



DISCOVER SANTA CLARA®
BOARD OF DIRECTORS
REGULAR MEETING AGENDA

September 15, 2022

3:00 p.m.

Virtual Meeting

Pursuant to the provisions of the California Governor’s Executive Order N-29-20, issued on March 17, 2020, to prevent the spread of COVID-19, Discover Santa Clara® has implemented methods for the public to participate remotely.

*The public can participate remotely via Zoom: <https://us06web.zoom.us/j/85432669182>
Meeting ID: 854 3266 9182 or by phone: 1 (669) 900-6833.*

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

For public comment on items not on the Agenda that is within the subject matter jurisdiction of the Board.

CONVENE TO CLOSED SESSION

1. Chief Executive Officer Appointment.

REPORTS OF ACTION TAKEN IN CLOSED SESSION MATTERS

SPECIAL ORDER OF BUSINESS

2. Introduction of Administrative Services Manager, Beverly Corriere.

CONSENT AGENDA

Matters listed in the Consent Agenda section will be considered routine by the Board and will be enacted by one motion. There will be no separate discussion of the items on the Consent Calendar unless discussion is requested by a member of the Board, staff or public. If discussion is requested, that item will be removed from the section entitled Consent Agenda and will be considered under Consent Items Pulled for Discussion.

3. Action on the Minutes of:
 - Discover Santa Clara® Board of Directors – August 18, 2022
 - Discover Santa Clara® Board of Directors – August 26, 2022

Recommendation: Note and file Meeting Minutes.

CONSENT ITEMS PULLED FOR DISCUSSION

PUBLIC PRESENTATIONS

This item is reserved for persons to address the Board on any matter not on the agenda that is within the subject matter jurisdiction of the Board. The law does not permit action on, or extended discussion of, any item not on the agenda except under special circumstances. The Board or staff may briefly respond to statements made or questions posed and may request staff to report back at a subsequent meeting.

GENERAL BUSINESS – ITEMS FOR DISCUSSION

4. Verbal Update from Treasurer Carr on the July 2022 Financial Report.
5. Review and Action on the July 2022 Activity Report.

Recommendation: Note and file the July 2022 Activity Report.

6. Action on an Agreement to Administer the Santa Clara Tourism Improvement District Between the City of Santa Clara, California, and Silicon Valley/Santa Clara DMO, Inc. for a Term Retroactive to July 1, 2022 and Ending June 30, 2026.

Recommendation: Approve and authorize the Chair to execute an Agreement to Administer the Santa Clara Tourism Improvement District Between the City of Santa Clara, California, and Silicon Valley/Santa Clara DMO, Inc. for a term retroactive to July 1, 2022 and ending June 30, 2026.

7. Action on a Memorandum of Understanding with OVG 360 and Levy for the Purposes of Marketing and Advertising for a Term Retroactive to July 1, 2022 and ending June 30, 2024.

Recommendation: Approve and authorize the Chair to negotiate and execute a Memorandum of Understanding with OVG 360 and Levy for the purposes of marketing and advertising for a term retroactive to July 1, 2022 and ending June 30, 2024.

8. Action on Proposed Revisions to the Current Cell Phone Policy.

Recommendation: Approve proposed revisions to the current Cell Phone Policy.

9. Action on the Purchase of Customized STR Destination Reports for Santa Clara Tourism Improvement District Hotels in the Amount of \$2,520.00.

Recommendation: Approve the purchase of customized STR Destination Reports for Santa Clara Tourism Improvement District Hotels in the amount of \$2,500.00.

10. Marketing Updates.

GENERAL ANNOUNCEMENTS

ADJOURNMENT

The next regular scheduled meeting is on October 20, 2022 at 3:00 p.m.

Please see COVID-19 NOTICE

Brown Act:

Government Code 54950 et seq (the Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. Action may not be taken on items not posted on the agenda. Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Kelly Carr, KCarr@discoversantaclara.org prior to the meeting.

Notice to Public:

The public is welcomed and encouraged to participate in this meeting. Public comment (3 minutes maximum per person) on items listed on the agenda will be heard at the meeting as noted on the agenda. Public comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of agenda items is listed for reference and may be taken in any order deemed appropriate by the Board of Directors. The agenda provides a general description and staff recommendation; however, the Board of Directors may take action other than what is recommended.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), Silicon Valley/Santa Clara DMO, Inc. will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. Silicon Valley/Santa Clara DMO, Inc. will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in Silicon Valley/Santa Clara DMO, Inc. programs, services, and activities. Silicon Valley/Santa Clara DMO, Inc. will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by Silicon Valley/Santa Clara DMO, Inc. in an appropriate alternative format. Contact DSCAdmin@discoversantaclara.org with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of Silicon Valley/Santa Clara DMO, Inc., should contact Kelly Carr, KCarr@discoversantaclara.org as soon as possible before the scheduled event.

ATTACHMENTS



DISCOVER SANTA CLARA™
BOARD OF DIRECTORS
REGULAR MEETING AGENDA

DMO BOARD OF DIRECTORS
SEPTEMBER 15, 2022
AGENDA ITEM #3

August 18, 2022

3:00 p.m.

Virtual Meeting

Pursuant to the provisions of the California Governor's Executive Order N-29-20, issued on March 17, 2020, to prevent the spread of COVID-19, Discover Santa Clara™ has implemented methods for the public to participate remotely.

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Meeting ID: 850 4454 2767 or by phone: 1 (669) 900-6833.*

Chair Hodges introduced City Manager Rajeev Batra. City Manager Batra shared a little bit of his background. He was the previous Public Works Director and served as the City Manager in 2017 when he retired. The City approached him to serve again in the role.

Chair Hodges requested an update on the Related Santa Clara project. Member Shikada reported that the project is continuing to move forward however there is still no ground-breaking. The ground-breaking will mostly likely not happen in the September-October timeframe and they are working through permitting. There will be an extensive public outreach process regarding the public space/park area as required by the Parks & Recreation Commission.

CALL TO ORDER

Chair Hodges called the meeting to order at 3:12 p.m.

ROLL CALL

Present: Pablo Barrera, I.B.T Local Union 853
Kelly Carr, OVG360
Christopher Hamilton, Levy Restaurants
Eron Hodges, Hyatt Santa Clara
Catherine Lentz, Forty-Niners Stadium Management Company
Leo Wandling, I.A.T.S.E Local Union 134
Ruth Mizobe Shikada, City of Santa Clara (Ex-Officio)

Absent: Barb Granter, Great America
Nadine Nader, City of Santa Clara

A quorum of 6 was met.

Attendance: Nancy Thome, City of Santa Clara
Dan Fenton, Jones Lang LaSalle

PUBLIC COMMENT

For public comment on items not on the Agenda that is within the subject matter jurisdiction of the Board.

SPECIAL ORDER OF BUSINESS

1. Introduction of Marketing Team, Jovenville, LLC. dba We the Creative.

Dan Fenton reported that over the past several months, they have been working with Joven and his team. They will have some completed marketing items to show in the next month.

The marketing team introduced themselves:

- Joven Orozco President
- Andy Ruiz – Creative Director
- Jillian Martinez – Project Manager

Joven shared that they have been working on developing the pitch deck, marketing brochure, trade show box and will be working on an ad campaign.

Chair Hodges asked if there was a timeline established for deliverables. Dan Fenton responded that there was, and they can share with the Board when they are in play; a couple of items will be ready in the next few weeks. Chair Hodges added that it was important to be mindful of keeping the destination separate from the Convention Center. Treasurer Carr added that the destination marketing piece will be part of the long-term plan.

Joven indicated that for the social strategy, Instagram and Facebook will come into play. Facebook will be used to target specific event planner groups and for Instagram, they will plan on tapping into social influencers (i.e., wedding planners). They will also look at posts for leisure/travel component.

Vice-Chair asked about how often the strategies would be refreshed. Joven indicated they would follow what is successful and conduct A/B testing. The pitch deck will go to the sales team to review and use and as time goes on, they will determine if they need to pivot.

Member Wandling asked if there was a way to assess the collaborators by way of RSS feed. This could help communicate what is coming to Santa Clara (concerts, other events, etc) which could help to bring a client during those times. Joven liked the idea and will look further into how to implement.

2. Introduction of Accounting Team, ArightCo, LLC.

Treasurer Carr introduced the ArightCo team who has gotten the finances in shape in a short period of time:

- Sushama Chowdhury, Founder and Owner
- Hector Arreola, Senior Accountant
- Jasmine Mondal, Accountant

CONSENT AGENDA

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3. Action on the Minutes of:

- Discover Santa Clara™ Board of Directors – July 21, 2022

Recommendation: Note and file Meeting Minutes.

A motion was made by Treasurer Carr, seconded by Member Wandling, to approve the Consent Agenda.

Aye:6 Member Barrera, Treasurer Carr, Secretary Hamilton, Chair Hodges, Vice-Chair Lentz, Member Wandling

Absent:2 Member Granter, Member Nadar

CONSENT ITEMS PULLED FOR DISCUSSION

PUBLIC PRESENTATIONS

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GENERAL BUSINESS – ITEMS FOR DISCUSSION

4. Review of the FY 2021/22 Preliminary Year-End Financial Report.

Treasurer Carr reviewed the variances in the FY 2021/22 Preliminary Year-End Financial Report:

- The variance in Other was the relocation expenses for the sales manager which was an unbudgeted item.
- There was a higher City Administration Fee as a result of the larger TID assessment collected in the fourth quarter; the fee is 2% of the TID assessment collected.
- The website variance was due to a combination of costs related to Destination Advantage, Vizergy, Lotus and transition to Jovenville.
- The fiscal variance was due to a small increase in fiscal sponsorship costs and transition to ArightCo.
- The payroll variance considers the payroll expense through ADP, and

- The staffing services were costs related to part-time staff Marwa.

5. Review and Action on the FY 2021/22 Key Performance Indicators Year-End Report.

Recommendation: Note and file the FY 2021/22 Key Performance Indicators Year-End Report.

Dan Fenton reported that they continue to work on KPI reporting and they are getting better at tracking and showing the results.

- For Event Mix, there was a P1 on the books and somewhat COVID related, lost the client who ended up going to a different destination.
- There is 1 P1 booked into the future and no P2s booked yet.
- With 1 P1 booked, there are room nights associated.
- Reminder to the Board that they started with a very aggressive prospect goal and have since acquired tools to assist sales managers in this area.

Treasurer Carr requested that Dan take another look at the KPI-Number of Weeks Impacted. Treasurer Carr indicated that during the last week of June, there could have been one week impacted since there were events every day. Dan Fenton indicated they can review to see if the events that took place impacted at the level of a P1.

A motion was made by Vice-Chair Lentz, seconded by Member Wandling, to note and file the FY 2021/22 Key Performance Indicators Year-End Report.

Aye:6 Member Barrera, Treasurer Carr, Secretary Hamilton, Chair Hodges, Vice-Chair Lentz, Member Wandling

Absent:2 Member Granter, Member Nadar

6. Discussion and Action on Proposed Revision to FY 2022/23 Key Performance Indicator Goal – Prospects.

Recommendation: Approve proposed revision to FY 2022/23 Key Performance Indicator Goals – Prospects.

Dan Fenton reported that they are proposed an adjustment to the Prospects goal. Nancy Thome reminded the Board that the KPI goals were established for the 2-year period and would not change externally. The revised goal would be used internally for sales manager incentive effective July 1 and any discrepancies would need to be reported in the DMO's year-end report. Additional formal revision can be made for the next Operating Budget planning cycle for FY 2023/24. Additionally, changing one goal impacts other KPI goals and partner KPI goals, and how any changes in event criteria of the booking strategy would impact the goals needs to be considered. Chair Hodges stated that they need to be ready to pivot and do something different if they are not booking any events and the P1s and P2s don't come into fruition.

Dan Fenton stated that the prospecting goals were based on three sales managers: each sales manager a 5 prospects/month and the DOS at 4 prospects/month.

Member Barrera left at 4:15 p.m.

A motion was made by Member Wandling, seconded by Secretary Hamilton, to approve the proposed revision to FY 2022/23 Key Performance Indicator Goal – Prospects.

Aye:5 Treasurer Carr, Secretary Hamilton, Chair Hodges, Vice-Chair Lentz, Member Wandling

Absent:3 Member Barrera, Member Granter, Member Nadar

7. Action on Work Order Agreements with Vizergy for the Completion of As-Needed Website Updates.

Recommendation: Approve and authorize the Treasurer to execute work order agreements with Vizergy for the completion of as-needed website updates up to the amount of \$5,000.00.

Treasurer Carr reported that this item was for the Board to authorize him to sign work orders for any work needed on the website. Nancy Thome added that the current agreement with Vizergy is specific to website hosting and SEO only. Website work that cannot be completed by Kelly or herself would require Vizergy's assistance. The ability to allow Treasurer Carr to approve, as he is directly involved as part of the internal marketing team, would allow the changes to happen expeditiously. Any invoices would still be approved by both Treasurer and Chair. It was confirmed that marketing funds would be used to pay for any website updates.

A motion was made by Member Wandling, seconded by Secretary Hamilton, to approve the proposed revision to FY 2022/23 Key Performance Indicator Goal – Prospects.

Aye:5 Treasurer Carr, Secretary Hamilton, Chair Hodges, Vice-Chair Lentz, Member Wandling

Absent:3 Member Barrera, Member Granter, Member Nadar

8. Action on an Agreement to Administer the Santa Clara Tourism Improvement District Between the City of Santa Clara, California, and Silicon Valley/Santa Clara DMO, Inc. for a Term Retroactive to July 1, 2022 and Ending June 30, 2026.

Recommendation: Approve and authorize the Chair to negotiate and execute an Agreement to Administer the Santa Clara Tourism Improvement District Between the City of Santa Clara, California, and Silicon Valley/Santa Clara DMO, Inc. for a term retroactive to July 1, 2022 and ending June 30, 2026.

Nancy Thome reported that the DMO is currently contracted by the City to provide destination marketing services. The proposed agreement was developed to align with the new District that was established under the 1994 Law.

Chair Hodges had questions specific to the language on the disestablishment and the termination of the District and indicated that he would like the hotels to see the proposed agreement. Chair Hodges indicated he would like to revisit this item and bring it back to the Board at a future meeting.

9. Action on Amendment No. 1 to the Amended and Restated Funding Agreement Between Silicon Valley/Santa Clara DMO, Inc and City of Santa Clara to Increase Funding Not-to-Exceed \$150,000.00.

Recommendation: Approve and authorize the Chair to execute Amendment No. 1 to the Amended and Restated Funding Agreement Between Silicon Valley/Santa Clara DMO, Inc and City of Santa Clara to Increase Funding Not-to-Exceed \$150,000.00.

Nancy Thome reported that the current staff funding agreement expires November 2023. This contract amendment was to provide additional funding for that extended time. This would bring available funds for Ruth's position to \$80,000 and her position to \$75,000.

A motion was made by Member Wandling, seconded by Treasurer Carr, to approve and authorize the Chair to execute Amendment No. 1 to the Amended and Restated Funding Agreement Between Silicon Valley/Santa Clara DMO, Inc and City of Santa Clara to Increase Funding Not-to-Exceed \$150,000.00.

Aye:5 Treasurer Carr, Secretary Hamilton, Chair Hodges, Vice-Chair Lentz, Member Wandling

Absent:3 Member Barrera, Member Granter, Member Nadar

10. Action on the Purchase of Customized STR Destination Reports for Santa Clara Tourism Improvement District Hotels in the Amount of \$2,500.00.

Recommendation: Approve the purchase of customized STR Destination Reports for Santa Clara Tourism Improvement District Hotels in the amount of \$2,500.00.

Chair Hodges reported that the STR report is for market specific conditions for the 11 hotels in the District as it relates to occupancy, RevPAR, etc. Nancy Thome clarified that the cost is \$2,500.00 annually.

A motion was made by Member Wandling, seconded by Treasurer Carr, to approve the purchase of customized STR Destination Reports for Santa Clara Tourism Improvement District Hotels in the amount of \$2,500.00.

Aye:5 Treasurer Carr, Secretary Hamilton, Chair Hodges, Vice-Chair Lentz, Member Wandling

Absent:3 Member Barrera, Member Granter, Member Nadar

11. Discussion and Action on Instagram Account and Handle #discoversantaclara.

Recommendation: Provide direction on the Instagram account and handle #discoversantaclara.

Nancy Thome indicated that she had read the minutes from the last meeting and wanted to provide additional clarity on this item. Nancy reminded the Board that Destination Advantage had invoiced the DMO for creating the Instagram account for Discover Santa Clara™. At that time, Donovan was not able to provide written proof of pre-approval and the Board voted to not pay the invoice. The marketing team felt that social media presence is needed and the DMO currently is not able to use Instagram or the handle. While the account is not active, it is currently being held by Donovan and he is unwilling to provide the DMO access unless the DMO pays the invoice. Nancy presented two options: 1) The Board can elect to pay the previous invoice in the amount of \$1,500 to get access to the Instagram account and handle; or 2) Since the DMO has an active trademark, the DMO can discuss legal option with the attorney.

A motion was made by Member Wandling, seconded by Secretary Hamilton, to authorize the Chair to offer Destination Advantage up to \$1,500 to get the Instagram account.

Aye:5 Treasurer Carr, Secretary Hamilton, Chair Hodges, Vice-Chair Lentz, Member Wandling

Absent:3 Member Barrera, Member Granter, Member Nadar

12. Updates to Monthly Progress Report and Reporting Schedule.

There was no discussion.

13. Marketing Updates.

There was no discussion.

14. Related Santa Clara Updates.

This update was provided at the start of the meeting.

GENERAL ANNOUNCEMENTS

Due to time commitments and constraints, there was no Internal Meeting following the Public Meeting.

ADJOURNMENT

The meeting adjourned at 4:33 p.m. The next regular scheduled meeting is on September 15, 2022 at 3:00 p.m.



DISCOVER SANTA CLARA™
BOARD OF DIRECTORS
REGULAR MEETING MINUTES

August 26, 2022, 9:00 a.m.
Santa Clara Convention Center, Room 210
5001 Great America Parkway, Santa Clara, CA 95054

CALL TO ORDER

Chair Hodges called the meeting to order at 9:00 a.m.

ROLL CALL

Present: Kelly Carr, OVG360
Barb Granter, Great America
Christopher Hamilton, Levy Restaurants
Eron Hodges, Hyatt Santa Clara
Nadine Nader, City of Santa Clara
Ruth Mizobe Shikada, City of Santa Clara (Ex-Officio)

Absent: Pablo Barrera, I.B.T Local Union 853
Catherine Lentz, Forty-Niners Stadium Management Company
Leo Wandling, I.A.T.S.E Local Union 134

A quorum of 5 was met.

Attendance: Nancy Thome, City of Santa Clara
Dan Fenton, Jones Lang LaSalle

PUBLIC COMMENT

For public comment on items not on the Agenda that is within the subject matter jurisdiction of the Board.

CONVENE TO CLOSED SESSION

1. Chief Executive Officer Interview

REPORTS OF ACTION TAKEN IN CLOSED SESSION MATTERS

The Board moved to extend offer to a candidate, not to exceed the budgeted amount.

GENERAL ANNOUNCEMENTS

ADJOURNMENT

The meeting adjourned at 11:05 a.m. The next regular scheduled meeting is September 15, 2022 at 3:00 p.m.

DRAFT

DISCOVER
**SANTA
CLARA**™

JULY 2022
SALES ACTIVITY

UPDATED: 08-09-22



Silicon Valley/Santa Clara DMO Inc.

Performance Measures

	2022/23 Target	YTD	July
1. Event Mix (<i>Consumed</i>)			
Percent of P1 Events	2%		
Number of P1 Events	3	0	0
Percent of P2 Events	4%		
Number of P2 Events	6	0	0
2. Number of Definite Events Booked (<i>booked in the year for future years</i>)			
Number of P1 Events	5	0	0
Number of P2 Events	11	0	0
3. Convention Center Gross Revenue (<i>P1& P2</i>)	\$2,580,000	\$0	\$0
4. Number of Room Nights Booked (<i>for future years</i>)	16,438	0	0
5. Number of Room Nights Consumed	9,375	0	0
6. Number of Weeks Impacted (<i>Consumed</i>)	9	0	0
7. Customer Service Survey Results (<i>overall satisfaction</i>)	85%		-
8. Number of Prospects (active) (non-cumulative P1 & P2)	300	35	35
9. Economic Impact (Consumed P1 and P2 events)	\$6,031,943	\$0	\$0



Revised Prospecting Goals

CSM #1 - Michael Baker	2022/23 Target		July
Prospecting Goal - Number of new prospects	60		5
Actual	7		7

CSM #2	2022/23 Target		July
Prospecting Goal - Number of new prospects	50		
Actual	0		

DOS	2022/23 Target		July
Prospecting Goal - Number of new prospects	36		
Actual	0		



MONTHLY TOTALS BY EVENT TYPE

	P 1 - P 2	P 3 - P 5
Current Active Prospects	50	558

July	P 1 - P 2	P 3 - P 5
Actively Researching	258	631
New Prospects	7	52
New Tentatives	1	27
New Definites	0	25



Discover Santa Clara Dashboard
JULY 2022

SCCC	Beg	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total YTD	Month Avg	Annual Avg	3 Year Pace
Researching	151	39												190	39	468	1555
Prospects	31	7												38	7	84	283

Meeting & Convention Sales

Incremental Booked Business*	Current Month	Year to Date	Goal	% to Goal
Priority 1 (P1) 400+ hotel rooms at peak / \$400K+				
Number of Groups	-	-	2	0%
Priority 2 (P2) 150-800 hotel rooms at peak / \$200K-599K				
Number of Groups	-	-	4	0%

Convention Center Revenue from Bookings	Current Month	Year to Date	Goal	% to Goal
Overall	-	\$0	\$2,580,000	0%

Notable P1/P2 Bookings for July	Rent	F&B	Total Room Nights
Notable P1/P2 Lost Leads for July	Rent	F&B	Total Room Nights

Glossary of Terms & Definitions:

Prospect: A group who will fit in the SCCC, fit the overall parameters of the SCCC.

Tentative: A group who has agreed to the overall parameters required and space is being held at SCCC.

Booking: A group who has agreed to the overall parameters required and has a signed contract with the SCCC.

P1 Mid-Week (800+ on Peak / \$600k+)

P1 Weekend (400+ on peak / \$400k+)

P2 Mid-Week (500-799 on peak / \$250k - \$599k)

P2 Weekend (150-399 on peak / \$200k-\$399k)

**AGREEMENT TO ADMINISTER
THE SANTA CLARA TOURISM IMPROVEMENT DISTRICT
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
SILICON VALLEY/SANTA CLARA DMO, INC.**

PREAMBLE

This Agreement is entered into by and between the **City of Santa Clara**, California, a chartered California municipal corporation (“City”) and **Silicon Valley/Santa Clara DMO, Inc.**, a California non-profit mutual benefit corporation (“Corporation”), acting as the Owners Association pursuant to Section 36651 of the California Streets and Highways Code, for the administration of the Santa Clara Tourism Improvement District, for the purpose of conveying special benefits to lodging businesses assessed as part of the Santa Clara Tourism Improvement District. City and Corporation may be referred to individually as a “Party” or collectively as the “Parties” or the “Parties to this Agreement.”

RECITALS

- A. The Parties previously entered into an Agreement entitled “Agreement for Destination Marketing Services Between the City of Santa Clara, California, and Silicon Valley/Santa Clara DMO, Inc. dated November 3, 2020; and now desire to replace the prior Agreement.
- B. On May 25, 2021, the Santa Clara City Council (“City Council”), acting pursuant to the Property and Business Improvement Act of 1994, Sections 36600, et seq., of the California Streets and Highways Code (“Act”), adopted Resolution No. 21-8964 (“Resolution”), which established the Santa Clara Tourism Improvement District (“SCTID”) and levied assessment on the lodging businesses within the District.
- C. The assessments levied and collected by the City shall be used only for the purposes set forth in said Resolution, which incorporates by reference the Management District Plan.
- D. The services and activities to be performed by the Corporation are of a supplemental nature, such that were it not for the establishment of the SCTID, the supplemental services could not or would not be performed by City or by City employees, and such that the interests of City are better served by an agreement with the Corporation than by the performance or attempted performance of such supplemental services and activities by City.
- E. The City Council has authorized the City Manager’s Office to execute and administer this Agreement with the Corporation to administer the SCTID.
- F. The Parties have specified herein the terms and conditions under which such services will be provided.

The Parties agrees as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

1.1. The documents forming the entire Agreement between City and Corporation shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Key Performance Indicators

Exhibit B – Insurance Requirements

The documents listed below are hereby incorporated by reference:

Santa Clara Tourism Improvement District Management District Plan, dated January 6, 2021

Santa Clara Convention Center Booking Policy Guidelines

1.2. This Agreement, including the Exhibits and documents incorporated by reference as set forth above, contains all the agreements, representations, and understandings of the Parties, and supersedes and replaces any previous agreements, representations, and understandings, whether oral or written. In the event of any inconsistency between the terms and conditions in the body of the Agreement (including its Exhibits) and the documents incorporated by reference as set forth above, the terms and conditions in the body of this Agreement (including Exhibits) shall govern and control.

2. TERM OF AGREEMENT

2.1. Initial Term. Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement is retroactive to July 1, 2022 (“Effective Date”) and shall terminate on June 30, 2026. Notwithstanding the Effective Date, this Agreement shall be binding on the Parties upon full execution hereof.

2.2. Option Terms. Upon expiration of the Initial Term, City has the option and sole discretion to extend this Agreement, according to all terms and conditions, for a subsequent term of five (5) years (“Option Term One”) by serving notice to Corporation no later than 180 calendar days from the expiration of the Initial Term. Upon expiration of Option Term, City has the option and sole discretion to extend this Agreement, according to all terms and conditions, for a subsequent term of five (5) years (“Option Term Two”) by serving notice to Corporation no later than 180 calendar days from the expiration of Option Term One. The Initial Term plus any such renewal terms is sometimes referred to herein as the “Term”.

2.3. No Automatic Renewals. There shall be no automatic renewal of this Agreement upon the expiration of the Initial Term or either Option Terms.

- 2.4. Operating Year. The SCTID’s operating year shall mean each 12-month period of time during the Term beginning on July 1 and ending on June 30 (“Operating Year”) including extension periods, if any.

Initial Term	
2022-2023 Operating Year	July 1, 2022 to June 30, 2023
2023-2024 Operating Year	July 1, 2023 to June 30, 2024
2024-2025 Operating Year	July 1, 2024 to June 30, 2025
2025-2026 Operating Year	July 1, 2025 to June 30, 2026
Option Term One	
2026-2027 Operating Year	July 1, 2026 to June 30, 2027
2027-2028 Operating Year	July 1, 2027 to June 30, 2028
2028-2029 Operating Year	July 1, 2028 to June 30, 2029
2029-2030 Operating Year	July 1, 2029 to June 30, 2030
2030-2031 Operating Year	July 1, 2030 to June 30, 2031
Option Term Two	
2031-2032 Operating Year	July 1, 2031 to June 30, 2032
2032-2033 Operating Year	July 1, 2032 to June 30, 2033
2033-2034 Operating Year	July 1, 2033 to June 30, 2034
2034-2035 Operating Year	July 1, 2034 to June 30, 2035
2035-2036 Operating Year	July 1, 2035 to June 30, 2036

3. CORPORATION RESPONSIBILITIES

- 3.1. Program Implementation and Operation. Corporation shall be responsible for developing, implementing, directing, and operating SCTID programs, improvements or activities as described in the Management District Plan incorporated fully by reference. Corporation understands and expressly agrees that it will comply with all applicable laws and regulations and maintain its non-profit status throughout the Term.
- 3.2. Key Performance Indicators (“KPIs”). Corporation’s performance of its responsibilities set forth in Section 3.1 shall be measured by the KPIs set forth in Exhibit A. The development of specific goals to be assigned from year to year to each KPI shall be discussed in good faith between the City and Corporation, and in alignment with the Santa Clara Convention Center Booking Policy Guidelines which may evolve and vary from time to time. To the extent the Parties do not agree on new goals for the KPIs for any particular year, the previously agreed to goals shall remain in effect. The Corporation shall be responsible for providing the reporting described in Section 3.3.
- 3.3. Program and Budget Reports. Corporation shall prepare and submit to the City quarterly activity reports and an Annual Report for each year for which assessments are to be levied and collected by City. Corporation shall submit to City the various applicable SCTID program plans and reports, including the following:
- A. Annual Report. Corporation shall prepare and submit to the City Manager’s Office and file with the City Clerk’s Office, an Annual Report for each Operating Year for which Assessments are to be levied and collected. The Annual Report shall be prepared in accordance with Section 36650 of the Act and shall contain all items required by said Section. The Annual Report shall be submitted by April 30 of each subsequent Operating Year of the SCTID’s operations for which assessments are

to be levied and collected. These reports are subject to review, approval and/or modification by the City Council.

- B. Sales and Marketing Plan. Corporation shall prepare and submit to City with the Annual Report, a comprehensive Sales and Marketing Plan. The Sales and Marketing Plan shall:
- i. Include marketing approaches for all event types at the Santa Clara Convention Center (the "Convention Center").
 - ii. Formulate a strategy for acquiring new and maintaining existing desirable convention, trade show and group leisure clients of the Convention Center and Santa Clara as a destination.
 - iii. Identify ideal clients by industry, type of business, and other appropriate factors as determined by Corporation and clients that should be targeted for development.
 - iv. Describe the unique selling proposition that sets Santa Clara and the Convention Center apart from competing destinations and venues.
 - v. Define the sales territory(ies) and/or market segment(s) that will be targeted and the rationale for such delineation.
 - vi. Address competitive factors, including venues and the value proposition of Santa Clara as a destination and the Convention Center relative to such competition and all targeted markets.
 - vii. Articulate a forecast of sales and marketing results each quarter and annually, and include sales head count, sales activity, revenue, room nights and economic impact generated.
- C. Quarterly Activity Reports. Corporation shall submit to City quarterly activity reports. The report for July, August, and September of each SCTID operating year shall be submitted by October 31 of the subject year; the report for October, November, and December by January 31 of the subject year; the report for January, February, and March by April 30 of the subject year; and the report for April, May, and June by July 31 of the subsequent year. The quarterly activity reports shall describe the status and progress of the KPIs and various SCTID programs, improvements and activities as described and referenced in the Management District Plan. The Quarterly Activity Report shall be written in narrative summary form and include available summary statistical and financial data.

3.4. Audits.

- A. Financial Statement Audit. Within ninety (90) days after the end of each Operating Year, Corporation agrees to provide to the City a certified Audited Financial Statement and Management's Reports on Internal Control over Financial Reporting on the accounts and records as kept by the Corporation. Costs associated with obtaining such certified audit report shall be a Corporation expense, which expense shall be permitted to be included in Corporation's Annual Budget. Such audit shall be performed by an external auditor approved by the City, such approval not to be unreasonably withheld or delayed, and shall be conducted in accordance with generally accepted auditing standards.
- B. Agreed Upon Procedure Report. Corporation shall cause to be prepared an Agreed Upon Procedure (AUP) Report to validate the hotels' SCTID assessment collection amount, calculation, and timely remittance to the City. The AUP shall be submitted to

the City within ninety (90) days after the end of each Operating Year along with the Financial Statement Audit. Costs associated with obtaining such report shall be a Corporation operating expense, which expense shall be permitted to be included in the Corporation's Annual Budget. Such report shall be performed by the external auditor approved by the City and shall be conducted in accordance with generally accepted auditing standards.

C. Performance Audit. City (through its Director of Finance or other authorized officer or designee) may also cause, at its own expense, a Performance Audit to be conducted and completed by a performance auditor (the person or firm so selected referred to herein as the "Auditor") or by the City Auditor. The Performance Audit shall assess Corporation's performance during the previous Operating Year using the KPIs, considering applicable funding levels under this Agreement. A draft report of the Performance Audit shall be made available for comment by City and Corporation prior to completion of the audit. The Performance Audit will include the Performance Measures agreed each year as part of the budget process.

D. Sales Audit. City may also conduct a sales audit, at its own expense, at a frequency determined by the City, to validate the "status" and documentation of client files. The frequency of the sales audit shall be agreed upon by both Parties. This audit is designed to confirm the accuracy of the numbers reported related to sales performance and data that is calculated to determine incentive plan expenditures.

3.5. Program Coordination. Corporation shall render services described in Section 3.1 ("Services") in accordance with the Management District Plan and the terms of this Agreement and shall cooperate with the City Manager's Office in the execution of the Management District Plan and this Agreement.

3.6. Support Services. Corporation assumes responsibility for the contracting of support services as required and paying for all such direct and indirect expenses as may be necessary for the timely completion of work. Any obligations or expenditures for items not budgeted in Corporation's Annual Budget (as it may be revised or updated from time to time) shall not be paid through assessments collected for the SCTID. In administering subcontracts as necessary for providing SCTID programs, improvements or activities, Corporation shall comply with all applicable State, County and City laws and regulations.

3.7. Procurement of Goods and Services. Corporation shall follow best procurement practices in the purchase of goods and services that are paid for through this Agreement. The term "best procurement practices" shall entail Corporation acting in a commercially reasonable manner in: (i) implementing and maintaining responsible management and oversight so as to manage its procurement contracts fairly and effectively, (ii) considering factors such as the requirements of Corporation's business operations, alternatives, timing, supply strategy and total life cycle costs of the good or service when evaluating vendors' submissions, (iii) providing all qualified vendors with fair access so as to avoid conflict of interest, and to choose the successful vendor through a fair and non-discriminatory process, (iv) assuring that it is receiving quality service and goods at the right place and time, and (v) otherwise promoting integrity, professionalism, accountability, transparency, compliance to internally articulated requirements, and continuous improvement.

To the maximum extent possible, Corporation shall provide economic opportunities to the City's local businesses and vendors through the Corporation's procurement of goods and services, and actively market, promote and disseminate information to City businesses and vendors with regard to the Corporation's procurement policies (in an effort to provide increased competition and awareness to City businesses and vendors of future bids, proposals, and other procurement opportunities issued by the Corporation). Corporation shall report such efforts to City when reasonably requested by the City.

- 3.8. Budget. Each program, improvement or activity specified in the Management District Plan, and as described in section 36622 of the Act, or the Annual Report, shall be implemented by Corporation. Corporation and City agree that amounts shown in the Management District Plan or the Annual Reports were the best estimates of the cost of those programs, improvements, or activities at the time those estimates were made. Deviations from those estimates may be anticipated and made by mutual agreement of the Parties and subsequent update to Corporation's Annual Budget. City and Corporation also agree that the programs, improvements, and activities may not be completed within the year budgeted, given normal delays that can be expected in these types of programs. Corporation will use its best efforts to implement and complete all programs, improvements and activities specified in the Management District Plan. If Corporation decides to make any changes to the Management District Plan, Corporation will request City Council authorization to make said modifications pursuant to Sections 36635 and 36636 of the Act. In no event may Corporation spend more than the total amount collected pursuant to collection rate in the Management District Plan for any given year, including delinquent payments, interest income, and rollover funds, without City Manager's Office or City Council approval.

4. CITY RESPONSIBILITIES

The City Manager's Office may assist with the resolution of any discrepancies in individual Assessment amounts, calculations, or benefits. The City reserves the right to:

- 4.1. Make reasonable efforts to effect the timely collection of the monthly assessment, including City assessments and direct billed assessments;
- 4.2. Make reasonable efforts with the Finance Department to pursue delinquent assessments and remit such assessments to Corporation, including penalties subject to City's right to recover costs for pursuing such assessments;
- 4.3. Maintain a continual liaison with Corporation, including assisting with the coordination of services from various other City departments, bureaus, and agencies as needed;
- 4.4. Conduct reviews of existing primary data; verify assessment data as provided by the Finance Department; perform field or site inspections to verify the accuracy of existing or secondary data, or to substantiate a claim made by a lodging business owner subject to assessment in the SCTID, with the cooperation of Corporation; maintain confidentiality of certain City records as City deems appropriate;
- 4.5. Make reasonable efforts with the Finance Department to make changes or corrections to the reporting process for lodging businesses as needed;

- 4.6. Any of the actions by the City Manager's Office mentioned in this Section may require a written request from Corporation to conduct the investigation; additional related documentation, such as a written request from the affected lodging business owner, may also be required. All City Manager's Office costs associated with such supplemental investigations may be recovered from the SCTID assessments collected, subject to existing or future City policies and procedures regarding recoverable costs and expenses. Such costs will be in addition to those costs set forth in Section 7 of this Agreement.

5. RIGHT OF CITY TO INSPECT RECORDS OF CORPORATION

- 5.1. City, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or Services provided under this Agreement, to audit the books and records of Corporation for the purpose of verifying any and all expenditures made by Corporation in connection with the Services rendered by Corporation under this Agreement. Corporation agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all expenditures made by Corporation in connection with the Services rendered by Corporation. Any expenses not so recorded shall be disallowed by the City. Corporation shall bear the cost of the audit if the audit determines that there has been a substantial non-recording of expenditures by Corporation.
- 5.2. Corporation shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Corporation agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Corporation's Services hereunder. Corporation shall turn over to City all records which demonstrate performance under this Agreement upon termination or completion of this Agreement.

6. DISBURSEMENTS

- 6.1. Based upon the assessments collected pursuant to the collection rate in the Management District Plan or Annual Reports, and with the exception of recoverable City Manager's Office costs and net of any Finance Department charges or City Administration Fees, City shall disburse to Corporation the actual revenues received from SCTID assessments. Assessment revenues shall be disbursed to the Corporation by City periodically throughout the year as close to the time such revenues are received by the Finance Department. The Assessment revenues will be collected on a quarterly basis or at the close of any shorter reporting period as established by the Director of Finance.
- 6.2. The City Manager's Office may withhold either all or some portion of the actual revenues received from assessments if the City Manager's Office finds that the Corporation is not properly administering its Annual Budget in accordance with the Annual Report and Section 3 (insofar as it requires Corporation to create an Annual Budget and expend funds pursuant to this Agreement, the Management District Plan and the Annual Report, and in compliance with the Act). The City Manager's Office will notify Corporation and set forth the specific problems and issues relative to the Corporation's failure to properly implement the improvements and activities stated in Section 3 of this Agreement, the Management District Plan, and the Annual Report. The

City Manager's Office and Corporation will immediately attempt to cure the problems if, at the City Manager's Office's discretion, a cure is appropriate. Funds will be released upon the implementation of an acceptable cure, subject to the approval of the City Manager's Office and possible modification of the disbursement schedule. This does not alter or diminish in any way City's right to proceed in a manner consistent with California Streets and Highways Code, Section 36670, or other applicable law, or to invoke other appropriate remedies, including termination of this Agreement.

6.3. If the Corporation is dissolved, dissolves itself, or no longer has non-profit status, prior to or upon the expiration of this Agreement, any unexpended monies will be immediately transmitted to City for distribution as described in Section 10 of this Agreement. Corporation will immediately notify the City Manager's Office of any such change in corporation status.

7. COSTS AND EXPENSES

7.1. Administration Fee. Per the Management District Plan, the Corporation shall pay the City a fee equal to two percent (2%) of the amount of assessment collected to cover its costs of collection and administration which may include but are not limited to: staffing costs, legal services, and operational costs for rent, telephone, supplies, postage, and other general office expenses. The Administrative Fee will be deducted from the assessment funds the City will forward to the District quarterly.

7.2. Penalties and Interest. The Corporation shall reimburse the City for any costs associated with collecting unpaid assessments in accordance with the Management District Plan.

8. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit B, Corporation shall provide and maintain in full forces, at no cost to City, insurance policies set forth in Exhibit B.

9. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: City Manager's Office
1500 Warburton Avenue
Santa Clara, CA 95050
and by e-mail at manager@santaclaraca.gov

And to Corporation addressed as follows:

Silicon Valley/Santa Clara DMO, Inc.
Attention: Board of Directors
5001 Great America Parkway
Santa Clara, CA 95054
And by e-mail at DSCAdmin@discoversantaclara.org

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

10. REVENUES AND ASSETS OF THE DISTRICT

In the event the SCTID is disestablished, expires, or otherwise terminates, or the Corporation ceases to be a non-profit corporation, all remaining revenue, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, shall be refunded in the manner described in Section 36671 of the Act.

11. CONFLICT OF INTEREST

11.1. Corporation certifies that to the best of its knowledge, no City officer, employee, or authorized representative has any financial interest in the business of the Corporation and that no person associated with Corporation has any interest, direct or indirect, which could reasonably be expected to conflict with the faithful performance of this Agreement. Corporation is familiar with the provisions of California Government Code section 87100 and following and certifies that it does not know of any facts which would violate these code provisions. Corporation will advise City if a conflict arises.

11.2. For the duration of this Agreement, Corporation and its employees or agents will not act in a manner which is reasonably likely to create any SCTID-related conflict of interest. In particular, Corporation's Board of Directors and the Chief Executive Officer must disclose any material financial interest they have in any matter coming before them for decision. Any Board member, Chief Executive Officer or employee shall refrain from participating in the decision-making process relating to any matter in which they may have a material financial interest or conflict of interest.

11.3. Nothing in this Section prohibits or precludes Corporation's officers, members, directors, agents, or employees from providing or presenting to other interested parties or entities, information or assistance related to the SCTID's establishment or operations, or to the establishment or operation of other proposed or existing districts throughout the City, where such information or assistance does not create a conflict of interest or disclose confidential information. However, Corporation may not provide the services discussed in Section 3 of this Agreement to any other Business Improvement District unless the bylaws of both Corporations are amended to permit the provision of such services.

12. ASSIGNMENT AND SUBCONTRACTING

City and Corporation bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Corporation shall not hire subcontractors without express written permission from City, which permission will not be unreasonably withheld or delayed. Corporation shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Corporation is for the acts and omissions of persons directly employed by it.

13. GENERAL FUND NOT LIABLE

Neither the General Fund of City, nor any other fund, revenue source or monies whatsoever of City, except for the actual collected SCTID Assessment net revenue, shall be liable for payment of any obligations arising from this Agreement. Said obligations are not a debt of City, nor a legal or equitable pledge, charge, lien, or encumbrance upon any of its property or upon its income, receipts, or revenues.

This Agreement embodies all of Corporation's reimbursement rights and no promissory note or other document shall be required to be executed by City in connection therewith.

14. CORPORATION NOT AGENT OF CITY

Neither Corporation or any of Corporation's employees, agents, representatives, or subcontractors are or shall be considered to be agents of City, nor shall Corporation be considered a legislative body, relative to the performance of Corporation's obligations under this Agreement or for any other purpose.

15. TERMINATION

15.1. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than sixty (60) days prior written notice to Corporation. Upon receipt of said notice, Corporation shall immediately take action not to incur any additional obligations, cost, or expenses, except as may be reasonably necessary to terminate its activities. City shall pay Corporation its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by Corporation to effect such termination. Thereafter, Corporation shall have no further claims against City under this Agreement.

15.2. City shall have the right to suspend this Agreement immediately with written notice to the Corporation in the event City determines that misappropriation of funds, malfeasance, or other violations of law have occurred in connection with Corporation's management of the SCTID. City retains the right to immediately commence disestablishment proceedings in accordance with Streets and Highways Code Section 36670, which states in pertinent part that "[a]ny district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council... [i]f the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment." Streets and Highways Code § 36670(a)(1). In addition, City may seek all other available appropriate remedies pursuant to law. Corporation will have 10 business days to respond in writing to City's notice of suspension and begin a dispute resolution process.

15.3. Further notwithstanding the foregoing, City may immediately terminate this Agreement if Corporation ceases to be a non-profit or if a federal or state proceeding for relief of debtors is undertaken by or against Corporation, or if Corporation makes an assignment for the benefit of creditors.

15.4. In the event City terminates this Agreement as provided in this Section, City may procure upon such terms and in such manner as City may deem appropriate, services

similar in scope and level of effort to those terminated, and Corporation shall be liable to City for all its direct costs and damages, including, but not limited to, any excess costs for such services.

15.5. All documents and materials produced or procured by Corporation pursuant to its performance under this Agreement, including the Management District Plan or the Act shall become City property upon date of such termination.

15.6. The rights and remedies of this Agreement are not exclusive and are in addition to any other rights or remedies provided by law or under this Agreement.

16. BROWN ACT AND PUBLIC RECORDS ACT

16.1. The Board of Directors of the Corporation is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose.

16.2. Notwithstanding Section 16.1 above, the Board of Directors of the Corporation, when hearing, discussing, deliberating, and taking actions on matters within the subject matter of the SCTID will comply with the provisions of the Ralph M. Brown Act (Chapter 9, commencing with Section 54950 of Part 1 of Division 2 of Title 5 of the Government Code).

16.3. Notwithstanding Section 16.1 above, Corporation and the Board of Directors are also subject to and must comply with the California Public Records Act (Chapter 3.5, commencing with Section 6250 of Division 7 of Title 1 of the Government Code).

17. SEVERABILITY

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal, or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

18. GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San José, California.

19. AMENDMENT

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

20. EXCUSABLE DELAYS

In the event that performance on the part of any Party hereto shall be delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said Party, none of the Parties shall incur any liability to the other Parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the

Parties hereunder shall include, but not be limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires, floods; pandemics; epidemics; quarantine restrictions; strikes, freight embargoes or delays in transportation, to the extent that they are not caused by the Party's willful or negligent acts or omissions, and to the extent that they are beyond the Party's reasonable control.

21. WAIVER

Corporation agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

22. INDEPENDENT CONTRACTOR

Corporation and all person(s) employed by or contracted with Corporation to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Corporation has full rights to manage its employees in their performance of Services under this Agreement.

23. FAIR EMPLOYEMENT

Corporation shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state, or local law.

24. COMPLIANCE WITH LAWS

Corporation shall comply with all applicable laws and regulations of the federal, state, and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, Corporation's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), and Business Tax Certificate (SCCC section 3.40.060), as such Chapters or Sections may be amended from time to time or renumbered. Additionally, Corporation has read and agrees to comply with City's Ethical Standards (<http://santaclaraca.gov/home/showdocument?id=58299>).

25. HOLD HARMLESS/INDEMNIFICATION

25.1. To the extent permitted by law, Corporation agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all reasonable costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the Services performed by Corporation pursuant to this

Agreement – including claims of any kind by Corporation’s employees or persons contracting with Corporation pursuant to this Agreement – and shall expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited. The City shall provide prompt notice to Corporation of any third-party claim or action for which it will seek indemnification from Corporation hereunder and provide Corporation with the opportunity to defend such claim or action with attorneys it selects. If Corporation does not exercise its right to defend such claim or action, then the City shall do so, but the City shall not settle any claim or action for which it will seek to be indemnified by Corporation hereunder without first obtaining the written consent of Corporation, which consent will not be unreasonably withheld or delayed.

25.2. Corporation’s obligation to protect, defend, indemnify, and hold harmless in full City and City’s employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors, or other agents of Corporation, against City (either alone, or jointly with Corporation), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.

25.3. To the extent Corporation is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act (“Act”) and/or any other similar federal or state law, Corporation warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Corporation’s responsibilities under the Act.

26. WARRANTY

Corporation expressly warrants that all materials and services covered by this Agreement shall be completed in a manner consistent with professional standards practiced among those firms within Corporation's profession, doing the same or similar work under the same or similar circumstances. Corporation agrees to promptly replace or correct any incomplete, inaccurate, or defective work at no further cost to City when defects are due to the negligence, errors, or omissions of Corporation. If Corporation fails to promptly correct or replace services, City may make corrections or replace materials or services and charge Corporation for the cost incurred by City.

27. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument. Electronic copies of signed signature pages transmitted electronically by any Party to the other Party either by facsimile or via the Internet (e.g., in a “pdf” or “tif” format data file or comparable format) will be deemed binding originals for all purposes and will be deemed delivered for all purposes when any such copies are received by the other Party.

Approved as to Form:

Dated: _____

Office of the City Attorney

RAJEEV BATRA
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

“City”

Dated: _____

By (Signature): _____

Name: Eron Hodges

Title: Board of Directors Chair

Principal Place of Business Address: 5001 Great America Parkway
Santa Clara, CA 95054

Email Address: ehodges@discoversantaclara.org

Telephone: (408) 748-7095

“Corporation”

DRAFT

EXHIBIT A
PERFORMANCE INDICATORS

A. KEY PERFORMANCE INDICATORS (KPIs)

Corporation shall be responsible for performing destination sales and marketing activities that increase visitation, group activity at the Convention Center, room night consumption, and the economic impact associated with increased tourism activity in Santa Clara. This Exhibit A defines the KPIs to measure the Corporation's performance and the weighted percentage assigned to each KPI ("Weighted Percentage").

1. **Event Mix.** Optimization indicates how effectively the physical space at the Convention Center is utilized. A Center optimization exercise shall be completed by Corporation to determine the target mix of convention/meeting types (P1, P2, P3, etc.) intended to maximize financial and economic results for the City. Corporation shall be evaluated on its rate of success in meeting annual event mix targets for P1 and P2 events. The assigned Weighted Percentage for this category is 10%.
2. **Number of Definite Events.** A "definite" event is a future event confirmed with a signed executed contract between an authorized agent of the event organizer and the Convention Center and at least one TID lodging business for event room blocks. Corporation shall be evaluated on its rate of success in meeting the target number of definite P1 and P2 events booked in the year for future years. The assigned Weighted Percentage for this category is 15%.
3. **Convention Center Gross Revenue.** It is expected that P1 and P2 events generate a certain level of gross revenue at the Convention Center. Corporation shall be evaluated on its rate of success in meeting Convention Center revenue projections for P1 and P2 consumed events (events took place in the current year). The assigned Weighted Percentage for this category is 15%.
4. **Number of Room Nights Booked.** The Corporation shall be evaluated on its rate of success in meeting the target number of room nights booked for future year P1 and P2 events at Santa Clara lodging businesses. The assigned Weighted Percentage for this category is 10%.
5. **Number of Room Nights Consumed.** The Corporation shall be evaluated on its rate of success in meeting the target number of total number of rooms occupied at Santa Clara lodging businesses for P1 and P2 events. The assigned Weighted Percentage for this category is 5%.
6. **Number of Weeks Impacted**
Defined as the number of weeks throughout the year where a P1 event, citywide or a combination of events positively impacts the host destination's local economy. Corporation shall be evaluated on its rate of success in meeting target number of weeks impacted in the year. The assigned Weighted Percentage for this category is 15%.
7. **Customer Service Survey Results**
Customer service satisfaction surveys shall be administered by a third-party administrator to Convention Center meeting planners, clients, and attendees. The survey instrument shall

measure the overall customer satisfaction with the Corporation's performance in providing services and survey results shall be provided directly to City. City shall establish the target overall satisfaction rating with Corporation and the Corporation shall be evaluated on its rate of success on meeting the target rating. The assigned Weighed Percentage for this category is 10%.

8. **Prospects.** Prospects are potential customers who has been contacted and have been qualified by the sales team as having desirable criteria for an event in Santa Clara such as: size of event fits in the venue, there is a history of hotel needs that can be provided by Santa Clara hotels, and they have expressed interest in holding an event in Santa Clara. Corporation shall be evaluated on its rate of success on meeting the target number for new prospects. Corporation shall also be evaluated on the prospect conversion rate which will be based upon industry conversion averages. The total assigned Weighted Percentage for this category 15%.
9. **Economic Impact.** Economic impact is the amount of additional direct spending that occurs in the community by out of town and local attendees of events at the Convention Center. Corporation shall be evaluated on its rate of success on meeting the target economic impact goal for P1 and P2 events. The assigned Weighted Percentage for this category is 5%.

B. KPI SCORECARD

Corporation shall achieve a minimum aggregate Scorecard of 85 points (85%) annually. The points for attainment of targets within each category are calculated on a proportionate basis. The City shall meet monthly with Corporation to monitor and assess the Corporation's progress toward achievement of the performance goals, including review of sales and marketing activity.

Example Calculation of Performance Measures

Key Performance Indicator	Target	Actual	% Success Rate	Weight	Score
Event Mix	-	-		10%	6.29
Number of P1 events	3	2	40.00%	5%	2.00
Number of P2 events	7	6	85.71%	5%	4.29
Number of Definite Events	5	4	80%	15%	12.00
Convention Center Revenue	\$4 million	\$3.75 million	93.75%	15%	14.06
Number of Room Nights Booked	10,000	8,500	85%	10%	8.50
Number of Room Nights Consumed	12,000	9,250	77.08%	5%	3.84
Number of Weeks Impacted	4	2	50%	15%	7.50
Customer Service Survey Results	85%	88%	103.5%	10%	10.35
Prospects	-	-		15%	17.06
Prospects	100	130	130%	15%	19.50
Economic Impact	\$2 million	\$1.8 million	82.5%	5%	4.13
Scorecard Total					86.17

EXHIBIT B
INSURANCE REQUIREMENTS

Without limiting the Corporation's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Corporation shall provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to the City of Santa Clara so that any other coverage held by the City shall not contribute to any loss under Corporation's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

\$1,000,000 Each Occurrence
\$2,000,000 General Aggregate
\$2,000,000 Products/Completed Operations Aggregate
\$1,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Corporation; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Corporation to comply with the insurance requirements of this Agreement:
 - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits¹;
 - b. There shall be no cross-liability exclusion which precludes coverage for claims or suits by one insured against another; and
 - c. Coverage shall apply separately to each insured against whom a claim is made, or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

¹ This requirement may make it difficult for Corporation to obtain such insurance. The DMO should confirm that such a policy type is available and obtain a premium cost estimate for such a policy.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
2. The indemnification and hold harmless obligations of Corporation included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation, or benefit payable by or for Corporation or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s), or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers, and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors, or omissions of the Corporation. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per claim or two million dollars (\$2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers, and agents are hereby added as additional insureds in respect to liability arising out of Corporation's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Corporation shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Corporation's insurance.
3. Cancellation.
 - a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given

to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.

- b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.
4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Corporation and City agree as follows:

1. Corporation agrees to ensure that subcontractors, and any other party involved with the Services is not an employee of Corporation, and who is brought onto or involved in the performance of the Services by Corporation, provide the same minimum insurance coverage required of Corporation, except as with respect to limits. Corporation agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Corporation agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.
2. Corporation agrees to be responsible for ensuring that no contract used by any party involved in any way with the providing Services reserves the right to charge City or Corporation for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
3. The City reserves the right to withhold payments from the Corporation in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Corporation, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this

Agreement. Corporation shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Corporation or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Corporation shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

EBIX Inc.
City of Santa Clara City Manager's Office
P.O. Box 100085 – S2
Duluth, GA 30096

Telephone number: 951-766-2280
Fax number: 770-325-0409
Email address: ctsantaclara@ebix.com

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Corporation shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.

**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
THE SILICON VALLEY/SANTA CLARA, DMO, INC.
AND
GLOBAL SPECTRUM, LP., DBA OVG 360
AND
LEVY PREMIUM FOODSERVICE, L.P.**

This Memorandum of Understanding (“MOU”) is made by and among the **Silicon Valley/Santa Clara DMO, Inc.** (“DMO”), **Global Spectrum, L.P., dba OVG 360** (“OVG 360”), as agent for the City of Santa Clara, and **Levy Premium Foodservice, L.P.** (“Levy”) as of the Effective Date as provided below. The DMO, OVG 360 and Levy may be referred to herein individually as a “Party” or collectively as the “Parties” or the “Parties to this MOU.”

WHEREAS, the DMO is the City of Santa Clara’s exclusive service provider and official destination marketing organization to market, sell and book the Santa Clara Convention Center and to market Santa Clara as the destination of choice to national, regional, and local organizations;

WHEREAS, the Santa Clara Convention Center is owned by the City of Santa Clara and managed and operated by OVG 360 as agent on behalf of the City, and with food and beverage services managed and operated by Levy;

WHEREAS, the DMO has entered into an agreement with Jovenville, LLC dba We The Create (“Contractor”) to provide, on a fee for services basis (“Contractor Compensation”), complete marketing and advertising services and administration of those services for the DMO and its partners at the Santa Clara Convention Center: OVG 360 and Levy;

WHEREAS, the DMO, OVG 360 and Levy agree to establish a joint working relationship for the purposes of marketing and advertising the Santa Clara Convention Center and marketing Santa Clara as the destination of choice to national, regional, and local organizations in the manner and on terms set forth below.

AGREEMENT PROVISIONS

1. RESPONSIBILITIES OF THE DMO, OVG 360 AND LEVY

The Parties agree as follows:

- A. Work collaboratively to attain Santa Clara Convention Center goals.
- B. Establish a unified marketing approach for the purpose of developing consistent marketing materials and platforms focused on the target market

audience and aligned to strategies set forth in the marketing plan/strategy to be developed as described in C below.

- C. Engage in regular communication with each other and Contractor on marketing efforts and activities including but not limited to branding, website design and development, and the development of the overall marketing plan/strategy to attain the Santa Clara Convention Center goals.
- D. Upon execution of the MOU, OVG 360 shall contribute, from the Convention Center's Operating Budget, an amount of \$36,000.00 in FY 2022/23 and \$36,000.00 in FY 2023/24 for services to be performed by Contractor. The DMO shall invoice OVG 360, and the annual payment shall be made in one lump sum to the DMO and shall be due and payable within 30 days of receipt by OVG 360 of such invoice. The DMO shall use such payment to fund its payments of the Contractor Compensation, and such payment shall be non-refundable to OVG 360 by the DMO.
- E. Upon execution of the MOU, Levy shall contribute an amount of \$30,000.00 in FY 2022/23 and \$30,000.00 in FY 2023/24 for services to be performed by Contractor. The DMO shall invoice Levy and the annual payment shall be made in one lump sum to the DMO and shall be due and payable within 30 days of receipt by Levy of such invoice. The DMO shall use such payment to fund its payments of the Contractor Compensation, and such payment shall be non-refundable to Levy by the DMO.

2. TERM

Unless otherwise set forth in this MOU or unless this paragraph is subsequently modified by a written amendment to this MOU, the term of this MOU shall begin retroactively to July 1, 2022 and terminate on June 30, 2024.

3. RELATIONSHIP OF PARTIES

Under no circumstances shall this MOU be construed as one of agency, partnership, joint venture, or employment between or among the DMO, Spectra and Levy. Each Party acknowledges and agrees that it neither has, nor will give the appearance or impression of having, any legal authority to bind or commit the other Party in any way except as specifically provided in this MOU.

4. TERMINATION

A Party may terminate this MOU with or without cause on sixty days advance written notice. Any termination of this MOU without cause by a Party shall be without liability of any kind to the other Parties for such termination. Each of the Parties shall use its best efforts to communicate in advance and in writing to the other Parties potential circumstances that would lead to termination so all Parties can plan for the financial impact.

5. GOVERNING LAW

The validity of this MOU and any of its terms or provisions as well as the rights and duties of the Parties hereunder shall be governed by the laws of the State of California excluding its choice or conflict of law rules that would make applicable the laws of any jurisdiction other than the State of California. The Parties agree that any action brought by any Party under or in relation to this Agreement, including to interpret or enforce any provision of this Agreement, shall be brought in, and each Party agrees to and does hereby submit to the jurisdiction and venue of, any state or federal court located in the County of Santa Clara, California.

6. ENTIRE AGREEMENT

This MOU constitutes the final, complete, and exclusive statement of the terms of the MOU among the Parties. It incorporates and supersedes all the agreements, covenants, and understandings among the Parties concerning the subject matter hereof, and all such agreements, covenants, and understandings have been merged into this MOU. No prior or contemporaneous agreement or understanding, verbal or otherwise, of the Parties or their agents shall be valid or enforceable unless embodied in this MOU. Any modification or amendment of the terms and conditions of this MOU will only be binding upon the Parties if contained in a writing and signed by or on behalf of all Parties.

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7. COUNTERPART/FACIMILE SIGNATURE

This MOU may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument; and the Parties agree that signatures on this MOU, including those transmitted by facsimile or email, shall be sufficient to bind the Parties.

The Parties acknowledge and accept the terms and conditions of this MOU as evidenced by the following signatures of their duly authorized representatives. The Effective Date is the date that the final signatory executes this MOU, provided, however, it is the intent of the Parties that this MOU shall become operative and legally binding and enforceable on the Parties retroactively to July 1, 2022 as provided in Section 2 above.

SILICON VALLEY/SANTA CLARA DMO, INC.

Dated: _____

By: _____
(Signature of Person executing the MOU on behalf of Party)

Name: ERON HODGES

Title: Chair

Local Address: 5001 Great America Parkway, Santa Clara, CA 95054
"DMO"

GLOBAL SPECTRUM, L.P., D/B/A OVG 360, AS AGENT FOR THE CITY OF SANTA CLARA

Dated: _____

By: _____
(Signature of Person executing the MOU on behalf of Party)

Name: _____

Title: _____

Local Address: 5001 Great America Parkway, Santa Clara, CA 95054
"Spectra"

LEVY PREMIUM FOODSERVICE, L.P.

Dated: _____

By: _____
(Signature of Person executing the MOU on behalf of Party)

Name: _____

Title: _____

Local Address: 5001 Great America Parkway, Santa Clara, CA 95054
"Levy"

Title: Cell Phone Stipends	Version Number: 24	Page: 1 of 2
	Board Approval Date: 11/18/2020	Author: NTHOME

CELL PHONE POLICY AND STIPENDS

DMO BOARD OF DIRECTORS
 SEPTEMBER 15, 2022
 AGENDA ITEM #8

1. General

- 1.1. The purpose of this policy is to identify and provide guidelines regarding the use of cell phones and the provision of cell phone stipends. Cell phones will generally include those devices that have voice, data and internet/web access capabilities.
- 1.2. Employees who hold a position that include the need for a cell phone may receive a monthly cell phone stipend of \$40.
- 1.3. Approval will be determined by an employee's job duties as it relates to cell phone use and access.
- 1.4. The stipend will be considered a non-taxable fringe benefit to the employee.
- 1.5. The \$40 a month stipend is not intended to cover the full cost of any particular cell phone device and/or cell phone service plan.
- 1.6. The \$40 a month stipend is intended to compensate the employee for business-related costs incurred when using their personal cell phones.
- 1.7. The \$40 a month stipend is intended for the employee's personal cell phone only and not for other cell phones that might be shared with another member of the employee's family.

2. Employee Responsibilities

- 2.1. Employee will purchase cell phone service and equipment and assume responsibility for vendor terms and conditions. The employee is responsible for plan choices, calling areas, service features, termination clauses, and paying all charges associated with the cellular service and device, including any required replacement or repair.
 - 2.1.1. Employee must have a personal cell phone device and service plan activated prior to receiving a stipend.
 - 2.1.2. Employee will maintain an active service contract for the duration of the stipend.
 - 2.1.3. If employee experiences a lost, stolen or damaged cell phone, it is expected that the employee will actively seek to have the device repaired in a reasonable period of time in order to remain eligible for the monthly stipend.
 - 2.1.4. If employee changes his/her cell phone number for any reason, employee must notify manager of the new cell phone number.
 - 2.1.5. Employee will comply with any Federal, State, local and DMO policies related to data security, acceptable use and email.

Title: Cell Phone Stipends	Version Number: 24	Page: 2 of 2
	Board Approval Date: 11/18/2020	Author: NTHOME

3. Cell Phone Use Guidelines

3.1. The following are basic guidelines for proper employee cell phone use during work hours. In general, cell phones should not be used when they could pose a security or safety risk, or when they distract from work tasks.

3.1.1. Never use a cell phone while driving.

3.1.2. Never use a cell phone while operating equipment.

3.1.3. Do not use cell phones for surfing the internet or gaming during work hours.

3.1.4. Do not use cell phones during meetings.

3.1.5. Do not use cell phones to record confidential information.

3.2. Cell phones can be great tools for employees. Employees are encouraged to use cell phones when:

3.2.1. For making or receiving work calls in the appropriate place and situation to do so.

3.2.2. For other work-related communication, such as text messaging or emailing, in appropriate places and situations.

3.2.3. To schedule and keep track of appointments.

3.2.4. To carry out work-related research.

3.2.5. To keep track of work contacts.

3.3. Records Retention

~~2.1.5.~~3.3.1. Employees are required to keep all records on their cell phones with the record retention rules and federal, state and local laws.