplies/Computer Supplies	7,200	8,850	5,700	-35.59%	Stationary / Supplies / Toner / Software
Postage / Telephone	18,750	15,300	14,250	-6.86%	Postage
LOC Interest/Bank Fees/Insurance	5,850	5,475	5,850	6.85%	LOC Interest / Bank Fees
Debt Service on Tenant Improvements	3,060	1,695	0	-100.00%	Paid Off Pima County Loan
Rent Pima County Courthouse	42,600	42,600	42,600	0.00%	Office Rent
Depreciation	13,845	14,055	16,125	14.73%	Equipment / Improvements / Furniture & Fixtures
Vehicle Expense	11,500	7,370	3,000	-59.29%	Vehicle & Maintenance- Leased vehicle expired May 2020
Property Taxes & Corporation Taxes	4,200	7,320	1,050	-85.66%	Property Taxes/Corporation Tax
Accounting	24,200	42,700	55,000	28.81%	Audit//Payroll Processing/Retirement Plan Admin/New Paperless Accounts Payable Program
Legal / Consulting	42,250	42,250	23,000	-45.56%	General Legal Counsel / Consulting/ Strategic Planning/Tourism Master Plan
Building Restoration		0			
Total Administrative Expense	**845,434**	**797,629**	**655,610**	**-17.81%**	
	8.34%	8.84%	9.29%		Administration % of total budget
SALES & MARKETING					
PROGRAM EXPENSES					
Sales, Marketing, Parnership & Film Office Salaries	2,547,816	2,405,281	1,936,470	-19.49%	25 full time & 4 part time employees
Sales, Marketing, Parnership & Film Office PR taxes & Benefits	760,465	529,576	418,285	-21.02%	25 full time & 4 part time employees
Advertising & Incentives	3,142,574	2,686,921	1,791,000	-33.34%	Brochures / Sales tools / Video / Booth (CD/Online video up $80,000)
Marketing, Sales & Promotional Initiatives			400,000		Promotion to kickstart trourism after covid-19
Fams/Sales Missions	357,700	310,800	238,050	-23.41%	Fam Trips For Meeting Planners / Tour Operators / Int'l Promotions / Travel Writers
Community Involment/Membership Dues & Subscriptions	19,500	18,100	16,100	-11.05%	Dues & Subscriptions For Industry & Local Organizations / Publications
Representation Fees	90,000	80,000	50,000	-37.50%	Representation Firms
Vehicle Expense	14,000	10,000	10,000	0.00%	Mileage Reimbursement
Postage/Telephone	106,250	86,700	80,750	-6.86%	Long Distance/Telemarketing/ Cell Phones/ WiFi/ Postage
Research / Customer Advisory Board	150,000	50,000	50,000	0.00%	Research / Customer Advisory Board (STR, visitor inquiry, Long Woods, gem show, culinary
Printing / Video / Booth's / Sales Tools	175,000	114,296	127,250	11.33%	Brochures / Sales tools / Video / Booth (CD/Online video up $80,000)
Industry Meetings/Promotional	383,800	312,456	201,000	-35.67%	Industry Meetings / Sales Trips / Client Events.
Event Development	550,000	691,060	341,700	-50.55%	Community Events & Sponsorships
Partnership Development	66,400	27,541	37,500	36.16%	Partner programs; Tucson Tourism Trends, Orientations, Education, Outreach, CTA Program
Tucson Sports	270,000	202,900	155,000	-23.61%	Marketing & Sales Missions
Tucson Film Department	65,000	61,000	35,000	-42.62%	Film Department Programs
Visitor Center	36,000	20,841	4,000	-80.81%	Rent, Merchandise, Operating exenses, and move to new location
OPERATING EXPENSES					
Building Maintenance/Utilities/CAM	17,935	31,541	18,700	-40.71%	Janitorial
Equipment Maintenance	12,410	12,203	12,410	1.70%	Repair & Maintenance of Computers and Office Equipment
Education/Training/Travel	12,750	34,720	12,550	-63.85%	Continuing Education & Computer Training
Parking	25,500	34,000	32,300	-5.00%	Employee Parking
Miscellaneous Expense	8,840	8,075	7,650	-5.26%	Delivery / Business Cards / Name Plates / Banners
Office Supplies/Computer Supplies	40,800	50,150	32,300	-35.59%	Stationary / Supplies / Toner / Software
LOC Interest/Bank Fees/Insurance	33,150	31,025	33,150	6.85%	LOC Interest / Bank Fees
Debt Service on Tenant Improvements	17,340	9,605	0	-100.00%	Paid Off Pima County Loan
Rent Pima County Courthouse	241,400	241,400	241,400	0.00%	Rent At Historic Pima County Courthouse
Depreciation	78,455	79,645	91,375	14.73%	Equipment / Improvements / Furniture & Fixtures
Property Taxes & Corporation Taxes	23,800	41,480	5,950	-85.66%	Property Taxes/Corporation Tax
Legal / Consulting	42,250	42,250	23,000	-45.56%	General Legal Counsel / Consulting/ Strategic Planning/Tourism Master Plan
Total Sales & Marketing Expense	**9,289,135**	**8,223,564**	**6,402,890**	**-22.14%**	
	91.66%	91.16%	90.71%		Sales & Marketing % of Total Budget
TOTAL EXPENSES	**10,134,569**	**9,021,194**	**7,058,500**	**-21.76%**	
TOTAL REVENUE	**10,244,569**	**9,018,421**	**6,658,500**		
NET INCOME (SHORTFALL)	**110,000**	**-2,773**	**-400,000**		
DRAW FROM RESERVE			**400,000**		Draw from reserves held at Fidelity
	110,000	**-2,773**	**0**		

End of Exhibit C