

TO: James L. App, City Manager

FROM: Meg Williamson, Assistant City Manager

SUBJECT: Extension of Professional Service Contract – Big Red Marketing

DATE: January 7, 2014

NEEDS: For the City Council to consider authorizing extension of the professional service contract with Big Red Marketing on behalf of the Travel Paso Robles Alliance (TPRA).

- FACTS:
1. The BID and Travel Paso Robles Alliance (TPRA) was formed in December 2008 at the request of the Paso Robles hoteliers. The BID was formed via ordinance to allow the collection of a two percent (2%) Business Improvement Tax that would be used to implement marketing strategies identified by Paso Robles hoteliers.
 2. The TPRA has determined that in order to carry out its goals that it is necessary and desirable to engage the professional services of an independent administrator to guide the TPRA's marketing strategies. Those service needs include administrative oversight and sales generation activities under the general title of "Destination Manager."
 3. In February 2013 the City Council authorized a professional service contract with Big Red Marketing (Amanda Diefenderfer) for Destination Manager duties on behalf of the TPRA. This contract term aligns with the TPRA's 2013/14 fiscal year and would conclude on January 31, 2014.
 4. On November 26, 2013, the TPRA discussed and approved a 2014/15 Marketing Plan and Budget subject to Council's approval. They also recommended the extension of the professional service contract with Big Red Marketing to assist in implementation of that Marketing Plan. See attached memo dated November 18, 2013 addressing contract extension.
 5. The renewal of the BID levy has been scheduled for consideration at this same meeting of January 7, 2014. A renewal will set the scope of work & budget for the 2014/15 Marketing effort.
 6. The City provides administrative support to and coordinates tourism/hospitality efforts with the TPRA. However it is necessary to engage supplemental professional services to carry out the specialized focus and expanse of marketing work identified in the TPRA's 2014/15 Marketing Plan.

ANALYSIS &

CONCLUSION: The TPRA has indicted their confidence in Amanda Diefenderfer's service performance this past year. Her administrative oversight has helped in the coordination of multiple agency and special project efforts being spearheaded by the TPRA. Extension of the current contract for an additional year will facilitate the City's and hotelier recommended marketing efforts.

POLICY

REFERENCE: Economic Strategy; Ordinance 952 NS, forming the Tourism and Lodging Business Improvement District; BID Committee Bylaws; Streets and Highways Cod Sections 36500 et seq.; City Council Resolution 13-166 establishing intent to renew levy in 2014; scheduled City Council January 7, 2014 action to renew the BID levy and approve the TPRA's 2014/15 marketing scope and budget.

FISCAL

IMPACT: The BID assessment is collected on a monthly basis and accumulates in a separately maintained fund. The 2015/16 assessment levy is estimated to generate \$750,000 annually to be spent on marketing and promotions.

The TPRA's FY 2014/15 budget allocates up to \$65,000 for this Destination Manager service contract (includes an annual contract cost of \$59,000 and anticipated mileage expenses). There is no General Fund fiscal impact as a result of entering into a professional service contract with Big Red Marketing.

OPTIONS: a. For the City Council to adopt Resolution No.14-XXX authorizing the City Manager to extend the professional service contract with Beg Red Marketing through January 31, 2015 on behalf of the Travel Paso Robles Alliance (TPRA) Committee.

b. Amend, modify or reject above option.

Attachments:

1. Resolution authorizing the City Manager to extend the professional services contract with Big Red Marketing – for TPRA FY 2014/15
2. Scope of Work for "Destination Manager" services
3. TPRA Memo dated November 18, 2013 addressing extension of contract

RESOLUTION NO. 14-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AUTHORIZING THE CITY MANAGER TO EXTEND THE PROFESSIONAL SERVICE
CONTRACT WITH "BIG RED MARKETING" FOR SERVICES ON BEHALF OF THE TOURISM
AND LODGING PROMOTIONS BUSINESS IMPROVEMENT DISTRICT
FOR FISCAL YEAR 2014/15

WHEREAS, at the request of the lodging industry within Paso Robles, the Business Improvement District (BID) was created by Ordinance 952 NS in December 2008 and has been renewed annually by City Council action; and

WHEREAS, the City Council formed a seven (7) member BID Advisory Committee (also known as the Travel Paso Robles Alliance, or TPRA) and adopted bylaws under which that group would operate to implement tourism and promotion goals associated with the collection and spending of the two percent (2%) BID tax; and

WHEREAS, the TPRA oversees and guides the direction of BID fund spending and City staff provides fiduciary and administrative support; and

WHEREAS, the TPRA cannot, as an entity themselves, enter into contracts or make direct purchases, but the City can act as agent for those identified needs; and

WHEREAS, the TPRA has determined that in order to carry out its marketing goals that it is necessary/desirable to engage the professional services of an independent administrator ("Destination Manager") to guide the TPRA's marketing strategies; and

WHEREAS, at the recommendation of the TPRA, on February 19, 2013, the City Council authorized the City Manager to enter into a professional service contract with Big Red Marketing to perform administrative and strategic services to implement marketing and promotion goals established by the TPRA; and

WHEREAS, the TPRA's 2013/14 Marketing Plan and the contract with Big Red Marketing would conclude on January 31, 2014; and

WHEREAS, on November 26, 2013 the TPRA approved a 2014/15 Marketing Plan and budget subject to Council's renewal of the BID levy, and also recommended extension of the professional service contract with Big Red Marketing to carry out that plan; and

WHEREAS, on January 7, 2014 the City Council renewed the BID levy through January 31, 2015; and

WHEREAS, on January 7, 2014 the City Council approved the TPRA Marketing Plan and Budget for fiscal year 2014/15; and

WHEREAS, Big Red Marketing (Amanda Diefenderfer proprietor) represents that it is fully qualified to provide described services on behalf of the TPRA within a budget of \$65,000 for TPRA fiscal year 2014/15 (\$59,000 annual contract plus mileage expenses).

THEREFORE BE IT HEREBY RESOLVED that the City Manager is authorized to extend the professional service contract with Big Red Marketing through January 31, 2015, on behalf of the Travel Paso Robles Alliance, for administrative, strategic and sales/trade show related activities as described in the attached Scope of Work (Exhibit A).

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 7th day of January 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Duane Picanco, Mayor

Caryn Jackson, Deputy City Clerk

Destination Manager

Travel Paso Robles Alliance

Scope of Work
(as submitted by TPRA Board)

The overall role of this position will be to work in conjunction with the TPRA Advisory Board, City of El Paso de Robles, tourism industry partners and other stakeholders and organizations with a primary focus to:

- Act as administrator to support the TPRA Advisory Board and its members in all capacities to execute the plans and attain goals, including and not limited to financial growth and laying the groundwork for future success.
- Act as the Destination Manager (DM) to guide the organization to develop and implement strategies to increase occupancy consistent with the annual goals and objectives established by the Paso Robles Tourism and Lodging Promotions Business Improvement District and its annual Sales and Marketing plans.
- Act as the destination Sales Manager responsible for sales lead generation and qualification, solicitation through in-person sales calls as well as telemarketing and tradeshow. Follow through with members in a timely manner to assure the leads convert.

Scope of Work

Administrative:

- Communicate effectively with and between Advisory Board, City Council, Board of Supervisors, City and County liaison and staff, TPRA members, community leaders, and related tourism partners to maintain strong internal and external relationships
- Provide clear and concise recommendations through ongoing communication regarding direction, opportunities, challenges and progress to the TPRA Advisory Board
- Assist the Board in the selection, retention and management of professional services and vendors
- Take a visionary lead role in all activities and ensure TPRA actions are consistent with our strategic goals and direction
- Development and management of timeline and deliverables
 - o Monitor the progress of website development and implementation

- o Communicate with the marketing firm the vision of the TPRA to assist in the development of the Marketing Plan. Assist as needed to assure cohesiveness with the Sales Plan.
- o Work collectively with Marketing firm on timely collateral materials needed for tradeshow and other promotions
- o Execute promotional plans
- o develop measurement criteria and benchmarks
- Register and plan all aspects of industry tradeshow inclusive of materials and travel as directed in the Sales and Marketing plans
- Attendance to all meetings related to the TPRA, including monthly Board meetings and subcommittee meetings, PCC and Paso Robles City Council Board meetings.
 - o Prepare TPRA agenda and deliver to city Tourism Coordinator for posting and distribution in accordance with the Brown Act requirements
 - o Develop and distribute minutes of all TPRA Board meetings
- Represent the TPRA Board and its members by attending county wide events and related professional association meetings
- Prepare and assist with the presentation of the Year End Report to the City Council. Work with the city to manage timelines for the TPRA's annual renewal process.
- Develop and implement communication tools so that all members are informed of the TPRA progress and programs
 - o Create and maintain an accurate member inventory to include individual property contact information, property type and unit count
 - o Plan and coordinate annual event for TPRA members and partners to provide an annual overview
 - o Conduct annual site visits of all member properties and maintain regular communications with all members
- Maintain and provide timely budgets, actual receipts and expenditures information, with monthly progress reports to the TPRA Board
 - o Adhere to City guidelines and submit monthly contractor fee invoice and expenses with back up each month to financial subcommittee for approval. Once approved, submit to City liaison for processing
 - o Review all vendor invoices for accuracy and compliance to budget

Strategy:

- Take a visionary lead role in all activities and ensure TPRA actions are consistent with our strategic goals and direction
- Champion change and innovation to encourage diverse thoughts and contributions
- Participate in the creation and execution of:
 - o Coop opportunities
 - o Sales plan
 - o Marketing plan
 - o Budget development
- Collaborate with local events and tourism partners to maximize the opportunity for members and identify sponsorship opportunities

Sales

- Develop and implement annual Sales Plan as approved by board
- Create FAM trips for SMERF, Corporate and Association and tour markets
- Manage and execute site visits for all PR and sales leads
 - o Seek and coordinate lodging and restaurant partners as needed
 - o Create Welcome Gifts
 - o Provide site visits
 - o Coordinate meals with applicable members
- Actively manage the development and execution of the sales plan. Responsible for strategizing how to seek out, research and qualify business opportunities and sales leads with the purpose to produce definite bookings for members. Duties include preparation of bid proposals, meeting with potential clients, planning and participating in industry trade shows, and working with TPRA member representatives.
- Collaborate with the county VCB and other local stakeholders to ensure we minimize duplication of efforts and focus on how we can collectively increase tourism in the region
- Maximize travel to tradeshow by coordinating sales calls in the venue vicinity

TO: Travel Paso Robles Alliance

FROM: TPRA Subcommittee to Review DM Services Contract

SUBJECT: Big Red Marketing – Recommendation for Contract Extension

DATE: November 18, 2013

A subcommittee of the TPRA (Bill Roof and Angela McKee) and City staff (Meg Williamson) met today to discuss the scope of work performed thus far by Big Red Marketing for Destination Management Services for Paso Robles.

The performance of Big Red Marketing (Amanda Diefenderfer) was discussed in the context of the following primary scope of work contained in the professional contract for Destination Manager services:

- Act as an administrator to support the TPRA Advisory Board and its member in all capacities to execute the plans and attain goals, including and not limited to financial growth and laying the groundwork for future success.
- Act as the Destination Manager (DM) to guide the organization to develop and implement strategies to increase occupancy consistent with the annual goals and objectives established by the Paso Robles Tourism and Lodging Promotions Business Improvement District and its annual Sales and Marketing plans.
- Act as the destination Sales Manager responsible for sales lead generation and qualification, solicitation through in-person sales calls, as well as telemarketing and tradeshow. Follow through with members in a timely manner to assure the leads convert.

The committee concurred that Amanda's first eight (8) plus months under contract have been productive and met the service expectations for the TPRA/City marketing efforts. Amanda has been able to move some significant objectives forward (e.g. travel website redesign, exploration of TPRA non-profit status, and a marketing services RFP) all while building an appropriate foundation for the new functions of the DM role. The subcommittee agreed that Amanda's calm confidence, self-directed style, follow through, and communication style were valued skills. She has been a good steward for the BID funds/budget and is both responsive and inclusive in her problem solving skills. Also, Big Red Marketing has demonstrated the ability to fulfill the responsibilities requisite of the public agency structure that surrounds this role.

Recommendation:

Based on the effective execution, to date, of the DM contract scope of services, that the TPRA recommend to the City Council that they extend the professional services contract with Big Red Marketing for an additional 12 months, through January 31, 2015 at an annual cost of \$59,000.