## City of Calistoga Staff Report

TO: Honorable Mayor and City Council

**FROM:** Richard Spitler, City Manager

**DATE:** August 6, 2013

**SUBJECT:** Professional Services Agreement with the Calistoga Chamber of

Commerce for Marketing and Promotional Services

## APPROVAL FOR FORWARDING:

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20 21 Richard Spitler, City Manager

**ISSUE**: Consideration of a Resolution authorizing the City Manager to execute a professional services agreement in the amount of \$300,000 with the Calistoga Chamber of Commerce for marketing and promotional services for Fiscal Year 2013/2014.

**RECOMMENDATION**: Adopt Resolution.

**BACKGROUND/DISCUSSION:** The City of Calistoga has had a longstanding, beneficial relationship with the Calistoga Chamber of Commerce. In recent years, the City has contracted with the Chamber for broad marketing and promotional services to support the City's tourism economic base.

The current contract with the Chamber of Commerce expired June 30, 2013. Given the dominant role that visitor activity plays in the Calistoga economy (transient occupancy tax and visitor related sales tax are the City's dominant sources of revenue), well focused and professional marketing and promotion of Calistoga as a destination for visitors is essential. The professional services agreement, with its specific scope of work, will continue to ensure that Calistoga receives the marketing and promotional efforts that are necessary to remain competitive in the challenging visitor economy. Staff will continue to work with the Chamber to develop meaningful quarterly report formats and data points to inform the City Council and community of efforts undertaken, progress

- 22 made, and emerging trends which affect Calistoga. The proposed contract will expire on 23 June 30, 2014.
- 25 **FISCAL IMPACT**: The proposed professional services agreement has a contract 26 amount of \$300,000. This amount is included in the adopted Fiscal Year 2013/2014 budget.

## 29 **ATTACHMENTS**:

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- 30 1. Draft Resolution
- 2. Draft Professional Services Agreement and Scope of Services