

**AGREEMENT FOR THE ESTABLISHMENT OF A CONVENTION AND
VISITORS BUREAU BETWEEN
THE CITY OF SPRINGFIELD
AND
THE SPRINGFIELD AREA CHAMBER OF COMMERCE**

THIS AGREEMENT, made and entered into this _____ day of _____, 2005, by and between the City of Springfield, a municipal corporation (hereinafter "City") and the Springfield Area Chamber of Commerce (hereinafter "Chamber of Commerce") conducting and operating a division of the Chamber of Commerce known as the Convention and Visitors Bureau (hereinafter "CVB").

WHEREAS, the laws of the State of Minnesota, Minnesota Statute Section 477A.018 (1988), authorizes the City to impose a tax on the gross receipts of the furnishing of certain lodging, and

WHEREAS, the City, through the adoption of an Ordinance, established a mechanism for imposition and collection of the tax as authorized by law, and

WHEREAS, the purpose of the collection of said tax is to establish a source of funds to be expended by the City for the advertising and promoting of the City as a visitor and convention center, and

WHEREAS, the CVB has been established as a division of the Chamber of Commerce and has the staff, facility and experience to carry out these objectives.

I. ORGANIZATION

Convention and Visitors Bureau
Chamber of Commerce

- A. Purpose. The CVB is organized under the Chamber of Commerce to advance the economic impact of tourism in the Springfield area by attracting visitors, conventions, meetings, events and trade shows.
- B. Membership. Membership in the Chamber of Commerce shall be an eligibility requirement for appointments to the CVB Board, and Committee members shall be volunteers approved by the CVB Board.
- C. CVB Board.
 - 1. General Powers. The affairs of the CVB and the control and management of its property and business shall be managed by the CVB Board consistent with the By-Laws of the Chamber of

Commerce. Budget, policy decisions and the annual audit must be approved by the Chamber of Commerce Board of Directors.

2. Number, Tenure, and Qualifications. The CVB Board shall consist of one Representative from each lodging facility and three voting representatives from the Chamber of Commerce membership. Ex-official advisors shall be determined and selected by the CVB Board as needed.
3. Term of Office. The regular term of office of CVB Board members shall be three years. No Board member shall serve for more than six consecutive years of the CVB Board.
4. Meetings. Regular meetings of the CVB Board shall be held monthly at such place and hour as the CVB Board may determine.
5. Quorum. Three voting members of the CVB Board shall constitute a quorum for the transaction of business at any meeting of the CVB Board.

II **POLICY**

The CVB Board is responsible for establishing procedure and formulating policy of the organization consistent with and subordinate to the By-Laws of the Chamber of Commerce. It is also responsible for adopting all policies of the organization. These policies shall be maintained in a manual, to be reviewed and revised as necessary.

III. **FINANCES**

All money received shall be placed in a special operating fund of the Chamber of Commerce and shall be designed for the operation and activities of the CVB. The Chamber of Commerce shall establish and maintain separate books, records and bank accounts for the operation and activities of the CVB. The CVB shall not commingle its funds with the Chamber of Commerce or any other entity. The fiscal year shall begin January 1 and end December 31. All bank instruments must be co-signed by the CVB Chairperson and Treasurer.

IV **DUTIES**

The CVB shall furnish to the City the following services:

- A. Support staff to provide informational services in answering inquiries about the community via mail, telephone and personal contact.

- B. Conference planning and coordination assistance to organizations and businesses with the City.
- C. Distribute free brochures, maps and guides of the City to potential visitors and meeting planners.
- D. Promote Springfield as a tourist destination and convention center by advertising of the local hospitality industry and attractions.

V. **ANNUAL REPORT**

The CVB shall distribute an Annual Report to the City Council during the first quarter of each year.

VI. **HOLD HARMLESS**

Any and all employees of the Chamber of Commerce or the CVB, or any other persons, while engaged in the performance of any service required by the Chamber of Commerce, shall not be considered employees of the City, and any and all claims that may or might arise under the Workers Compensation Act of the State of Minnesota on behalf of said employees or other persons while so engaged, and any and all claims made by the third party as a consequence of any act or omission on the part of the Chamber, or its agents or employees or other persons while so engaged in any of the services provided to be rendered herein, shall in no way be the obligation or the responsibility of the City. In connection therewith, the Chamber of Commerce, hereby agrees to indemnify, save and hold harmless, defend the City and all its agents and employees thereof, from any and all claims, demands, actions or causes of action of whatever nature or character arising out of or by reason of the execution or the performances of the services provided in accordance with this agreement, excepting therefrom City duties relating to the collection of taxes.

VII. **BUDGET**

The annual budget submitted by the CVB to the City Council for its approval shall be approved or disapproved in total.

VIII. **EXPENDITURES**

It is understood by the parties that the CVB shall have the discretion to vary expenditures from the budget provided for herein when in its judgement the funds will best promote the tourist and convention activities within the City. The CVB shall not expend for services rendered under this agreement a sum in excess of 95% of the revenue collected by the City under the Ordinance imposing the Lodging Tax.

IX. **RECEIPTS OF FUNDS**

The City shall remit to the CVB at least 95% of the lodging tax payments received by the City by the tenth (10th) day of the month following the month of receipt.

X. **TERM**

The term of this agreement shall begin on the effective date of the Lodging Tax Ordinance and continue in effect until terminated by either party with 90 days advance written notice.

CITY OF SPRINGFIELD

By: _____
Its: City Clerk

By: _____
Its: Mayor

STATE OF MINNESOTA)
)ss
COUNTY OF BROWN)

On this _____ day of _____, 200 ____, before me, a notary public, within and for said county and state, personally appeared Amy Vogel and Mark Brown, the City Clerk and Mayor of the City of Springfield, a municipal corporation, under the laws of Minnesota, on behalf of the City of Springfield.

SPRINGFIELD AREA CHAMBER
OF COMMERCE

By: _____
Its:

By: _____
Its:

[illegible]

On this _____ day of _____, 200____, before me, a notary public, within and for said county and state, personally appeared _____ and _____; the _____ and _____ of the Springfield Area Chamber of Commerce, under the laws of Minnesota, on behalf of the Springfield Area Chamber of Commerce.
