

3BB-1

Agenda Item #: _____

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: 2/04/2014 [X] Consent [] Regular
[] Workshop [] Public Hearing

Department

Submitted By: TOURIST DEVELOPMENT COUNCIL

Submitted For: TOURIST DEVELOPMENT COUNCIL

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends a motion to (A) approve transfer of one (1) full-time vacant position for a Director of Airlift Relations from the Department of Airports to the Tourist Development Council, (B) approve second amendment to the contract (R2012-1320) for Discover Palm Beach County, Inc. to reduce contract by \$250,000 for Airlift Development, (C) approve budget transfer of \$250,000 from other contractual services (used to pay Discover Palm Beach County, Inc.) to TDC Airlift to appropriate funding for the transferred position and (D) adopt the current Travel and Entertainment Policy of Discover Palm Beach County, Inc. to supplement the Palm Beach County PPM CW-F-009 for airline relations position under the Tourist Development Council.

Summary: The active position of airlift development has been under the direction of Discover Palm Beach County, Inc., (Discover) by agreement between Discover and the Department of Airports since May 23, 1995, funded by Department of Airports through a transfer of funds to the Tourism Promotion Fund. This proposed change in oversight to the Tourist Development Council Administration from Discover, allows for a broader more targeted airlift program development providing service to all agencies contracted by the TDC. The cooperative effort between the TDC Administration and Department of Airports will allow this position to be a BCC position but fully funded by the Airport Enterprise Fund. Countywide (DW)

Background and Justification: The change in oversight elevates airline relations to the Tourist Development Council Administration ensuring collaboration for airline relations development in support of Discover as well as the Cultural Council, Sports Commission, Film & Television Commission, and Convention Center, while maintaining In-Bound advertising support from Discover. This requires current Travel and Entertainment Policy of Discover to be adopted as a supplement to the current Palm Beach County PPM CW-F-009 to allow reimbursement of expenses for the airline relations position when meeting with travel writers, tour brokers, or other persons connected with the tourism industry and air service development. Palm Beach County PPM CW-F009 Travel Policy is utilized when Section 125.0104, Florida Statute, does not govern this policy.

- Attachments:** 1) Contract Amendment and Amendment to Exhibit A
2) Budget Transfer
3) Travel & Entertainment Policy proposed

Recommended by: _____ 1/23/14
Department Director Date

Approved By: _____ 1/29/14
Deputy County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	\$0	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	=====0=====	=====	=====	=====	=====
# ADDITIONAL FTE POSITIONS (Cumulative	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes X No. _____

Budget Account No.: Fund 1454 Dept. 710 Org. 7314 Object various
Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:
Position and associated expenses funded by PBIA

C. Department Fiscal Review: Ernest Ben Payne

III. REVIEW COMMENTS

A. OEMB Fiscal and/or Contract Administration Comments:

<u>M. Davis</u> OEMB 510 123 1/27/14	<u>Dr. J. Lovelace</u> Contract Dev. and Control 1/28/14
---	--

B. Legal Sufficiency:
[Signature]
 Assistant County Attorney
 1/28/14

C. Other Department Review:

 Department Director

**SECOND AMENDMENT TO AGREEMENT BETWEEN PALM BEACH COUNTY
ON BEHALF OF THE TOURIST DEVELOPMENT COUNCIL AND
DISCOVER PALM BEACH COUNTY, INC.**

THIS SECOND AMENDMENT to the AGREEMENT (R2012-1320) is made as of this _____ day of _____, 2014, by and between Palm Beach County, a Political Subdivision of the State of Florida, by and through its Board of Commissioners, (hereinafter referred to as "COUNTY"), and DISCOVER PALM BEACH COUNTY, INC., d/b/a PALM BEACH COUNTY CONVENTION & VISITORS BUREAU ("BUREAU"), a Florida not-for-profit corporation authorized to do business in the State of Florida, hereinafter referred to as "BUREAU", whose Federal I.D. is 59-232-1112.

WITNESSETH:

WHEREAS, the COUNTY and BUREAU entered into a certain Agreement dated September 11, 2012; and

WHEREAS, the COUNTY and BUREAU entered into the 1st Amendment to that Agreement dated September 10, 2013; and

WHEREAS, the parties desire to make certain revisions to that Agreement as set forth in this Second Amendment.

NOW THEREFORE, in consideration of the mutual promises contained herein, the COUNTY and BUREAU agree as follows:

Paragraph 1, F of the BUREAU Agreement is hereby amended as follows:

Airlift Development. BUREAU will support an airlift development strategy through media investments targeting key feeder markets in collaboration with the County's Tourist Development Council and Department of Airports/PBIA and in keeping with the Annual Marketing Plan. This will be subject to the investment decisions agreed to by all parties with the goal of increasing inbound tourist arrivals into Palm Beach County. Such strategy may include domestic and/or international airline service whether scheduled or charter.
See attached Exhibit A.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment on behalf of the COUNTY and the BUREAU has hereunto set its hand the day and year above written.

ATTEST:
Sharon R. Bock,
Clerk & Comptroller

**PALM BEACH COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS**

By: _____
Deputy Clerk

By: _____
Mayor Priscilla Taylor

(SEAL)

ATTEST:

**DISCOVER PALM BEACH COUNTY,
INC.**

By: _____
Secretary

By: _____
Jorge Pesquera, President & CEO

(SEAL)

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

By: _____
Bureau Attorney

**APPROVED AS TO FORM
AND LEGAL SUFFICIENCY**

By: _____
Dawn S. Wynn
Senior Assistant County Attorney

**APPROVED AS TO TERMS
AND CONDITIONS**

By: _____
Glenn Jergensen
Executive Director
Tourist Development Council

Discover Palm Beach County Exhibit A

FY 2014 Line Item/Program Budget

	Actual FY 2011	Actual FY 2012	Adopted Budget FY 2013	Modified Budget FY 2013	Forecast FY 2013	Budget FY 2014		Revised Budget FY 2014
Personnel Expense								
Wages & Salaries	2,350,503	2,559,820	2,849,005	2,849,005	2,849,005	2,924,000	(72,100)	2,851,900
Payroll Taxes	200,360	200,415	228,130	228,130	228,130	234,387	(5,750)	228,636
Employee Benefits	660,078	614,347	804,953	804,953	804,953	856,454	(16,297)	840,157
Total Personnel Expenses	3,210,940	3,374,582	3,882,088	3,882,088	3,882,088	4,014,840	(94,147)	3,920,694
Marketing & Promotion Expense								
Travel & Entertainment	128,139	220,694	153,061	153,061	227,598	197,378	(34,100)	163,278
Trade Show Participation	157,808	312,942	186,625	186,625	215,583	201,883	(18,000)	183,883
Destination Reviews	60,045	132,656	78,300	78,300	184,250	147,000	-	147,000
Sales Missions / Media Missions	127,002	176,096	186,940	186,940	256,859	237,990	(30,200)	207,790
Event Hosting within PBC	80,175	95,925	104,987	104,987	260,441	285,000	(6,000)	279,000
Advertising, Traditional / Online Media	2,277,754	3,646,154	3,006,071	3,006,071	2,559,564	2,664,864	(32,561)	2,632,303
Contracted Marketing Services	274,570	427,277	477,397	477,397	576,075	753,676	-	753,676
Tourism Sponsorships / Grants	75,827	116,310	210,000	210,000	75,000	95,000	-	95,000
Advertising, Website (CVB)	79,617	140,651	158,866	158,866	67,440	76,096	-	76,096
Advertising, Printed marketing Collateral	140,004	83,541	100,000	100,000	168,604	160,000	-	160,000
Promotional Items	18,337	44,934	26,000	26,000	8,000	9,000	(4,000)	5,000
Research	38,026	28,178	93,830	93,830	86,367	46,100	-	46,100
Fulfillment	30,836	112,666	70,413	70,413	70,413	115,003	-	115,003
Other Promotional Activities	551	-	-	-	-	-	-	-
Total Marketing & Promotion Expense	3,488,691	5,538,023	4,852,491	4,852,491	4,756,196	4,988,991	(124,861)	4,864,130
Administrative & General Operations								
Dues & Subscriptions	51,452	82,756	48,577	48,577	57,582	66,736	(25,450)	41,286
Data Processing / Computer	38,377	12,881	69,560	69,560	78,226	72,670	-	72,670
Office Equipment & Fixtures, Computer Hardware	91,573	119,261	91,500	91,500	92,100	25,100	-	25,100
Professional Seminars & Conferences	46,581	31,025	62,530	62,530	73,881	43,689	-	43,689
Insurance	33,147	44,328	41,657	41,657	42,419	44,315	(777)	43,538
Professional Services	77,904	103,214	144,276	144,276	112,804	121,102	(1,760)	119,342
Office Supplies	19,684	23,362	20,688	20,688	21,889	43,550	(100)	43,450
Non- Collateral Printing / Photocopying	30,057	24,303	39,389	39,389	37,469	32,789	(250)	32,539
Rent / Utilities	2,146	3,609	3,600	3,600	3,600	4,000	-	4,000
Telecommunications	49,638	53,403	106,770	106,770	83,490	85,960	(2,100)	83,860
Postage	54,054	54,546	78,910	78,910	77,022	24,390	(500)	23,890
Bank Fees	6,426	5,704	8,668	8,668	8,545	8,410	(55)	8,355
Miscellaneous	10,887	6,163	-	-	-	17,200	0	17,200
Total Administrative & General Operations	511,926	564,557	716,126	716,126	689,027	589,910	(30,992)	558,918
Total CVB Other Contractual Services	7,211,558	9,477,162	9,450,705	9,450,705	9,327,311	9,593,741	(250,000)	9,343,741
Marketing Stimulus Campaign	178,995	41,509	-	-	-	-	-	-
County Direct								
Other Contractual Services	-	3,000	-	-	-	-	-	-
Moving Expense	1,739	-	-	-	-	-	-	-
Telecommunication	24,541	7,655	-	-	-	-	-	-
Rent	374,759	291,920	300,000	300,000	300,000	291,920	-	291,920
Coop Advertising	39,923	-	75,000	75,000	75,000	75,000	-	75,000
IG Fee	7,763	13,075	13,656	13,656	13,656	14,339	-	14,339
Total County Direct	448,725	315,650	388,656	388,656	388,656	381,259	-	381,259
Transfers Out - Special Projects	-	15,000	-	-	-	-	-	-
Total Expense	7,839,278	9,849,321	9,839,361	9,839,361	9,715,967	9,975,000	(250,000)	9,725,000
CVB - Reserves	3,953,912	2,736,722	1,038,976	1,165,990	2,101,473	1,051,157	250,000	1,301,157
Overall Expense Budget	11,793,190	12,586,043	10,878,337	11,005,351	11,817,440	11,026,157	0	11,026,157

2014 - 0369

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA

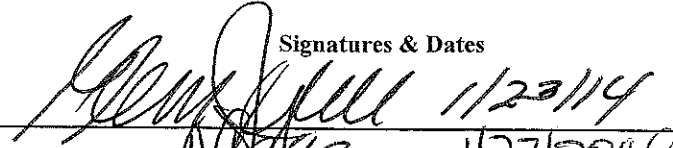
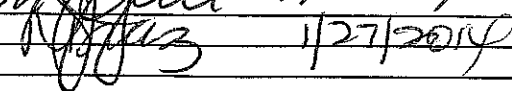
BUDGET TRANSFER
FUND 1454 TDC

BGEX 010914-595

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 1/09/14	REMAINING BALANCE
<u>EXPENDITURES</u>							
710-7314-1201 Salaries & Wages Regular	0	0	80,000		80,000	0	80,000
710-7314-2101 FICA - Taxes	0	0	4,960		4,960	0	4,960
710-7314-2105 FICA- Medicare	0	0	1,160		1,160	0	1,160
710-7314-2201 Retirement Contributions	0	0	5,368		5,368	0	5,368
710-7314-2301 Insurance -Life & Health	0	0	5,400		5,400	0	5,400
710-7314-2401 Workers Compensation	0	0	300		300	0	300
710-7314-2501 Unemployment Compensation	0	0	347		347	0	347
710-7314-4001 Travel & Per Diem	0	0	22,000		22,000	0	22,000
710-7314-4007 Mileage	0	0	400		400	0	400
710-7314-4205 Postage	0	0	5,000		5,000	0	5,000
710-7314-4703 Graphics Charges	0	0	7,000		7,000	0	7,000
710-7314-4803 Sales Entertainment	0	0	20,000		20,000	0	20,000
710-7314-4805 Advertising	0	0	50,000		50,000	0	50,000
710-7314-4809 Consumer Trade Shows	0	0	3,000		3,000	0	3,000
710-7314-4811 Promotional Items	0	0	3,000		3,000	0	3,000
710-7314-4823 Collateral	0	0	2,000		2,000	0	2,000
710-7314-4941 Registration Fees	0	0	23,865		23,865	0	23,865
710-7314-5101 Supplies	0	0	800		800	0	800
710-7314-5401 Subscriptions	0	0	15,000		15,000	0	15,000
710-7314-5412 Dues and Memberships	0	0	400		400	0	400
710-7420-3401 Other Contractual Services	9,593,741	9,586,923	0	250,000	9,336,923	9,593,741	-256,818
TOTALS			250,000	250,000			

Tourist Development

 INITIATING DEPARTMENT/DIVISION
 Administration/Budget Department Approval
 OFMB Department - Posted

Signatures & Dates
 1/23/14
 1/27/2014

BY BOARD OF COUNTY COMMISSIONERS

 AT MEETING OF
 N/A
 Deputy Clerk to the
 Board of County Commissioners

TOURIST DEVELOPMENT COUNCIL

TRAVEL & ENTERTAINMENT POLICY

Florida Statute 125.0104 governs the reimbursement of travel expenses incurred in the course of tourism promotion for Palm Beach County. The statute authorizes reimbursement for "actual and reasonable" expenses. All expenses/purchases must have receipts, with the exception of tips to bellman/valets that are less than Ten Dollars (\$10). (See section on Receipts)

Staff of the Tourist Development Council (TDC) is authorized to provide, arrange and make expenditures for transportation, lodging, meals, and other reasonable and necessary items and services for such persons, as determined by the Executive Director, in connection with the performance of promotional, seminars, conferences, and other duties of the Tourist Development Council. However, entertainment expenses shall be authorized only when meeting with airline representatives, travel writers, tour brokers, or other persons connected with the tourism industry. All travel and entertainment-related expenditures in excess of Ten Dollars (\$10) shall be substantiated by paid invoices. Palm Beach County PPM CW-F-009 Travel Policy is utilized when Section 125.0104, Florida Statutes, does not govern this policy.

Tourism Promotion and Airlift relation activities shall include trade shows, familiarization tours, sales missions, and other travel related and entertainment expenses that are incurred by employees of the TDC, other authorized persons, travel writers, tour brokers, or other persons connected with the tourism industry, including the convention meeting industry, in the course of promoting Palm Beach County, Palm Beach International Airport and the Palm Beach County Convention Center.

Travel for staff will be pre-approved by the Executive Director and the Executive Director's travel will be approved by the Deputy County Administrator.

DOMESTIC TRAVEL (Including Florida)

Meal expenses will be deemed to be reasonable if they comply with the per diem limit by city as shown in the Business Travel News Per Diem schedule distributed at the beginning of each fiscal year. If a particular city is not listed in the Per Diem schedule, it may be appropriate to use the next closest city as the guide. However, some resorts are adjacent to a city with a per diem meal schedule that may not be on par with the resort. In that case, "actual and reasonable" meal expenses will be accepted. Any departure from the published rates will be deemed to be excessive unless the reasonableness and necessity of the expenditure is satisfactorily proven by the traveler in a written explanation on the expense reimbursement form. Meal expenditures may be combined such that the daily total does not exceed the per

diem limit, provided, however, that one does not incur entertainment expenses which include a meal during the same day, or during a day when the traveler arrives or departs from a city. The maximum gratuity on any meal is Fifteen Percent (15%); provided, however, that in any case where the gratuity is included in the bill presented for the meal, then the gratuity will be paid in the full amount assessed by the serving establishment. Miscellaneous incidental expenses will be reimbursed upon review and justification. Employees may make one (1) personal call home per day, excepting unusual circumstances which must be explained and will be subject to review.

FOREIGN TRAVEL

Foreign Travel will be reimbursed at the per diem rates as listed in the "Standardized Regulations (Government Civilians Foreign Areas)" publication. This publication breaks down per diem into meals and incidental (MIE), and lodging. The MIE rate is inclusive of tips for meals and other related expenses.

Lodging may exceed the per diem listed provided there is a valid reason as to why the accommodations exceeded the per diem limits. For example, when staff of the TDC attends the ITB trade show in Berlin all hotels increase their rates significantly for this event. Since they have little choice but to pay a rate that is well above the rates published in the guide, it will be reimbursed because it is actual and reasonable under the circumstances.

Foreign Exchange Rate: Expense reports containing a mix of cash and credit card expenses will be reimbursed using (a) the actual rate of exchange shown on the credit card statement for each charge and (b) the average of the Interbank Rate for eligible cash expenditures incurred during the time the traveler was in the country, as published by OANDA.com. The average rate as published by OANDA.com shall be attached to each expense report. Expense reports that have only credit card charges shall be reimbursed at the same rate as shown on the credit card statement of the traveler, which shall be attached to the expense report.

When traveling in several countries on the same trip, please submit an expense report for each country along with the exchange rate in effect at the time of travel.

AIR TRAVEL

For all air travel, the traveler shall obtain the most economical means of travel that is reasonable under the circumstances as approved in advance by the Executive Director or Director of Airports or Deputy County Administrator.

RECEIPTS ARE REQUIRED FOR ALL EXPENDITURES

TIPS: Tips over Ten Dollars (\$10.00) given for portage of large and/or numerous boxes of material or displays require explanations and receipts. Tips for meals are to be included in the meals column, NOT the tips column of the expense report. The per diem schedule for meals is inclusive of tips.

ENTERTAINMENT

Entertainment expenses are those incurred while meeting with travel writers, tour brokers and other persons connected with the tourism industry. Such expenses shall be limited to the following maximum amounts per person per day, as approved in advance by the Executive Director or Director of Airports.

Breakfast	\$30.00	A maximum Twenty Percent (20%) gratuity may be added to these rates.
Lunch:	\$70.00	
Dinner:	\$100.00	

The above limits do not include taxes and other expenses associated with the event during which the meal is served. Items such as invitations, entertainment, room rental, beverages served at a reception, photography and special decorations are not included.

In cases where a facility has required payment for a guaranteed minimum number of attendees, such limits shall be calculated based on the guaranteed minimum number. Each reimbursement shall include names and affiliations of those entertained, and the staff in attendance.

EXPENSE REPORTS

Requests for reimbursement for travel and entertainment expenses are to be made utilizing the standard expense report form, as updated from time to time. Requests for reimbursement for mileage shall be done using a mileage expense report form as a backup to the standard expense report. Each expense report must be approved by the Executive Director or his/her designee. The appropriate account code should be shown on the expense report.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

