



CITY COUNCIL STAFF REPORT

DATE: January 18, 2017

CONSENT AGENDA

SUBJECT: MEMORANDUM OF UNDERSTANDING WITH THE GREATER PALM SPRINGS CONVENTION & VISITORS BUREAU FOR PROFESSIONAL AIR SERVICE DEVELOPMENT COST SHARING

FROM: David H. Ready, City Manager

BY: Department of Aviation

SUMMARY

This action considers a second year Memorandum of Understanding with the Greater Palm Springs Convention & Visitors Bureau for the cost sharing of professional air service development services.

RECOMMENDATION:

1. Approve an Air Service Memorandum of Understanding with the Greater Palm Springs Convention & Visitors Bureau in an amount not to exceed \$32,500.
2. Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

The Greater Palm Springs Convention & Visitors Bureau has been more involved in recent years with airline service development through a combination of airline marketing and airline revenue guarantees. These funding initiatives by the CVB are in addition and complementary to the ongoing City of Palm Springs Airport multiyear Air Service Development Incentive Program that has supported eighteen airline route service enhancements. This CVB Memorandum of Understanding is a continuation of the same arrangement ratified last year by City Council.

This arrangement shares the cost of engaging a professional firm that specializes in air service development consultation and analysis. The firm, InterVISTAS Consulting Group, was selected last year under a process led by the Greater Palm Springs Convention & Visitors Bureau in cooperation with airport staff. This firm will be retained for another full year to perform a variety of services including air service route analysis, data generation, market analysis, and recommendations for added service

ITEM NO. 1.6.

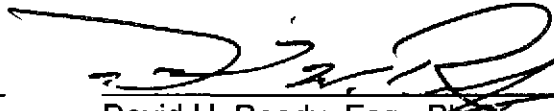
opportunities. The firm which employs former airline network planning personnel from major carriers has extensive experience working with communities to develop strategies that match tourism and conventions based industries with new airline routes. It has an office in Los Angeles and others throughout North America.

FISCAL IMPACT:

The total cost for one year of service is \$65,000 and will be split equally by the Greater Palm Springs Convention & Visitors Bureau and the City. The \$32,500 share of the City was anticipated and programmed in the approved budget under Fund 415-6002-45580.



Thomas Nolan, A.A.E.
Executive Director, Airport



David H. Ready, Esq., Ph.D.
City Manager

Attachments: Memorandum of Understanding Convention and Visitors Authority

**MEMORANDUM OF UNDERSTANDING BY AND
BETWEEN THE PALM SPRINGS DESERT RESORT
COMMUNITIES CONVENTION AND VISITORS
AUTHORITY AND THE CITY OF PALM SPRINGS**

This Memorandum of Understanding (hereinafter, the "MOU") is entered into as of this 1st day of January, 2017, by and between the Greater Palm Springs Convention & Visitors Bureau, a California Joint Powers Authority operating under the Joint Exercise of Powers Act (California Government Code §§6500 *et seq.*), located in the County of Riverside, State of California ("CVB"), and the City of Palm Springs, a municipal corporation located in the County of Riverside, State of California ("City"), with the CVB and the City sometimes together hereinafter referred to as the "Parties," and singularly referred to as "Party."

RECITALS:

WHEREAS, CVB and Intervistas Consulting, Inc. ("Consultant") entered into that certain Service Provider Agreement By and Between the Greater Palm Springs Convention & Visitors Bureau and Intervistas Consulting, Inc., dated January 1, 2017 ("Agreement"), an executed copy of which is attached hereto and incorporated herein by this reference as Exhibit "A," for Consultant to provide certain consulting services related to air support enhancement from Palm Springs International Airport, including development of market research and studies of economic impacts, air service data analysis and route forecasts, and utilization of domestic and international aviation trends; and

WHEREAS, the Agreement calls for the CVB to pay Consultant an amount not to exceed Sixty-Five Thousand Dollars and Zero Cents (\$65,000.00) for provision of such services; and

WHEREAS, because the Palm Springs International Airport is located within the jurisdictional boundaries of the City, the services provided by Consultant to the CVB will result in direct benefits to the City, in the form of increased tourism and corresponding increased taxes to be gained by the City; and

WHEREAS, as a result, the City has agreed to reimburse the CVB for up to fifty percent (50%) of all compensation paid the Consultant under the Agreement.

NOW THEREFORE, IN CONSIDERATION OF THE COVENANTS, CONDITIONS AND PROMISES CONTAINED HEREIN AND FOR SUCH OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

TERMS

1. Recitals. The Recitals set forth above are true and correct and are hereby incorporated into this MOU by this reference, as though set forth at length herein.

2. Binding Effect. The Parties acknowledge and hereby agree that this MOU, standing alone, is a binding and enforceable contract which is intended to govern and define their respective rights and responsibilities regarding the agreement between the Parties as memorialized herein.

3. Term. The term of this MOU shall be for a period of one year from January 1, 2017, through December 31, 2017.

4. Work Product. The City will have the right to copies of all work products provided to CVB in performance of its obligations under the Agreement. This shall include, but not limited to the data, air service studies, and recommendations. The City will also assist with developing strategies for marketing air service routes from Palm Springs International Airport.

5. Reimbursement to CVB. CVB has entered into an agreement with Consultant for consulting services related to air support enhancement from Palm Springs International Airport for Sixty-Five Thousand Dollars and Zero Cents (\$65,000.00). The City shall reimburse CVB fifty percent (50%) of all compensation paid by the CVB to Consultant under the Agreement, up to a total amount not to exceed Thirty-Two Thousand Five Hundred Dollars and Zero Cents (\$32,500.00). The City shall reimburse CVB directly, in the amount of half of the Consultant charged amount no later than thirty (30) days following receipt of the invoice provided by CVB, based on the approved City purchase order.

4. Indemnification. Each parties shall defend, indemnify and hold harmless the other, its officers, officials, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damage, injuries, and liability, direct or indirect, (including any and all costs and expenses in connection therewith) (collectively, "Claims"), arising out of the indemnifying party's performance of this MOU, except for any Claims arising out of the sole negligence or willful misconduct of the other party and/or its officers, agents, employees or volunteers.

5. Additional Provisions.

(a) Effective Date. This MOU shall take effect on the date first written above.

(b) Modifications and Amendments. Any provision of this MOU may be modified or amended only by written agreement executed by the Parties. Any such modification or amendment must be in writing, dated and signed by the Parties and must explicitly indicate that such writing modifies or amends this MOU.

(c) Attorneys' Fees. Each Party shall be responsible for their own attorney fees.

(d) Severability. Every provision of this MOU is intended to be severable. If any provision of this MOU or the application of any provision hereof to any party or circumstance is declared to be illegal, invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction, such invalidity shall not affect the other terms and provisions hereof or the application of the provision in question to any other party or circumstance, all of which shall continue in full force and effect.

(e) Counterparts. This MOU may be signed in two or more counterparts each of which, when executed and delivered, shall be an original and all of which together shall constitute one instrument, with the same force and effect as though all signatures appeared on a single document.

(f) Authority. Each signatory to this MOU certifies that he or she is authorized to execute this MOU and to legally bind the Party he or she represents, and that such Party shall be fully bound by the terms hereof upon such signature without further act, approval, or authorization of such Party.

(g) Notice. Any notice to be provided pursuant to this MOU shall be in writing, and all such notices shall be delivered by personal service or by deposit in the United States mail, certified or registered, return receipt requested, with postage prepaid, and addressed to the parties as follows:

To the City: City of Palm Springs
 Attn: David Ready, City Manager
 3200 E. Tahquitz Canyon Way
 Palm Springs, CA 92262
 Telephone: 760-323-8299
 Email: David.ready@palmsprings-ca.gov

To the CVB: Scott White, President & CEO
 Greater Palm Springs CVB
 70-100 Highway 111
 Rancho Mirage, CA 92270
 Telephone: 760.770.9000
 Email: swhite@palmsspringsoasis.com

Notices and other documents shall be deemed delivered upon receipt by personal service or as of the second (2nd) day after deposit in the United States mail.

(h) Non-Liability of Officers and Employees. No officer or employee of the City or CVB shall be personally liable to either Party, or any successor in interest, in the event of any default or breach by either party of any obligation of the terms of this MOU.

(i) Interpretation. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this MOU.

(j) Waiver. No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this MOU shall be effective unless executed in writing and signed by the party making the waiver. No waiver of any provision of this MOU shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. Failure of either party to enforce any provision of this MOU shall not constitute a waiver of the right to compel enforcement of the remaining provisions of this MOU.

(k) Venue. All proceedings involving disputes over the terms, provisions, covenants or conditions contained in this MOU and all proceedings involving any enforcement action related to this MOU shall be initiated and conducted in the applicable court or forum in Riverside County, California.

(l) Captions and Headings. The captions and headings contained in this MOU are provided for identification purposes only and shall not be interpreted to limit or define the content of the provisions described under the respective caption or heading.

(m) Governing Law. The validity of this MOU and any of its terms or provisions, as well as the rights and duties of the parties under this MOU, shall be construed pursuant to and in accordance with California law.

(n) No Third Party Beneficiaries. The Parties do not intend the benefits of this MOU to inure to any third party, nor shall any provision of this MOU be so construed.

(o) Entire Agreement. This MOU supersedes any and all other agreements, either oral or written, between CVB and City with respect to the subject matter of this MOU. This MOU contains all of the covenants and agreements between the parties with respect to the subject matter of this MOU, and each party to this MOU acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except those covenants and agreements embodied in this MOU. No agreement, statement, or promise not contained in this MOU shall be valid or binding.

(p) Time of the Essence. Time is of the essence is the performance of this MOU.

(q) Compliance with Laws. The Parties shall comply with all local, state and federal laws, rules, and regulations applicable to the subject matter of this MOU, including any rule, regulation or bylaw governing the conduct or performance of

the entity and/or its employees, officers, or board members.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this MOU as of the day and year first above written.

**GREATER PALM SPRINGS CONVENTION
& VISITORS BUREAU**

Scott White
President and CEO

**JOINT POWERS AUTHORITY
EXECUTIVE COMMITTEE**

Sign

Print

CVB BOARD OF DIRECTORS

Sign

Print

ATTEST:

Judy Vossler
Senior Vice President Administration

APPROVED AS TO FORM:

Steven B. Quintanilla, General Counsel

EXHIBIT "A"

**SERVICE PROVIDER AGREEMENT BY AND BETWEEN GREATER PALM
SPRINGS CONVENTION & VISITORS BUREAU AND INTERVISTAS CONSULTING
INC., DATED JANUARY 1, 2017**

[SEE ATTACHED]