



City of La Quinta

CITY / SA / HA / FA MEETING DATE: June 17, 2014

ITEM TITLE: APPROVE A CONTRACT SERVICES AGREEMENT WITH THE LA QUINTA ARTS FOUNDATION

AGENDA CATEGORY:

BUSINESS SESSION:

CONSENT CALENDAR: 14

STUDY SESSION:

PUBLIC HEARING:

RECOMMENDED ACTION:

Approve a Contract Services Agreement with the La Quinta Arts Foundation for the 2015 La Quinta Arts Festival and various other special events, and authorize the City Manager to execute the Agreement.

EXECUTIVE SUMMARY:

- Annually, the City and the La Quinta Arts Foundation (Foundation) negotiate an agreement wherein the City provides funding to promote Foundation events.
- The events provide opportunities to market the community and attract users who patronize La Quinta businesses.
- The 2015 Agreement (Attachment 1) covers the Arts Festival and Art Under the Umbrellas events.

FISCAL IMPACT:

The Agreement is in the amount of \$103,130. Community Services has budgeted \$127,150, which includes an exemption for Facility Use Fees in the amount of \$24,020.

This year, the City received \$45,558 in combined sales tax and business license revenue from the Art Under the Umbrellas and Arts Festival. Last year, a Patron Profile survey completed by the Foundation indicated that transient occupancy tax and sales tax from shopping, dining, lodging and art purchases created approximately \$30 million in revenue. The Foundation prepared an economic

development analysis of their events identifying that the direct benefit to the City is \$172,493 (Attachment 2).

BACKGROUND/ANALYSIS:

The City and Foundation have had a partnership since 1987. During this time, the City contracted with the Foundation to market the community. The rationale for this partnership is that Foundation events advertise La Quinta and attract users to La Quinta businesses. The proposed Agreement will fund promotion of special events in the Village and marketing activities for the 2015 La Quinta Arts Festival.

The Agreement provides that the City will be the Premier Sponsor of the La Quinta Arts Festival and the City name will be prominently displayed on print and web materials and in a full-page advertisement in the event program. The Foundation is to provide the City with a comprehensive marketing plan. The 2013/14 report is attached (Attachment 3). The marketing plan outlines methods used by the Foundation to promote the event and City. Staff at both agencies are working together to increase the collaborative marketing efforts for the Art Under the Umbrellas and the Art Festival.

The Foundation also agrees to maintain an Artist's Registry for the City that can be accessed by developers who desire artwork for their projects.

ALTERNATIVES:

The alternatives to the recommended action entail modifying the services or funding level.

Report prepared by: Tustin Larson, Recreation Supervisor

Report approved for submission by: Edie Hylton, Community Services Director

- Attachments:
1. Agreement
 2. Foundation's Analysis Report
 3. Foundation's 2013/14 Final Report

CONTRACT SERVICES AGREEMENT

THIS CONTRACT SERVICES AGREEMENT (the "Agreement") is made and entered into as of, _____, 2014 by and between the CITY OF LA QUINTA, a California municipal corporation ("City"), and LA QUINTA ARTS FOUNDATION ("Contractor").

RECITALS

A. City desires to utilize the services of Contractor as an independent contractor to promote the City by creating and producing the La Quinta Arts Festival and various special events and activities (collectively, the "LQAF Events").

B. Contractor represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

C. City desires to retain Contractor, and Contractor desires to serve City to perform these services subject to the terms contained herein and all applicable local, state and federal laws and regulations.

NOW, THEREFORE, in consideration of the performance by the parties of the mutual promises, covenants, and conditions contained herein, the parties agree as follows:

1.0 SERVICES OF CONTRACTOR

1.1. Scope of Services. In compliance with all terms and conditions of this Agreement, Contractor shall promote the City by creating and providing those LQAF Events specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference (collectively, the "services" or "work"). Contractor warrants that all services will be performed in a competent, professional, and satisfactory manner in accordance with the standards prevalent in the industry for such services.

1.2. Compliance with Law. All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, regulations and laws of the City of La Quinta and any Federal, State or local governmental agency of competent jurisdiction.

1.3. Licenses, Permits, Fees and Assessments. Except as otherwise specified herein, Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall be responsible for ensuring that LQAF Event vendors have proper permits, licenses, and approvals as may be required by all applicable laws and ordinances. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which

may be imposed by law and arise from or are necessary for the performance of the services required by this Agreement.

1.4. Familiarity with Work. By executing this Agreement, Contractor warrants that (a) it has thoroughly investigated and considered the work to be performed, (b) it has investigated the site of the work and fully acquainted itself with the conditions there existing, (c) it has carefully considered how the work should be performed, and (d) it fully understands the facilities, difficulties and restrictions attending performance of the work under this Agreement. Should Contractor discover any latent or unknown conditions materially differing from those inherent in the work or as represented by City, it shall immediately inform City of such fact and shall not proceed except at Contractor's risk until written instructions are received from the Contract Officer (as defined in Section 4.2 hereof).

1.5. Standard of Care. Contractor acknowledges and understands that the services and work contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Contractor's services and work will be held to a heightened standard of quality and workmanship. Consistent with Section 1.4 hereinabove, Contractor represents to City that it holds the necessary skills and abilities to satisfy the heightened standard of work as set forth in this Agreement. Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work performed by Contractor, and the equipment, materials, papers and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence. The performance of services by Contractor shall not relieve Contractor from any obligation to correct any incomplete, inaccurate or defective work at no further cost to City, when such inaccuracies are due to the negligence of Contractor.

1.6. Special Requirements. Additional terms and conditions of this Agreement, if any, are set forth in Exhibit "D" (the "Special Requirements") which is incorporated herein by this reference and expressly made a part hereof. In the event of a conflict between the provisions of the Special Requirements and any other provisions of this Agreement, the provisions of the Special Requirements shall govern.

2.0 COMPENSATION

For the services rendered pursuant to this Agreement, Contractor shall be compensated in accordance with Exhibit "B" (the "Schedule of Compensation") in a total amount of One Hundred Three Thousand, One Hundred Thirty Dollars and Zero Cents (\$103,130.00) (the "Contract Sum") to be paid upon execution of this Agreement.

3.0 PERFORMANCE SCHEDULE

3.1. Time of Essence. Time is of the essence in the performance of this Agreement.

3.2. Schedule of Performance. All services rendered pursuant to this Agreement shall be performed diligently and within the time period established in Exhibit "C" (the "Schedule of Performance"). Extensions to the time period specified in the Schedule of Performance may be approved in writing by the Contract Officer.

3.3. Force Majeure. The time period specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Contractor, including, but not restricted to, acts of God or of the public enemy, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, acts of any governmental agency other than City, and unusually severe weather, if Contractor shall notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the forced delay when and if in his or her judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

3.4. Term. Unless earlier terminated in accordance with Section 8.6 of this Agreement, this Agreement shall commence on July 1, 2014 and terminate on June 30, 2015.

4.0 COORDINATION OF WORK

4.1. Representative of Contractor. The following principals of Contractor are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

- a. Christi Salamone, Executive Director
Email: christi@lqaf.com
- b. La Quinta Arts Foundation President

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder.

The foregoing principals may not be changed by Contractor and no other personnel may be assigned to perform the service required hereunder without the

express written approval of City, which approval shall not be unreasonably withheld.

4.2. Contract Officer. The Contract Officer shall be Frank J. Spevacek, City Manager or such other person as may be designated in writing by the City Manager of City. It shall be Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer.

4.3. Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for City to enter into this Agreement. Except as set forth in this Agreement, Contractor shall not subcontract with any other entity to perform in whole or in part the services required hereunder without the express written approval of Contract Officer. In addition, neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of City. Any attempted or purported assignment or sub-contracting by Contractor without the City's express written approval shall be null, void and of no effect. Notwithstanding this general prohibition, Contractor shall be permitted to subcontract for the following ancillary services: security services, fencing, traffic control, food and beverage vendors, parking-related services, and similar ancillary services which were provided by subcontract in connection with the 2013/2014 LQAF Events.

4.4. Independent Contractor. Neither City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth. Contractor shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall have no power to incur any debt, obligation, or liability on behalf of City. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. Contractor agrees to pay all required taxes on amounts paid to Contractor under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contractor shall fully comply with the workers' compensation laws regarding Contractor and Contractor's employees. Contractor further agrees to indemnify and hold City harmless from any failure of Contractor to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any fees due to Contractor under this Agreement any amount due to City from Contractor as a result of Contractor's failure to promptly pay to City any reimbursement or indemnification arising under this Section 4.4.

4.5. City Cooperation. City shall provide Contractor with any plans, publications, reports, statistics, records or other data or information pertinent to services to be performed hereunder which are reasonably available to Contractor only from or through action by City.

5.0 INSURANCE

5.1. Insurance. Prior to the beginning of any Work under this Agreement and throughout the duration of the term of this Agreement, Contractor shall procure and maintain, at its sole cost, and submit concurrently with its execution of this Agreement, insurance as described herein. All insurance coverage required by this Agreement shall be placed with insurers authorized to do business in the State of California with an A.M. Best and Company rating level of A- or better, Class VI or better, unless otherwise approved by the City's Risk Manager in writing.

5.1.1. Minimum Coverage. Insurance shall include the following (or broader) coverage:

- a. Insurance Services Office Commercial General Liability coverage "occurrence" form CG 00 01 or its equivalent with an edition date prior to 2004 and with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
- b. Insurance Services Office form number CA 0001 or equivalent covering Automobile Liability, including hired and non-owned automobile liability with a minimum limit of \$1,000,000 per accident. If Contractor owns no vehicles, this requirement may be satisfied by a non-owned and hired auto endorsement to Contractor's commercial general liability policy.
- c. Contractor shall carry Workers' Compensation Insurance complying with California's worker's compensation laws, including statutory limits for workers' compensation and an Employer's Liability limit no less than \$1,000,000 per accident or disease.

5.1.2. Required Endorsements. Commercial General Liability insurance policies required to be provided by Contractor hereunder shall contain or be endorsed to contain the following provisions:

- a. City, its employees, officials, agents and member agencies shall be covered as additional insureds. Coverage shall apply to any and all liability arising out of the LQAF Event or related to the Contract. Additional insured status under the general liability requirement shall be provided on Insurance Services Office Form CG 20 10 with an edition date prior to 2004, or its equivalent. Additional insured status for completed operations shall be provided either in the additional

insured form or through another endorsement such as CG 20 37 with an edition date prior to 2004.

b. General and automobile liability insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage will not be limited to City's vicarious liability.

c. Liability coverage shall be primary and non-contributing with any insurance maintained by the City.

d. Each policy required hereunder, and the associated evidence of coverage (including the workers' compensation and employer's liability policies), shall provide that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after prior written notice has been given to City. Such provision shall not include any limitation of liability of the insurer for failure to provide such notice.

e. No liability insurance coverage provided to comply with this Agreement shall prohibit Contractor, or Contractor's employees, or agents, from waiving the right of recovery prior to a loss. Contractor waives its right of recovery against City.

5.1.3. No Waiver or Obligation. There shall be no recourse against City for payment of premiums or other amounts with respect to the insurance required to be provided by Contractor hereunder. Any failure, actual or alleged, on the part of City to monitor compliance with these requirements will not be deemed as a waiver of any rights on the part of City. City has no additional obligations by virtue of requiring the insurance set forth herein. In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor or City will withhold amounts sufficient to pay premium from Contractor payments.

5.1.4. Prompt Notice. Contractor agrees to provide immediate notice to City of any claim or loss against Contractor arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City

5.1.5. Subcontractors. Contractor shall include all subcontractors, if any, as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor approved by City. All coverages for subcontractors, if any, shall be subject to all of the requirements stated herein unless otherwise approved in advance in writing by City's Risk Manager.

6.0 INDEMNIFICATION

6.1 Indemnification. To the fullest extent permitted by law, Contractor shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents (“Indemnified Parties”) from and against any and all liability, claims, suits, actions arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, actual attorney fees incurred by City, court costs, interest, defense costs including fees of expert Contractors or expert witnesses incurred in connection therewith and any other costs or expenses of any kind whatsoever incurred in relation to, as a consequence of or arising out of or in any way attributable in whole or in part to the performance of this agreement. All obligations under this provision are to be paid by Contractor as the City incurs them.

6.1.1. Exception to Contractor’s Obligation to Indemnify. Without affecting the rights of City under any provision of this Agreement or this section, Contractor shall not be required to indemnify and hold harmless City as set forth above for liability attributable to the sole fault of City, provided such sole fault is determined by agreement between the parties or by the findings of a court of competent jurisdiction. This exception will apply only in instances where City is shown to have been solely at fault and not in instances where Contractor is solely or partially at fault or in instances where City’s fault accounts for only a percentage of the liability involved. In those instances, the obligation of Contractor will be all-inclusive and City will be indemnified for all liability incurred, even though a percentage of the liability is attributable to conduct of the City.

6.1.2. Contractor Acknowledgment. Contractor acknowledges that its obligation pursuant to this section extends to liability attributable to City, if that liability is less than the sole fault of City.

6.1.3. Indemnity Provisions for Subcontractors. Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor, sub tier contractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance of this Agreement. In the event Contractor fails to obtain such indemnity obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section.

6.1.4. No Waiver; Survival. Failure of City to monitor compliance with the requirements of this Section 6.1 imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. Contractor’s obligation to indemnify and defend City as a set forth herein is binding on the successors, assigns, or heirs of Contractor and shall survive the termination of this Agreement or this section.

6.2. Remedies. In addition to any other remedies City may have if Contractor fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

- a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement.
- b. Order Contractor to stop work under this Agreement and/or withhold any payment(s) which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- c. Terminate this Agreement.

Exercise of any of the above remedies, however, is an alternative to any other remedies City may have. The above remedies are not the exclusive remedies for Contractor's failure to maintain or secure appropriate policies or endorsements. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractors' performance of work under this Agreement.

7.0 RECORDS AND REPORTS

At conclusion of the contract period, Contractor shall prepare and submit to the Contract Officer a report concerning Contractor's performance of the services required by this Agreement, listing event attendance and sales results and marketing efforts.

7.1. Records. Contractor shall keep such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the cost and the performance of such services. Books and records pertaining to costs shall be kept and prepared in accordance with generally accepted accounting principles. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

7.2. Contractor Ownership of LQAF Events and Related Documents. The parties agree that: (a) this Agreement is a contract for the performance of the services by Contractor to City; (b) the LQAF Events and all documents and other materials prepared by Contractor in connection therewith are owned by Contractor and not the City; and (c) City shall have no ownership of the LQAF Events and such documents and other materials.

7.3. Release of Documents. The drawings, specifications, reports, records, documents and other materials prepared by Contractor in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer or as required by law. Contractor shall not

disclose to any other entity or person any information regarding the activities of City, except as required by law or as authorized by City.

7.4. Confidentiality. Contractor covenants that all data, documents, discussion, or other information, if any, developed or received by Contractor or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Contractor to any person or entity without prior written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Contractor's covenant under this section shall survive the termination of this Agreement. Contractor's audited financial statement required to be provided to the City pursuant to this Agreement shall not be released to the public unless the release is required by the California Public Records Act, Government Code section 6250, *et seq.*, the Brown Act, Government Code section 54950 *et seq.*, or pursuant to subpoena or court order. Whether the financial statement is required to be provided to a member of the public is a determination to be made solely by the City Attorney. If the City receives a request for the financial statement, the City will promptly notify Contractor and Contractor promptly may: (a) submit any legal argument it wishes to be reviewed to the City Attorney regarding whether or not the document is subject to disclosure; or (b) seek a protective order. Contractor recognizes that the City, by law, generally has only 10 days to respond to a request under the Public Records Act. Nothing in this paragraph shall prohibit the City from complying with the Public Records Act or any subpoena or court order in the manner determined appropriate by the City Attorney. Nothing in this Agreement shall prohibit the Contract Officer from utilizing the information contained in the financial statement as he/she deems appropriate in carrying out his/her official City duties, including, but not limited to, disclosing any information deemed relevant to the City Council at a public meeting.

8.0 ENFORCEMENT OF AGREEMENT

8.1. California Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2. Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefore. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the Contract Officer; provided that if the default is an immediate danger to the health, safety and general welfare, City may take such

immediate action as City deems warranted. Compliance with the provisions of this section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause.

8.3. Waiver. No delay or omission in the exercise of any right or remedy of a non defaulting party on any default shall impair such right or remedy or be construed as a waiver. City's consent or approval of any act by Contractor requiring City's consent or approval shall not be deemed to waive or render unnecessary City's consent to or approval of any subsequent act of Contractor. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

8.4. Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

8.5. Legal Action. In addition to any other rights or remedies, either party may take legal action, at law or at equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.6. Termination Prior to Expiration of Term. This section shall govern any termination of this Agreement. City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Contractor. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Contractor shall be entitled to retain all compensation theretofore paid to Contractor hereunder.

8.7. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the losing party.

9.0 CITY OFFICERS AND EMPLOYEES; NONDISCRIMINATION

9.1. Non-liability of City Officers and Employees. No officer or employee of City shall be personally liable to Contractor, or any successor in interest, in the event or any default or breach by City or for any amount which may become due to Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2. Conflict of Interest. No officer or employee of City shall have any personal interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his or her personal interest or the interest of any corporation, partnership or association in which she or he is, directly or indirectly, interested, in violation of any State statute or regulation. Contractor warrants that it has not paid or given and will not pay or give any third party any money or general consideration for obtaining this Agreement.

9.3. Covenant Against Discrimination. Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

10.0 MISCELLANEOUS PROVISIONS

10.1. Notice. Any notice, demand, request, consent, approval, communication either party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this section.

To City:

CITY OF LA QUINTA
Attn: Frank J. Spevacek
78495 Calle Tampico
La Quinta, CA 92253

To Contractor:

LA QUINTA ARTS FOUNDATION
Attn: Christi Salamone
78150 Calle Tampico, Suite 215
La Quinta, CA 92253

10.2. Integrated Agreement. This Agreement contains all of the agreements of the parties and all previous understanding, negotiations and agreements are integrated into and superseded by this Agreement.

10.3. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail except as otherwise provided in Section 1.7.

10.4. Amendment. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing signed by both parties.

10.5. Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

10.6. Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF LA QUINTA,
a California municipal corporation

LA QUINTA ARTS FOUNDATION

FRANK J. SPEVACEK, City Manager

By: _____

Name: _____

Dated: _____

Title: _____

Dated: _____

ATTEST:

SUSAN MAYSELS, City Clerk

APPROVED AS TO FORM:

M. KATHERINE JENSON, City Attorney
City of La Quinta, California

Exhibit A
Scope of Services

Promote the City by providing the following LQAF Events for Fiscal Year 2014/2015 Season:

La Quinta Arts Festival (the "Festival"): A four-day outdoor fine arts festival to be held **March 5 through 8, 2015** at the La Quinta Civic Center Campus.

Marketing services for the above include an extensive marketing plan provided to the City wherein the name "City of La Quinta" and the official City logo will be prominently displayed as a Premier Sponsor where reasonably possible. Said coverage may include, but is not limited to: newspapers, magazines, radio and television advertising, as well as billboards, fine art posters (excluding Festival Commemorative Poster for retail sale), and high quality program commemorating the event and the City of La Quinta as a Premier Sponsor.

Contractor shall provide a link to the City of La Quinta's website on Contractor's website. Contractor will send out email blasts promoting the events and activities and share the information with the City to send out additional email information.

The City will receive a full page in the Festival's 2015 program. Graphic design may be provided by Contractor at request of the City.

Banners will be provided by Contractor and placed in various locations throughout the City. The Planning Department will review the placement of the banners and approve the locations. The Public Works Department will install and remove the banners in the Village. If banners are installed at various intersections throughout the City, Old Town, and the Civic Center Campus it will be the responsibility of Contractor.

Contractor will promote the following additional LQAF Events:

Art Under the Umbrellas at Old Town La Quinta, October 25, November 15, November 29, 2014, January 10, January 17, February 7, February 14, March 21, 2015.

Artist's Registry. Contractor will provide an Artist Registry available to the City and local Developers at no charge. Such Registry will provide access to local and regional artists that voluntarily elect to be listed and provide direct contact information. The City may access such Registry to solicit proposals for the Art in Public Places Program and may seek support by Contractor for expertise regarding artist selection.

Contractor will provide the City with an Audited Financial Statements for Contractor's 2013/2014 fiscal year no later than December 1, 2015.

The following tickets will be provided to the City Manager's office:

ARTISTS FESTIVAL RECEPTION

Ten Tickets for the City Council and spouses.

Five Tickets for the Community Services Commission.

Five Tickets for Key Staff involved in event development

ART FESTIVAL

Ten Tickets for the City Council and spouses.

Ten Tickets for the Community Services Commission and spouses.

Ten Tickets for staff involved in event development.

Fifty tickets for distribution by the City Manager.

Exhibit B
Schedule of Compensation

Payment for the services rendered pursuant to this Agreement shall be compensated in an amount of **One Hundred Three Thousand, One Hundred Thirty Dollars and Zero Cents (\$103,130.00)**, payable upon execution of this Agreement.

Exhibit C
Schedule of Performance

Subject to the provisions of Section 8.6 of the Agreement, Contractor shall complete all services within the term of this agreement.

Exhibit D
Special Requirements

None.

**LA QUINTA ARTS FOUNDATION ACTIVITIES
RETURN TO LA QUINTA**

The 2013 Survey reported that while in La Quinta for the La Quinta Arts Festival, patrons spent an average of \$1,063 above the cost of art purchases, potentially generating \$26.5 million in economic activity. Adding Art Under the Umbrellas brings total activity to \$30 million.

La Quinta Arts Festival 2014 Attendance 25,000

52.2% = 13,050 Patrons expressly in La Quinta to attend La Quinta Arts Festival

LA QUINTA ARTS FESTIVAL PATRONS & ARTISTS SPENT \$5+ MILLION ON LODGING

TOT - Festival Patrons

Festival Patrons reported spending \$423 per person on hotels, resort lodging

45.8% = 11,450 Patrons are from outside of the Coachella Valley = \$4,843,350

4.6% = 527 Stayed in La Quinta hotels, resorts = \$222,921/\$22,300 TOT \$ 22,300

TOT – Artists

234 Participating Artists, 150 Artist Assistants = 384 Artist Delegation

200+ of the delegation are from outside of the Coachella Valley

200+ Stay in hotels, resorts, minimum 5 nights/\$250 night = \$250,000/\$25,000 TOT

22+ Artists stayed in La Quinta hotels, resorts = 27,500 \$ TOT captured \$ 2,750

TOT Potential Capture \$572,500

TOT Captured \$25,050

LA QUINTA ARTS FESTIVAL PATRONS & ARTISTS SPENT \$16+ MILLION ON FOOD GAS, VEHICLE RENTAL, GROCERY, RETAIL & ENTERTAINMENT IN ADDITION TO ART PURCHASES

SALES TAX

Festival Art Sales 2014 \$3.1 million = \$31,000 \$ 31,000

Festival Food & Beverage & Retail Sales \$155,202 = \$1,552 \$ 1,552

Festival Patrons reported spending \$640 on dining, gas, grocery, retail, etc. in La Quinta

25,000 x \$640 = \$16,000,000

11,450 out of area visitors x \$640 = \$7,328,000 \$ 73,280

Artists 200 x \$640 = \$128,000 \$ 1,280

Local residents=13,550 x \$150 (conservatively) = \$2,032,500 \$ 20,325

La Quinta Arts Festival Sales Tax Generation = \$125,885

ART UNDER THE UMBRELLAS

Attendance = 20,000, Participating Artists 80 per show

Art Purchases Sales Tax = \$825,632 = \$8,256 \$ 8,256

AUU Patron Spending= 10,000 x \$50 (conservatively) = \$500,000 = \$5,000 \$ 5,000

Artist Room Nights= 10 artists x 8 shows x 1 night=\$20,000, TOT \$2,000 \$ 2,000

Artist Spending Sales Tax - Artists buy coffee, lunch, gas, etc. (conservatively) \$ 500

Artist/Vendor License Fees Collected

250 artists/vendors x \$15 = \$3,750 \$ 3,750

Permit, Inspection, Staff, Rental Fees = \$500 \$ 500

TOTAL DIRECT RETURN TO CITY OF LA QUINTA \$172,493

April 28, 2014

Mr. Frank Spevacek, City Manager
City of La Quinta
P. O. Box 1504
La Quinta, CA 92247



Re: 2013-14 Contract Services Agreement Final Report

Dear Frank,

In accordance with the provisions of the Contract Services Agreement, may this report and the enclosed materials serve as our proof of performance for value returned to the City for your sponsorship of \$103,130.

With a confidence rating of 95% the data gathered by the 2013 Patron Survey verified La Quinta Arts Foundation activities generate \$30 million in economic impact, with conservatively a \$170,705 current direct return to the City of La Quinta.

La Quinta Arts Festival

In January 2014, for the second year in a row, La Quinta Arts Festival was awarded the *#1 Fine Art Festival in the US* by Art Fair SourceBook. An added honor, *#1 Fine Craft in the US* designation was also bestowed by Art Fair SourceBook – the first time any event received this dual distinction!

- 2014 Attendance 25,000
- Festival patrons and artists spent \$5+ million on lodging
- Festival patrons spent \$16+ million on food, gas, vehicle rental, retail and entertainment
- Festival patrons spent \$3.1 million on art purchases
- Potential TOT capture \$500,000+
- La Quinta Arts Festival sales tax generation \$126,630

Art Under the Umbrellas

Art Under the Umbrellas at Old Town La Quinta posted a series of 8 events during the 2013/14 season. Merchants in Old Town report significant increase in business during these events; restaurants indicating 5 times normal business.

- 2014 Attendance 20,000
- Patron spending \$500,000+
- Art Sales \$825,632
- TOT capture artist stays \$4,000
- Sales Tax generation \$5,825

In addition, City of La Quinta collected license, permit and inspection, personnel costs and rental fees associated with the event of \$4,250.

The community derived additional benefit from LQAF's involvement in continued art programming at the Wine Bar at Old Town, The Art of Fashion at Chico's El Paseo, an exhibition at Citrus Resort & Club and the Art in Public Places Registry. LQAF further engaged the community to participate in creative activities; the holiday decoration

contest (cash prize and festival tickets awarded to a North La Quinta resident) and the on-going monthly photography contest. These incentivized activities are free, open to all, and promote positive participation through creativity and learning.

Hundreds of elementary school students benefitted from the Foundation's free art history instruction and visual art scholarships were awarded totaling \$57,750 bringing the grand total to \$1.1million.

The City of La Quinta was prominently featured in LQAF's comprehensive print, broadcast and digital marketing efforts (totaling \$169,902 – see attached) which effectively drew visitors and patrons to shop, dine, play and stay in La Quinta. LQAF made great efforts to digitally share and link to and repurpose City content from PlayinLaQuinta.com. LQAF researched and wrote several blog contributions about the City's Art in Public Places holdings for PlayinLaQuinta.com.

Working with the CVB, LQAF expanded western states, Canada and regional marketing efforts; securing an Oregon Tour Company's first ever 50 passenger bus trip to La Quinta. We produced a direct mail campaign and purchased digital and coordinating print advertising targeted at prime Inland Empire and Coastal cities.

LQAF.com's digital communication efforts demonstrated steady growth across all metrics and higher than industry average engagement rates:

- Visits up nearly 5%, or 2,500 to 53,932
- Over 1,000 new first time visitors
- 10% increase in pages viewed per visit (3 pages)
- 11% increase in visit duration
- E-blast visits (number directed by email blasts) up 30%
- Mobile referral traffic up 1000%

Facebook Engagement

5,399 Likes on LQAF Facebook Page

Industry averages for demonstration of LQAF's campaign effectiveness

Entertainment Industry – Average CTR 0.439%

Travel & Leisure – Average CTR 0.263%

Non-Profit – Average CTR 0.205%

LQAF Facebook Ad Buys (Velomedia)

Coachella Valley: CTR 4.495% = 153,390 impressions

Inland Empire: CTR 2.585% = 323,156 impressions

West Los Angeles: CTR 2.753% = 519,307 impressions

La Jolla: CTR 2.692% = 302,084 impressions

Desert Sun Digital Campaign yielded an additional 200,000+ impressions thru a combination of mydesert.com, yahoo.com and other resource targeting.

La Quinta Arts Festival 2015 has the potential to significantly boost direct return to the City as we are specifically scheduling the event not to conflict with the BNP Paribas Open. We anticipate this will translate to more available La Quinta based capacity to accommodate visiting patrons and artists and greater community participation.

La Quinta Arts Festival's ranking as the premier arts festival in the nation plus the unprecedented success of all LQAF events is attributed to the high quality of exhibiting artists, the savvy of our art patrons and the loyal support of the community—above all the City of La Quinta. We are proud to continue the tradition of *Promoting and Cultivating the Arts*, contributing to the superior quality of life and advancement of the City of La Quinta.

Sincerely,

A handwritten signature in cursive script that reads "Christi Salamone". The signature is written in black ink and has a fluid, connected style.

Christi Salamone, Executive Director

c: Mayor Don Adolph, Council Members Evans, Franklin, Henderson, Osborne
Edie Hylton, Director, Community Services

MEDIA	Description	Type	OCT 26th	NOV 16 & 30	JAN 11 & 18	FEB 1st & 15th	MAR 22nd	TOTAL
ART UNDER UMBRELLAS								
THE DESERT SUN	Broadsheet - Thurs. Local	3 col.x 6.5"	\$282.75	\$565.50	\$565.50	\$565.50	\$282.75	2,262.00
	<i>Pub Date</i>		<i>Oct 24</i>	<i>Nov 14 & 28</i>	<i>Jan 9 & 16</i>	<i>Jan 30 & Feb 13</i>	<i>Mar 20</i>	
	<i>Due Date</i>		<i>Oct 10</i>	<i>Oct 31 & Nov 14</i>	<i>Dec 23 & Jan 2</i>	<i>Jan 23 & Jan 30</i>	<i>Feb 27</i>	
	Weekend Section/Fri.	3 col.x 6.5"	\$282.75	\$565.50	\$565.50	\$565.50	\$282.75	2,262.00
	<i>Pub Date</i>		<i>Oct 25</i>	<i>Nov 15 & 29</i>	<i>Jan 10 & Jan 17</i>	<i>Jan 31 & Feb 14</i>	<i>Mar 21</i>	
	<i>Due Date</i>		<i>Oct 10</i>	<i>Oct 31 & Nov 14</i>	<i>Dec 23 & Jan 2</i>	<i>Jan 23 & Jan 30</i>	<i>Feb 27</i>	
	Broadsheet-Sat. Local	3 col.x 6.5"	\$282.75	\$565.50	\$565.50	\$565.50	\$282.75	2,262.00
	<i>Pub Date</i>		<i>Oct 26</i>	<i>Nov 16 & 30</i>	<i>Jan 11 & Jan 18</i>	<i>Feb 1 & Feb 15</i>	<i>Mar 22</i>	
	<i>Due Date</i>		<i>Oct 10</i>	<i>Oct 31 & Nov 14</i>	<i>Dec 23 & Jan 2</i>	<i>Jan 23 & Jan 30</i>	<i>Feb 27</i>	
TOTAL DESERT SUN			\$848.25	\$1,696.50	\$1,696.50	\$1,696.50	\$848.25	6,786.00
DESERT ENTERTAINER		1/4 pg, 4/C	\$315	\$630	\$630	\$630	\$315	2,520.00
CANADA SOUTH MAGAZINE	<i>1/4pg. Full color</i>			\$250				250.00
DESERT ART SCENE	<i>combined 2pgs. 4/c</i>			\$400				400.00
TRAVEL HOST	<i>combined 2/3 pg. 4/c</i>		\$625					625.00
THE GEM	<i>1/2 pg.</i>			671.50				671.50
TOTAL OTHER PUBLICATIONS			940.00	1,951.50	630.00	630.00	315.00	4,466.50
RADIO .30 SPOT								
KJJZ-FM	Adult Jazz		10/23 to 26 (12 x)	11/13 to 16 (24x)	1/8 to 1/11 (24x)	1/29 to 2/1 (24x)	3/19 to 22 (12x)	
			\$300	\$600	\$600	\$600	\$300	2,400.00
OASIS	Soft Contemporary		(12 x)	(24 x)	(24 x)	(24 x)	(12x)	
			\$240	\$480	\$480	\$480	\$240	1,920.00
KNWZ-AM & FM	News/Talk Syndicated & Local	News Sponsor Bill F. Show	10/23 to 26 (9x)	11/27 to 30 (18x)	1/15 to 18 (18x)	1/29 to 2/1 (18x)	3/19 to 22 (9x)	
			\$135.00	\$270.00	\$270.00	\$270.00	\$135.00	1,080.00
KEZN	Adult Contemporary plus bonus spots		10/24 to 26 (9x)	11/21 to 23 (18x)	1/16 to 18 (18x)	2/13 to 15 (18x)	3/20 to 22 (9x)	
			\$150.00	\$300.00	\$300.00	\$300.00	\$150.00	1,200.00
TOTAL RADIO			\$690	\$1,380	\$1,380	\$1,380	\$690	5,520.00
Facebook Ads			\$200	\$200	\$200	\$200	\$200	1,000.00
Signage/Banners			\$334					\$334
Rack Cards	<i>50,000, 4x9</i>		\$1,090					1090
Tammy Martinez Graphic Design	<i>Graphic Design</i>		\$1,300					1300
Velomedia, Inc.	<i>Website & On-line</i>		\$3,600					3,600.00
TOTAL OTHER			\$6,524	\$200	\$200	\$200	\$200	\$7,324
UMBRELLAS TOTAL			\$9,002	\$5,228	\$3,907	\$3,907	\$2,053	24,096.31

MEDIA	Description	Type	OCT 26th	NOV 16 & 30	JAN 11 & 18	FEB 1st & 15th	MAR 22nd	TOTAL
LQ ARTS FESTIVAL							Mar 6-9	
THE DESERT SUN								
Main	Saturday, January 11, 2014	6c x 21			\$1,827			1,827.00
Main	Saturday, February 01, 2014	6c x 10.5				650.00		650.00
Main	Sunday, February 02, 2014	6c x 10.5				650.00		650.00
Main	Saturday, February 15, 2014	6c x 21				1827.00		1,827.00
Main	Thursday, February 20, 2014	3c x 10.5				456.75		456.75
Weekend	Friday, February 21, 2014	3c x 10"				435.00		435.00
Main	Saturday, February 22, 2014	6c x 10.5				913.50		913.50
Main	Sunday, February 23, 2014	6c x 10.5				913.50		913.50
Main	Thursday, February 27, 2014	3c x 10.5				456.75		456.75
Weekend	Friday, February 28, 2014	6c x 10"				870.00		870.00
Main	Sunday, March 02, 2014	6c x 10.5					913.50	913.50
Main	Wednesday, March 05, 2014	3c x 10.5					456.75	456.75
Main	Thursday, March 06, 2014	6c x 10.5					913.50	913.50
Weekend	Friday, March 07, 2014	6c x 10"					870.00	870.00
Main	Saturday, March 08, 2014	3c x 10.5					456.75	456.75
Main	Sunday, March 09, 2014	3c x 10.6					456.75	456.75
BNP Daily B/W	Wednesday, March 05, 2014	1/4 pg.					441.72	441.72
BNP Daily B/W	Sunday, March 09, 2014	1/4 pg.					441.72	441.72
BNP Ace Package/Color	March 6-8, 2014	1/4 pg.					1325.15	1,325.15
Desert Magazine	Feb23rd - March edition	full pg.				\$1,445		1,445.00
Desert Outlook, LGBT monthly	Jan & Feb edition	1/2 pg.			\$550	\$550		1,100.00
WRAP- SATURDAY, March 1st	Wrap Insert	252					\$4,100	4,100.00
Retarget Website Visitors Feb						\$500		500.00
Mobile Display						\$625		625.00
Mydesert.com/ROS Leaderboard	62,500 impressions	Mid Jan-Mar				\$438		437.50
Mydesert.com/RON Poster	62,500 impressions	Mid Jan-Mar				\$625		625.00
Yahoo.com	75,000 impressions	Feb6-Mar6				\$1,035		1,035.00
TOTAL DESERT SUN					\$2,377	\$12,390	\$10,376	25,142.84

MEDIA	Description	Type	OCT 26th	NOV 16 & 30	JAN 11 & 18	FEB 1st & 15th	MAR 22nd	TOTAL
OTHER PRINT								
SUNSHINE ARTIST MAGAZINE	1/4 pg. 4C+online		\$621					621.00
CANADA SOUTH	1/2 pg.					\$500		500.00
DESERT ENTERTAINER	2-1/2pgs+front cover+online					\$610	\$610	1,220.00
TRAVEL HOST	2/3pg.w/editorial/on-line ad					\$1,560		1,560.00
THE LQ GEM	2 - 1/2 pg.					\$672	\$672	1,343.00
DESERT ART SCENE	2pg. Spread			\$400				400.00
PS Convention & Visitors Bureau	Pacific NW & LA/OC Sales Mission			\$150	\$150			300.00
CV WEEKLY	Cover, Feature, Photos						\$1,000	1,000.00
THE JEWISH JOURNAL	2 -1/4pg, +1/4pg.swipe					\$750	\$750	1,500.00
LA JOLLA LIGHT	2-1/4pg.					\$670	\$670	1,339.00
ARTFAIR SOURCEBOOK				\$720				720.00
TOTAL OTHER PRINT			\$621	\$1,270	\$150	\$4,761	\$3,701	10,503.00
TELEVISION								
FJF PRODUCTIONS	1-.30 spot production					\$1,686		1,686.00
Oliphant Productions	Edit .30 PSA					\$165		165.00
KESQ 3	25	25					\$3,760	3,760.00
CBS2	34	34					\$2,315	2,315.00
KDFX	19	19					\$755	755.00
KCWQ	16	16					\$0	0.00
TOTAL TELEVISION	94	94				\$1,851	\$6,830	8,681.00
RADIO								
FJF PRODUCTIONS	produce 2 .30 spots	PAID SPOTS				\$525		525.00
KNWZ- FM & AM	all radio includes bonus	78				\$700	\$560	1,260.00
KDGL- Eagle	spots, on-air promos	55				\$475	\$860	1,335.00
KEZN - FM	interviews, weblinks	68						
KJJZ-FM		58				\$780	\$960	1,740.00
KMRJ-Jammin 99.5		46				\$300	\$390	690.00
KPLM-FM		38				\$420	\$910	1,330.00
KAJRThe Oasis 95.9		71				\$1,100	\$675	1,775.00
KDES - FM		34					\$400	400.00
KPSI - AM		24					\$288	288.00
KPSI-FM		34					\$400	400.00
KWZY - AM		10					\$130	130.00
TOTAL RADIO		516				\$4,300	\$5,573	9,873.00

