

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA REQUEST

TO: Board of County Commissioners
FROM: Adiel McKnight, Executive Assistant
DATE: *October 23*, 2023
SUBJECT: **AGREEMENT** re: 2024 Hotel Motel (Lodging Tax) Grant Funding; In the Amount of \$10,000; Wooden Boat Foundation

STATEMENT OF ISSUE:

This agreement provides grant funding for 2024 to certain non-profit agencies for the promotion of tourism and ongoing preservation of Jefferson County's heritage. The Lodging Tax Advisory Committee met on September 19, 2023 and reviewed request for proposals. This funding has been budgeted from the Hotel Motel (Lodging Tax) Fund, and approved by the Board of County Commissioners on October 2, 2023.

FISCAL IMPACT:

Wooden Boat Foundation	\$10,000
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RECOMMENDATION:

Approve and sign the agreement.

REVIEWED BY:

 Mark McCauley, County Administrator	<i>10/18/23</i> Date:
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AGREEMENT FOR 2024 HOTEL-MOTEL FUNDING FOR TOURISM SERVICES WOODEN BOAT FOUNDATION

This Agreement is by and between JEFFERSON COUNTY (hereinafter known as "COUNTY" and the WOODEN BOAT FOUNDATION (hereinafter known as "WOODEN BOAT FESTIVAL").

WHEREAS, the WOODEN BOAT FOUNDATION is a non-profit corporation of the State of Washington; and

WHEREAS, the COUNTY desires to promote tourism by documenting, preserving and displaying County heritage for the benefit of its residents and to encourage tourist interest in Jefferson County, as authorized by Chapter 67.28 RCW and Jefferson County Code Chapter 3.25; and

WHEREAS, the Jefferson County Lodging Tax Advisory Committee reviewed and recommended funding the lodging tax proposal by the WOODEN BOAT FESTIVAL to promote, operate and maintain the WOODEN BOAT FESTIVAL as a cultural resource and tourism destination, and to provide information to tourists and residents about the local area;

IN CONSIDERATION of the mutual covenants and agreements herein it is agreed by the parties as follows:

SECTION 1: SERVICES TO BE PERFORMED

The WOODEN BOAT FESTIVAL shall use its capabilities and utilize up to \$10,000 of funding provided under this agreement to continue and update the ongoing performance of the following tourism promotion services consistent with the Itemized List of Proposed Tourism Promotion Services and Lodging Tax Budget a copy of which is incorporated herein and attached hereto as Exhibit A:

1. Marketing and Promotions of the WOODEN BOAT FESTIVAL including:
 - a. Printing and distribution
 - b. Social Media Advertising
 - c. Google ads
 - d. Radio
 - e. Staff time

SECTION 2: RESPONSIBILITIES OF THE WOODEN BOAT FESTIVAL

1. On or before January 31; April 30; July 31; October 31, 2024; and January 31, 2025, provide to the COUNTY: see Exhibit C, attached hereto and incorporated;
 - A quarterly report of the use, services, programs and activities of the WOODEN BOAT FESTIVAL under this Agreement for the prior quarter;

- A quarterly financial statement detailing revenues, expenses and cash balances for the prior quarter; and for the final quarter report, the financial statement shall also include a detailed financial statement for all 2024.
2. On or before January 31, 2024 (OR upon execution of this agreement) and July 31, 2024, provide to the COUNTY:
 - A billing statement requesting payment of Hotel-Motel Funding for the current half year.
 3. For a minimum of six (6) years, maintain documented proof of payments made, contracts executed, and other expenditures authorized under this Agreement. Upon reasonable notice, provide access to County or State representatives to audit those records.
 4. Funding provided by this Agreement may only be expended on the services described in Section 1 of this Agreement. Any monies used for other services or purposes shall be refunded to Jefferson County. Any monies under-expended of the total funding allocated under this Agreement shall be refunded to Jefferson County by January 31, 2025.
 5. By **February 28th** of each year provide the following information on Exhibit B, attached hereto and incorporated by reference for the previous year.
 - a. Each festival, event, or tourism facility owned and/or operated by WOODEN BOAT FESTIVAL.
 - b. The amount of lodging tax revenue allocated for expenditure (whether actually expended or not) by the WOODEN BOAT FESTIVAL on each festival, event or tourism facility.
 - c. Estimated number of tourists served at each festival, event or tourism facility. ("Tourist" includes persons traveling more than 50 miles to the location of the event, festival or facility and overnight stays in the area).
 - d. Estimated lodging stays. ("Lodging" refers to commercial lodging such as hotels, motels, resorts, bed and breakfasts, or commercial campgrounds).
 - e. Measurements that demonstrate the impact of increased tourism attributable to the event, festival or facility.

SECTION 3: RESPONSIBILITY OF JEFFERSON COUNTY

1. The COUNTY will provide the WOODEN BOAT FESTIVAL funding from Hotel-Motel Tax receipts to be used in support of their responsibilities as defined under this agreement.
2. Said funding is in the sum of \$10,000 for 2024. Payments are to be predicated on submittal of reports defined in Section 2. Payment will be made by the COUNTY upon receipt of an invoice on the next available billing cycle.

SECTION 4: TERM

This Agreement shall be for a term of one year, commencing on January 1, 2024 and ending on December 31, 2024, except for the reports referenced in Section 2, due January 31, 2025 and February 28, 2025. All activities performed pursuant to this Agreement within its term and prior to its execution are hereby ratified.

SECTION 5: ASSIGNMENT

Either party to the agreement shall not assign this Agreement, except by signed amendment.

SECTION 6: MODIFICATION

This Agreement may be modified by mutual written agreement executed by both parties.

SECTION 7: TERMINATION

The Agreement may be terminated, in whole or in part, by the County upon thirty (30) days written notice in the event expected or actual revenue from the Hotel-Motel Tax is reduced or limited in any way, or for non-performance of duties under this Agreement, or for any reason. The WOODEN BOAT FESTIVAL may terminate this Agreement upon thirty (30) days written notice to the COUNTY. In the event of termination under this clause, the County shall be liable to pay only for services rendered prior to the effective date of termination. If termination covers a period for which payment has already been made, the WOODEN BOAT FESTIVAL shall refund to the COUNTY a pro-rated share of the payment based upon the balance of time remaining in the paid period, unless otherwise negotiated.

SECTION 8: HOLD HARMLESS

WOODEN BOAT FESTIVAL shall indemnify and hold the COUNTY, and its officers, employees, agents and volunteers (and their marital communities) harmless from and shall process and defend at its own expense, including all costs, attorney fees and expenses relating thereto, all claims, demands, or suits at law or equity arising in whole or in part, directly or indirectly, from WOODEN BOAT FESTIVAL's negligence or breach of an of its obligations under this Agreement; provided that nothing herein shall require WOODEN BOAT FESTIVAL to indemnify the COUNTY against and hold harmless the COUNTY from claims, demands or suits based solely upon the conduct of the COUNTY, its officers, employees, agents and volunteers (and their marital communities), and; provided further that if the claims or suits are caused by or result from the concurrent negligence of: (a) WOODEN BOAT FESTIVAL's agents or employees; and , (b) the COUNTY, its officers, employees agents and volunteers (and their marital communities), this indemnity provision with respect to claims or suits based upon such negligence, and or the costs to the COUNTY of defending such claims and suits, etc., shall be valid and enforceable only to the extent of WOODEN BOAT FESTIVAL's negligence, or the negligence of WOODEN BOAT FESTIVAL's agents or employees.

WOODEN BOAT FESTIVAL specifically assumes potential liability for actions brought against the COUNTY by WOODEN BOAT FESTIVAL's employees, including all other persons engaged in the performance of any work or service required of WOODEN BOAT FESTIVAL under this Agreement and, solely for the purpose of this indemnification and defense, WOODEN BOAT FESTIVAL specifically waives any immunity under the state industrial insurance law, Title 51 RCW. WOODEN BOAT FESTIVAL recognize that this waiver was specifically entered into pursuant to provisions of RCW 4.24.115 and was subject of mutual negotiation.

SECTION 9: INSURANCE

WOODEN BOAT FESTIVAL shall obtain and keep in force during the term of the Agreement, or as otherwise required, the following insurance:

- A. Commercial General Liability Insurance. WOODEN BOAT FESTIVAL shall maintain commercial general liability coverage on a form acceptable to Jefferson County Risk Management for bodily injury, personal injury, and property damage, with a limits of not less than in the amount of at least \$1 million per occurrence, for bodily injury, including death, and property damage.
- B. Worker's Compensation (Industrial Insurance). WOODEN BOAT FESTIVAL shall maintain workers' compensation insurance at its own expense, as required by Title 51 RCW, for the term of this Agreement and shall provide evidence of coverage to Jefferson County Risk Management, upon request.

SECTION 10: INDEPENDENT CONTRACTOR

The WOODEN BOAT FESTIVAL and the COUNTY agree that the WOODEN BOAT FESTIVAL is an independent contractor with respect to the services provided pursuant to this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither the WOODEN BOAT FESTIVAL nor any employee of the WOODEN BOAT FESTIVAL shall be entitled to any benefits accorded County employees by virtue of the services provided under this agreement. The COUNTY shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the state industrial insurance program, otherwise assuming the duties of an employer with respect to the WOODEN BOAT FESTIVAL, or any employee, representative, agent or contractor of the WOODEN BOAT FESTIVAL. The WOODEN BOAT FESTIVAL shall be responsible for all applicable withholdings, deductions, state industrial insurance, tax reports, business licenses, registrations, and all other obligations of an independent organization.

SECTION 11: COMPLIANCE WITH LAWS

The WOODEN BOAT FESTIVAL shall comply with all Federal, State, and local laws and ordinances applicable to the work to be done under this Agreement. This Agreement shall be interpreted and construed in accord with the laws of the State of Washington and venue shall be in Jefferson County, Washington.

SECTION 12: DISCRIMINATION PROHIBITED

The WOODEN BOAT FESTIVAL with regard to the project to be completed under this agreement, will not discriminate on the grounds of age, sex, marital status, sexual orientation, race, creed, color, national origin, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability, unless based upon a bona fide occupational qualification in the selection and retention of employees, materials, supplies, contractors or subcontractors.

SECTION 13: INTEGRATED AGREEMENT

This agreement together with attachments or addenda represents the entire and integrated agreement between the County and the WOODEN BOAT FESTIVAL and supersedes all prior negotiations, representations, or agreements written or oral. This agreement may be amended only by written instrument signed by both the County and the WOODEN BOAT FESTIVAL.

APPROVED and signed this day of , 2023

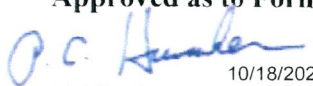
Attest:

**JEFFERSON COUNTY
BOARD OF COMMISSIONERS**

Carolyn Gallaway, CMC
Clerk of the Board

Greg Brotherton, Chair

Approved as to Form:


10/18/2023
Philip C. Hunsucker,
Chief Civil Deputy Prosecutor

WOODEN BOAT FOUNDATION

Authorized Official

EXHIBIT A

Itemized List of Proposed Tourism Promotion Services and Lodging Tax Budget

1. Itemized List of Proposed Tourism Promotion Services

This year we are requesting support for a suite of promotional services specifically targeted to reach out-of-town cultural tourists, family visitors, and individual explorers to Wooden Boat Festival and to our community year-round. These efforts are outlined below.

If these promotional efforts can be supported at the level noted below, this year we are also hoping LTAC will consider supporting a one-time investment to benefit a number of tourist-oriented events in our community beyond Wooden Boat Festival: the purchase of a trailer to enable more efficient community use of WBF's perimeter fencing. This resource is already made available free-of-charge to Port Townsend Film Festival and to The Production Alliance for several events, but without a safe and secure method of transport, its usability is limited. We hope LTAC will support this investment that will help us share this resource throughout our county.

Item	Expense
Write, edit, design, and proof promotional materials	\$16,500
Print & distribute promotional materials along I-5 corridor - Victoria, B.C. to Portland, OR	\$22,000
2 Full-page color ads in 48 North magazine (Oregon to BC distribution)	\$1,650
Summer PDN Visitor's Guide - full page	\$1,750
WoodenBoat Magazine full page ad	\$1,650
Social Media Advertising	\$2,200
Google Ads/Digital Advertising	\$1,320
Keep Posted - poster service in stores and restaurants around Seattle and Eastside	\$880
KUOW public radio underwriting - 14 spots per week, 2 during drive time	\$4,587
Total promotional expense for out-of-town visitors (local advertising excluded)	\$52,547
Total LTAC request for promotional support	\$25,000
Special request: Trailer for Festival Fencing to enable use by other local organizations	\$8,000
Total LTAC Request	\$33,000

Exhibit B
Jurisdiction Lodging Tax Reporting Form – To Be Submitted to Jefferson
County Administrator's Office
No Later than February 28th of each Year
Lodging Tax Reporting Form

Organizations receiving funding to promote festivals, special events and tourism-related activities through tourism-related facilities owned or sponsored by non-profit organizations or the local jurisdiction are required to complete this form for EACH activity.

1 Organization Name: _____ Reporting Year: _____
2 Sponsor Type (Check One): ☐ 501(c)(3) ☐ 501(c)(6) ☐ Local Jurisdiction ☐ Other (Explain): _____
3 Activity Name: _____
4 Activity Type (Check One): ☐ Event/Festival* ☐ Facility* ☐ Marketing*
5 Activity Start Date*: _____
6 Activity End Date*: _____
7 Total Cost of Activity: \$ _____
8 Amount Requested: \$ _____
9 Amount Awarded: \$ _____

10 Overall Attendance*
a) Projected* _____
b) Actual* _____
c) Methodology (Check One): ☐ Direct Count*
☐ Indirect Count* ☐ Representative Survey*
☐ Informal Survey* ☐ Structured Estimate*
☐ Other (explain): _____

11 Number of Attendees Who Traveled 50 Miles or More*
a) Projected* _____
b) Actual* _____
c) Methodology (Check One): ☐ Direct Count*
☐ Indirect Count* ☐ Representative Survey*
☐ Informal Survey* ☐ Structured Estimate*
☐ Other (explain): _____

12 Number of Attendees Who Traveled from Another State or Country*
a) Projected* _____
b) Actual* _____
c) Methodology (Check One): ☐ Direct Count*
☐ Indirect Count* ☐ Representative Survey*
☐ Informal Survey* ☐ Structured Estimate*
☐ Other (explain): _____

13 Number of Attendees Who Stayed Overnight in Unpaid Accommodations*
a) Projected* _____
b) Actual* _____
c) Methodology (Check One): ☐ Direct Count*
☐ Indirect Count* ☐ Representative Survey*
☐ Informal Survey* ☐ Structured Estimate*
☐ Other (explain): _____

14 Number of Attendees Who Stayed Overnight in Paid Accommodations*
a) Projected* _____
b) Actual* _____
c) Methodology (Check One): ☐ Direct Count*
☐ Indirect Count* ☐ Representative Survey*
☐ Informal Survey* ☐ Structured Estimate*
☐ Other (explain): _____

15 Number of Paid Lodging Nights*
a) Projected* _____
b) Actual* _____
c) Methodology (Check One): ☐ Direct Count*
☐ Indirect Count* ☐ Representative Survey*
☐ Informal Survey* ☐ Structured Estimate*
☒ Other (explain): _____

* See Lodging Tax Yearly Reporting Definitions: Instructions

Name of Individual Who Prepared Report: _____
Phone #: _____ E-Mail Address: _____

RETURN THIS FORM TO:

Jefferson County Administrator's Office
1820 Jefferson Street
P.O. Box 1220
Port Townsend, WA 98368
jeffbocc@co.jefferson.wa.us

DEADLINE: February 28th of Each Reporting Year

LTAC Yearly Reporting Definitions/Instructions

Activity Type: Event/Festival: Short-term activity occurring between specific dates (e.g., 4th of July celebration, local marathon)
Facility: Municipally-owned facility that operates some or all of the year (e.g., county historical museum, convention center)
Marketing: Activity that provides information to encourage visitors to an area; is typically a year-round activity but may also operate for less than a full year.

Activity Date: Activity beginning and ending dates.

Actual: Persons estimated to have **actually** participated in event/festival or visiting a facility. For marketing activity, enter the number of persons estimated to have **actually** visited area as result of marketing activity.

Projected: Persons **expected** to participate in event/festival or visiting a facility. For marketing activity, enter the number of persons **expected** to visit area as result of marketing activity.

Methodology: Select the methodology used to estimate the actual number of visitors/participants.
Direct Count: Actual count of visitors using methods such as paid admissions or registrations, clicker counts at entry points, vehicle counts or number of chairs filled. A direct count may also include information collected directly from businesses, such as hotels, restaurants or tour guides, likely to be affected by an event.
Indirect Count: Estimate based on information related to the number of visitors such as raffle tickets sold, redeemed discount certificates, brochures handed out, police requirements for crowd control or visual estimates.
Representative Survey: Information collected directly from individual visitors/ participants. A representative survey is a highly structured data collection tool, based on a defined random sample of participants, and the results can be reliably projected to the entire population attending an event and includes margin of error and confidence level.
Informal Survey: Information collected directly from individual visitors or participants in a non-random manner that is not representative of all visitors or participants. Informal survey results cannot be projected to the entire visitor population and provide a limited indicator of attendance because not all participants had an equal chance of being included in the survey.
Structured Estimate: Estimate produced by computing known information related to the event or location. For example, one jurisdiction estimated attendance by dividing the square footage of the event area by the international building code allowance for persons (3 square feet).
Other: (please describe)

Overall Attendance: Total projected and estimated actual attendance recorded for event, facility or resulting from marketing activity.

Total Attendees Traveling 50 miles or more:

Total: Total projected and estimated actual number of visitors traveling more than 50 miles to attend event or facility. For marketing organizations, report visitors traveling more than 50 miles to visit area.

Of total, attendees who traveled from another state or country: Of the total projected and estimated actual number of visitors traveling more than 50 miles to attend event or facility or visit area, report projected and estimated actual number of visitors who traveled from another state or country.

Attendees who stayed overnight:

Paid Accommodations: Total projected and estimated actual number of visitors staying in paid lodging establishments such as hotels, motels, bed and breakfasts, etc.

Unpaid Accommodations: Total projected and estimated actual number of visitors staying in unpaid accommodations such as family and friends.

Paid Lodging Nights: Total projected and estimated actual number of paid lodging nights. One Lodging night = one or more persons occupying one room for one night.

EXHIBIT C 1st QUARTER

Due by April 30th to afmcknight@co.jefferson.wa.us

Organization:

Contact person:

Mailing Address:

Phone Number/Email:

1. LTAC Funds received from the County 1st QTR:

ORGANIZATION	Amount Awarded by JeffCo	Received From JeffCo	Overspent (+) Underspent (-) of LTAC funds	Refund Required	TOTAL 1 st QTR LTAC FUNDS SPENT

2. LTAC funds spent by your organization 1st QTR (include 200 word limit regarding activities and funds spent with an itemized statement and supporting documentation ie: invoices paid, receipts from payment,):
3. LTAC funds balance remaining 1st QTR:
4. Please attach your organization's report for all revenue, marketing, services, programs and activities of the prior quarter.

This report and any attachments may be subject to disclosure as a public record under the Public Records Act, RCW Chapter 42.56. A minimum of six years, you must maintain documented proof of payments made, contracts executed and other expenditures authorized under your Agreement with Jefferson County. Upon reasonable notice, you must be able to provide access to County or State representatives to audit those records.

EXHIBIT C 2nd QUARTER

afmcknight@co.jefferson.wa.us

Due by July 31st to

Organization:

Contact person:

Mailing Address:

Phone Number/Email:

1. LTAC Funds received from the County 2nd QTR:

ORGANIZATION	Total Amount Awarded by JeffCo	Total Received From JeffCo	Overspent (+) Underspent (-) of LTAC funds	Refund Required	TOTAL 1 st QTR LTAC FUNDS SPENT	TOTAL 2 nd QTR LTAC FUNDS SPENT

2. LTAC funds spent by your organization 2nd QTR (include 200 word limit regarding activities and funds spent with an itemized statement and supporting documentation ie: invoices paid, receipts from payment,):

1. LTAC funds balance remaining 2nd QTR:

2. Please attach your organization's report for all revenue, marketing, services, programs and activities of the prior quarter.

This report and any attachments may be subject to disclosure as a public record under the Public Records Act, RCW Chapter 42.56. A minimum of six years, you must maintain documented proof of payments made, contracts executed and other expenditures authorized under your Agreement with Jefferson County. Upon reasonable notice, you must be able to provide access to County or State representatives to audit those records.

EXHIBIT C 3rd QUARTER

Due by October 31st to afmcknight@co.jefferson.wa.us

Organization:

Contact person:

Mailing Address:

Phone Number/Email:

1. LTAC Funds received from the County 3rd QTR:

ORGANIZATION	Total Amount Awarded by JeffCo	Total Received From JeffCo	Overspent (+) Underspent (-) of LTAC funds	Refund Required	TOTAL 1 st QTR LTAC FUNDS SPENT	TOTAL 2 nd QTR LTAC FUNDS SPENT	TOTAL 3rd QTR LTAC FUNDS SPENT

2. LTAC funds spent by your organization 3rd QTR (include 200 word limit regarding activities and funds spent with an itemized statement and supporting documentation ie: invoices paid, receipts from payment,):

2. LTAC funds balance remaining 3rd QTR:

3. Please attach your organization's report for all revenue, marketing, services, programs and activities of the prior quarter.

This report and any attachments may be subject to disclosure as a public record under the Public Records Act, RCW Chapter 42.56. A minimum of six years, you must maintain documented proof of payments made, contracts executed and other expenditures authorized under your Agreement with Jefferson County. Upon reasonable notice, you must be able to provide access to County or State representatives to audit those records.

EXHIBIT C 4th QUARTER

Due by January 31st to afmcknight@co.jefferson.wa.us

Organization:

Contact person:

Mailing Address:

Phone Number/Email:

1. LTAC Funds received from the County 4th QTR:

ORGANIZATION	Total Amount Awarded by JeffCo	Total Received From JeffCo	Overspent (+) Underspent (-) of LTAC funds	Refund Required	TOTAL 1 st QTR LTAC FUNDS SPENT	TOTAL 2 nd QTR LTAC FUNDS SPENT	TOTAL 3 rd QTR LTAC FUNDS SPENT	TOTAL 4 th QTR LTAC FUNDS SPENT

2. LTAC funds spent by your organization 4th QTR (include 200 word limit regarding activities and funds spent with an itemized statement and supporting documentation ie: invoices paid, receipts from payment,):

3. LTAC funds balance remaining 4th QTR:

4. Please attach your organization's report for all revenue, marketing, services, programs and activities of the prior quarter.

This report and any attachments may be subject to disclosure as a public record under the Public Records Act, RCW Chapter 42.56. A minimum of six years, you must maintain documented proof of payments made, contracts executed and other expenditures authorized under your Agreement with Jefferson County. Upon reasonable notice, you must be able to provide access to County or State representatives to audit those record