



AGENDA MEMORANDUM

Future Item for the City Council Meeting of September 22, 2015
Action Item for the City Council Meeting of September 29, 2015

DATE: September 4, 2015
TO: Ronald L. Olson, City Manager
FROM: Alyssa M. Barrera, Business Liaison – City Manager’s Office
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Motion authorizing the City Manager or designee to execute a Consulting Services Agreement with the Corpus Christi Convention and Visitors Bureau for a period ending September 30, 2018.

CAPTION:

Motion authorizing the City Manager or designee to execute an Amended Consulting Services Agreement with the Corpus Christi Convention and Visitors Bureau (CCCVB) for a period ending September 30, 2018.

PURPOSE:

The purpose of this item is to approve the FY 2016 Consulting Services Agreement with the Corpus Christi Convention and Visitors Bureau.

BACKGROUND AND FINDINGS:

On November 16, 2010, Council approved a five year Consulting Services Agreement with the CCCVB for a period extending from November 1, 2010 to July 31, 2015. Due to the City’s fiscal year change, there was an amendment that extended the agreement until September 30, 2015.

In discussions for a new agreement, the CCCVB requested modifications to the compensation formula. After researching best practices, no city was found to compensate their Convention and Visitors Bureau with the incentive formula included in our current agreement. Generally, cities allocate a specific percentage of their Hotel Occupancy Tax Revenues to the Convention and Visitors Bureau, depending on that community’s priorities. Incorporating the Council’s desire for transparency, Staff and the CCCVB agreed upon the changes below for a three-year Consulting Services Agreement.

In this update, the three key changes occur:

- Removal of Incentive Payment;
- Adjustment of HOT Share from 40% to 44%;
- Refinement of Scope of Services to reflect the CCCVB’s activities.

The CCCVB has stayed on top of tourism industry best practices and pursues opportunities to increase awareness and visibility of our community. The refined scope of services recognizes this expansion of tactics to accomplish the mission of the CCCVB; drive overnight visitors to Corpus Christi.

ALTERNATIVES:

An alternative was to maintain the Incentive Payment, however there was no benefit to this from a practicality, administrative or budgeting standpoint.

OTHER CONSIDERATIONS:

N/A

CONFORMITY TO CITY POLICY:

Financial Plan

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT:

X Operating Revenue Capital Not applicable

Fiscal Year: 2015-2016	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item		\$4,905,114		
BALANCE		\$4,905,114		

Fund(s): 1030-13800

Comments:

RECOMMENDATION:

Staff recommends approval of the motion to approve this Consulting Services Agreement with the Corpus Christi Convention and Visitors Bureau.

LIST OF SUPPORTING DOCUMENTS:

Agreement – FY 2016 CCCVB Consulting Services
Redlined Agreement – FY 2016 CCCVB Consulting Services.