

300-1

Agenda Item #: _____

PALM BEACH COUNTY

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	9/18/2018	<input checked="" type="checkbox"/>	Consent	<input type="checkbox"/>	Regular
		<input type="checkbox"/>	Ordinance	<input type="checkbox"/>	Public Hearing

Department

Submitted By: TOURIST DEVELOPMENT COUNCIL

Submitted For: DISCOVER PALM BEACH COUNTY, INC.

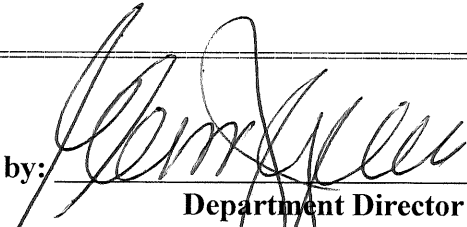
I. EXECUTIVE BRIEF

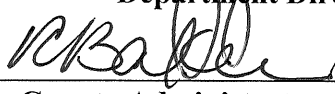
Motion and Title: Staff recommends motion to approve: The First Amendment to the Agreement (R2017-1633) with Discover Palm Beach County, Inc. (Discover) for the provision of services under the County’s Tourist Development Plan during the period October 1, 2018 through September 30, 2019 in the amount of \$17,100,000 in contractual services and \$2,815,246 in indirect costs and reserves for a total of \$19,915,246. This will be the second year of a five-year agreement.

Summary: The First Amendment to the Agreement updates for Fiscal Year 2019 Exhibit “A” – Annual Budget, Exhibit “H” – Performance Measures, and Exhibit “K” – Organizational Chart, to be applied in Fiscal Year 2019. Indirect cost and reserves of \$2,815,246 are included for a total budget of \$19,915,246. An increase of \$215,000 will be added to Discover’s cash advance for FY2019 for a total cash advance of \$2,000,000. These exhibit changes have been reviewed and approved by the TDC Finance Committee and TDC Board. (TDC) Countywide (DW)

Background and Justification: Under the current Agreement, Discover develops and implements an Annual Tourism Marketing Plan for the County. All expenditures by Discover under the contract must be made in accordance with the Operating Budget included as Exhibit “A” to the contract, from funds appropriated annually by the County. The new Agreement adopts a new Exhibit “A” (Annual Budget), as well as a new Exhibit “H” (Performance Measures), to apply during Fiscal Year 2019. The First Amendment to the Agreement adds three additional support staff to Exhibit “K” (Organization Chart) to conform to Discover’s budget. An increase of \$215,000 will be added to Discover’s cash advance for FY2019 for a total of \$2,000,000 for operational expenses.

Attachments: The First Amendment to the Agreement with Exhibits A, H, K

Recommended by:  **Date** 9/27/18
Department Director

Approved By:  **Date** 9/10/18
County Administrator

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2019	2020	2021	2022	2023
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	\$17,100,000	17,613,000	18,141,390	18,685,631	19,246,200
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
	\$17,100,000	17,613,000	18,141,390	18,685,631	19,246,200
NET FISCAL IMPACT	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	- 0-	0---	0---	0---	0----

Is Item Included In Proposed Budget? Yes X No.

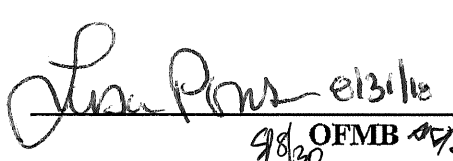
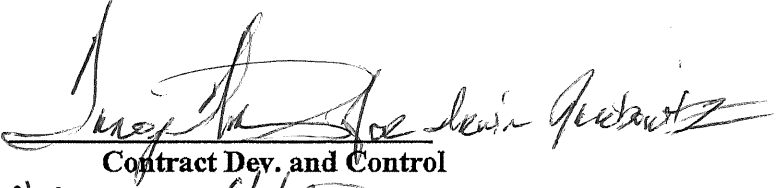
Budget Account No.: Fund 1454 Dept 710 Unit 7420 Object 3401
 Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:
 Discover receives 48.32% of the 2nd, 3rd, 5th and 6th cent of the local option bed tax.

C. Department Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

 
 9/8/30 OFMB 8/30 Contract Dev. and Control 9/6/18

B. Approved as to form and Legal Sufficiency:


 Assistant County Attorney

C. Approved as to Terms and Conditions:

 Department Director

This summary is not to be used as a basis for payment.

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

THIS FIRST AMENDMENT is made and entered into this _____ day of _____, 2018, to the Agreement dated October 17, 2017, (hereinafter referred to as the "Agreement") (R2017-1633), by and between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners (hereinafter referred to as "COUNTY"), and Discover Palm Beach County, Inc. (hereinafter referred to as "DISCOVER").

WITNESSETH:

WHEREAS, the COUNTY and DISCOVER entered into the Agreement whereby DISCOVER develops and implements an annual marketing plan to promote, advertise and optimize Palm Beach County tourism; and

WHEREAS, the COUNTY has identified an increase to DISCOVER's cost advance for FY2019 to be allocated to and expended by DISCOVER in its efforts to promote, market and advertise Palm Beach County tourism under the Agreement; and

WHEREAS, the Agreement requires an amendment to provide for certain revised DISCOVER Exhibits; and

WHEREAS, the parties have agreed that this Amendment is in the best interest of DISCOVER and the COUNTY'S tourism promotion program.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Exhibit A of the Agreement is hereby deleted in its entirety and replaced with a new Exhibit A, FY 2019 Annual Budget, Exhibit "H" – Performance Measures, Exhibit "K" Organizational Chart for salaries, positions and titles, all attached hereto and made a part hereof.
2. An additional \$215,000 will be added to DISCOVER's cash advance for FY 2019. In addition, indirect cost and reserves totaling \$2,815,246 are included for a total budget of \$19,915,246.
3. Section 4, Operations/Funding Agreement, Subsection C, Operating Budget/Expendable Budget Supplies/Funds Availability Procedure for Handling Income and Expenses, Paragraph 4) Discover Operating Account, 1st sentence, is hereby amended to read:
 - 4) Prior to the Commencement Contract Date, the COUNTY will advance up to a maximum of one and one-half (1.5) months of personnel costs and sixty (60) days of

budgeted operating expenses for deposit into the Agency Operating Account in order to fund operations of DISCOVER.

4. This Amendment shall become effective when executed by the parties hereto.
5. All other terms and conditions of the Agreement dated October 17, 2017, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment on the day and year first written above.

ATTEST:
SHARON R. BOCK
CLERK & COMPTROLLER

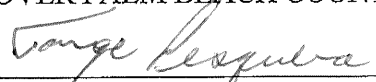
PALM BEACH COUNTY FLORIDA BY ITS
BOARD OF COUNTY COMMISSIONERS


By: _____
Deputy Clerk

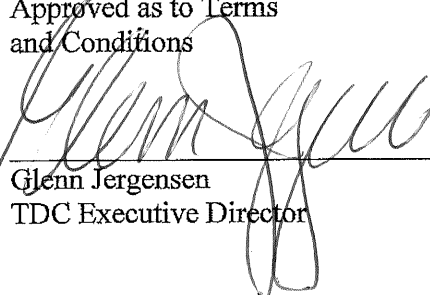
By: _____
Melissa McKinlay, Mayor

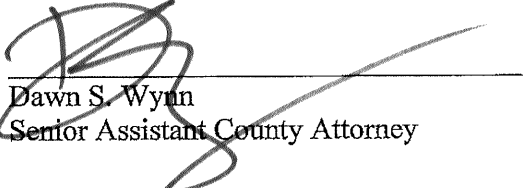
(SEAL)

ATTEST:
By: 
Rita Craig, Secretary/Treasurer

DISCOVER PALM BEACH COUNTY, INC.
By: 
Jorge Pesquera, President & CEO

DISCOVER PALM BEACH COUNTY, INC.

Rikki Lober Bagatell
Discover Attorney

Approved as to Terms
and Conditions

Glenn Jergensen
TDC Executive Director

Approved as to Form
and Legal Sufficiency

Dawn S. Wynn
Senior Assistant County Attorney

PALM BEACH COUNTY
Discover The Palm Beaches
Exhibit A

Discover FY19 Contract	FY16 Actual	FY17 Actual	FY 18 Budget	FY18 Modified Budget	FY18 Forecast	FY19 Budget
Personnel	\$ 4,052,732	\$ 4,283,888	\$ 5,117,886	\$ 5,117,886	\$ 4,990,416	\$ 5,761,128
Marketing & Promotion	\$ 9,899,664	\$ 8,940,644	\$ 9,779,415	\$ 9,779,055	\$ 10,062,289	\$ 10,410,808
General & Administrative	\$ 513,029	\$ 702,239	\$ 1,102,699	\$ 1,103,059	\$ 947,295	\$ 928,064
Total Discover Contract	\$ 14,465,425	\$ 13,926,771	\$ 16,000,000	\$ 16,000,000	\$ 16,000,000	\$ 17,100,000
Marketing Stimulus/Incentive	\$ 43,627	\$ 97,514	\$ 19,884	\$ 32,960	\$ 27,637	\$ -
County Direct	\$ 309,047	\$ 265,998	\$ 393,735	\$ 393,735	\$ 393,735	\$ 339,321
Total Discover Expenses	\$ 14,818,099	\$ 14,290,283	\$ 16,413,619	\$ 16,426,695	\$ 16,421,372	\$ 17,439,321
Reserves	\$ 4,320,419	\$ 4,898,854	\$ 1,632,819	\$ 3,161,849	\$ 4,351,939	\$ 2,475,925
Total Discover Available Funds	\$ 19,138,518	\$ 19,189,137	\$ 18,046,438	\$ 19,588,544	\$ 20,773,311	\$ 19,915,246

Exhibit H

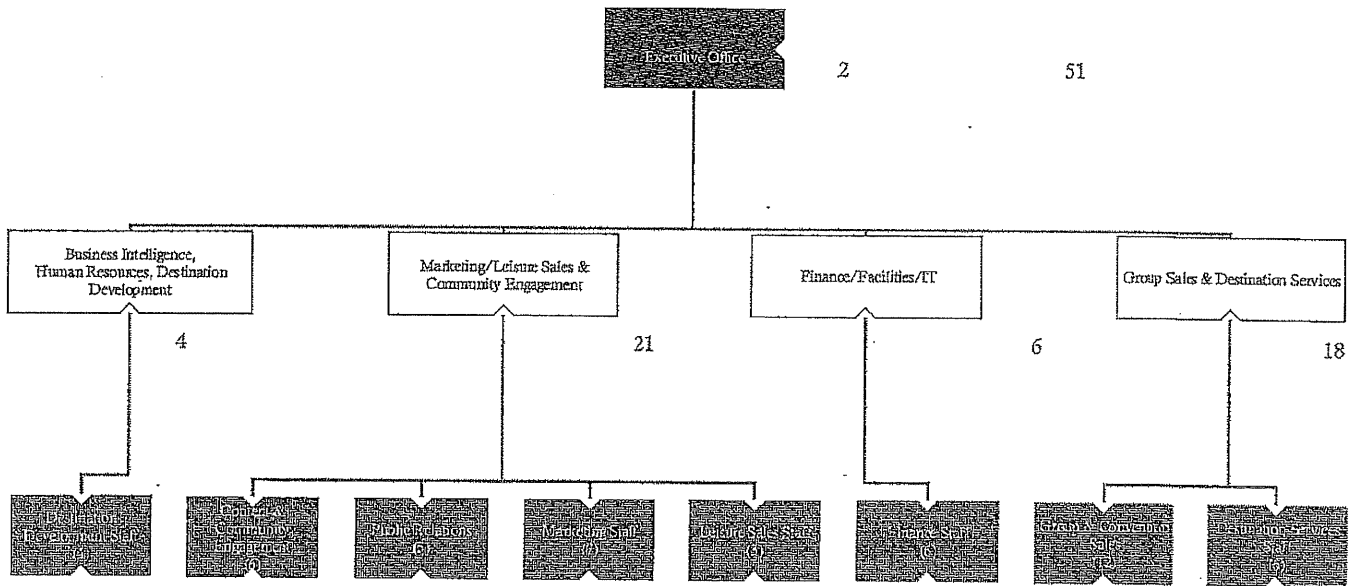
DISCOVER THE PALM BEACHES

Palm Beach County, FL

FY 2019 OBJECTIVES

	Actual FY17	Estimated FY18	Projected FY19	Type
<i>Marketing</i>				
• Increase Consumer and Travel Industry database to 375,375 records.	331,610	357,500	375,375	Demand
• Generate 1,680,000 unique visitors to the DPBC website.	1,391,032	1,600,000	1,680,000	Demand
• Generate 525,000 Social Engagements.	658,504	500,000	525,000	Demand
• Generate 650,000,000 Advertising Impressions - a universal performance measurement in advertising.	864,368,735	630,000,000	650,000,000	Output
• Generate 206,000,000 Earned Media Impressions - a universal performance measurement in PR.	1,988,101,684	200,000,000	206,000,000	Output
<i>Sales</i>				
• Book 148,000 DTPB only room nights (Hotel Meetings Leads).	145,104	145,000	148,000	Demand
• Generate 50,000 Group Level Booked Room Nights Convention Center Shared.	58,463	48,000	50,000	Demand
• Generate 30,000 Group Level Actual FY Room Nights for Convention Center Shared.	27,316	40,000	30,000	Input
• Generate 40 participants in Destination Reviews.	46	40	40	Output
• Generate 70 Destination Site Participations.	91	60	70	Output

Exhibit K
Discover The Palm Beaches
 FY2019 Organizational Chart





DISCPAL-01

URIBEA

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/13/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0E67768 Insurance Office of America, Inc. Abacoa Town Center 1200 University Blvd, Suite 200 Jupiter, FL 33458	CONTACT NAME: Annie Uribe PHONE (A/C, No, Ext): (561) 296-5966 26059 FAX (A/C, No): (561) 776-0670 E-MAIL ADDRESS: Annie.Uribe@ioausa.com													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Southern-Owners Insurance Company</td> <td>10190</td> </tr> <tr> <td>INSURER B : Auto-Owners Insurance Company</td> <td>18988</td> </tr> <tr> <td>INSURER C : Continental Casualty Company</td> <td>20443</td> </tr> <tr> <td>INSURER D : Travelers Casualty & Surety Company</td> <td>19038</td> </tr> <tr> <td>INSURER E : Scottsdale Insurance Company</td> <td>41297</td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Southern-Owners Insurance Company	10190	INSURER B : Auto-Owners Insurance Company	18988	INSURER C : Continental Casualty Company	20443	INSURER D : Travelers Casualty & Surety Company	19038	INSURER E : Scottsdale Insurance Company	41297	INSURER F :
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INSURER F :														
INSURED Discover Palm Beach County, Inc. dba Discover The Palm Beaches 2195 Southern Blvd Suite 400 West Palm Beach, FL 33406														

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			7270070617	10/01/2017	10/01/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 HNO AUTO \$ 1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			4740089100	10/01/2017	10/01/2018	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	5094636760	10/01/2017	10/01/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
D	Crime			105684996	10/01/2016	10/01/2019	Deductible \$10,000 \$ 2,000,000
E	Directors & Officers			EK13234436	10/01/2017	10/01/2018	Retention \$0 \$ 5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Palm Beach County Board of County Commissioners is additional insured with regards to General Liability insurance per form 55202 as required by written contract.

CERTIFICATE HOLDER

CANCELLATION

Palm Beach County Board of County Commissioners
 Attn: TDC
 2195 Southern Blvd
 Suite 500
 West Palm Beach, FL 33401

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

ACORD 25 (2016/03)

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