

CONTRACT COVER SHEET

Contractor's Name: County of Durham

Title and Description: Interlocal Cooperation Agreement - DCVB

Total Cost of Contract: \$ - 0 - Contract No. _____

Account Code: revenue in 0010000-410300

Date of Contract: 1/25/99

Authorization: City Council Meeting Date: 2/15/99
 City Manager Date: _____

Department Contact Person: Laura S. Gill Phone 4111 ext. 281

1. Dept./Div. Head Laura S. Gill Signature Laura S. Gill Date 3/17/99

2. Process Compliance (Purchasing Division) N/A (revenue distribution)

3. Finance Officer (Pre-Audit) Nardrup's Apts Signature Nardrup's Apts Date 3/18/99

BY 13/18/99

3a. () Check if you want Risk Management to review the insurance parts of the contract.

Signature - Risk Manager _____ Date _____

3b. () Check if you want the City Attorney's Office to review the way the Contractor has signed the Contract.

() Check if you want the City Attorney's Office to review the way a bond has been signed.

Signature - Attorney _____ Date _____

4. City Manager [Signature] Date 3/17/99

5. City Clerk [Signature] Date 3/22/99
3/19/99
4/17/99

Return to Department/Division Head for Distribution.

6. Dept./Div. Head _____

Department/Division Head return Contract to City Clerk for filing.

Comments: Laura
Our office need an original contract
I also the County. You might want to
generate another original - [Signature]

Performance Bond Required: Yes () No () Enclosed () Waived by Council ()

**THE INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE CITY OF DURHAM AND
THE COUNTY OF DURHAM REGARDING THE
DURHAM CONVENTION AND VISITORS BUREAU**

This is an Interlocal Cooperation Agreement between the City of Durham, a North Carolina municipal corporation (hereinafter "City") and County of Durham, a political subdivision of the State of North Carolina (hereinafter "County"). The date of this Agreement is January 25, 1999. This Agreement is made pursuant to the provisions of Article 20 of Chapter 160A of the North Carolina General Statutes.

PREFACE

In Chapter 969 of the 1985 Session Laws (Regular Session 1986), the North Carolina General Assembly authorized the levying of a room occupancy tax of 3% on the gross receipts derived from the rental or any room, lodging or similar accommodation furnished by a hotel, motel, inn, or similar place in Durham County. In Chapter 665 of the 1991 Session Laws, an additional 2% room occupancy tax was authorized in order to fund the Durham Convention and Visitors Bureau for the promotion of travel and tourism. Durham City and County formed the Durham Convention and Visitors Bureau by the execution of the original interlocal cooperation agreement on January 17, 1989. The term of the original agreement, as amended to accommodate the change in funding from the 1991 Session Laws, shall soon expire, and the City and County desire to enter into a new agreement to provide for the continued existence of the Bureau.

The City and County agree as follows:

1. Purpose

The purpose of this Agreement is to provide for the continued existence of the Durham Convention and Visitors Bureau and set forth the agreement of the City and County with respect to this undertaking.

2. Establishment of Convention and Visitors Bureau.

The Convention and Visitors Bureau (hereinafter "Bureau") created by the Agreement of January 17, 1989, as amended, shall continue in existence. The purpose of the Bureau shall be to actively promote travel and tourism within the City and County. The Bureau shall represent the City and County in soliciting and providing services to tourists, business or pleasure. The Bureau shall serve as a liaison among the hotels, restaurants, attractions, civic center, transportation facilities, and services available to the business of community amenities and resources, including entertainment, sports, environmental, cultural and other attractions. The Bureau shall have such powers as are reasonably necessary to enable the Bureau to perform its duties, responsibilities and

functions pursuant to this Agreement. The Bureau is authorized to accept contributions, gifts and donations to assist the Bureau in accomplishing its purpose pursuant to this Agreement.

3. Bureau Board.

A. The Bureau shall be governed by a Board of Directors consisting of seven voting-executive members, representing the community with guidance and input from seven advisory members representing the major components of the in-bound visitor industry. The members shall be appointed to the Board as follows:

B. Executive Board.

(1) The City shall appoint three members. One appointee shall be a representative of the business community. One appointee shall be a representative of neighborhood associations. One appointee shall be a representative of the citizens of the City at large.

(2) The County shall appoint three members. One appointee shall be a representative of the visitor industry. One appointee shall be a representative on behalf of community and cultural resources. One appointee shall be a representative of the citizens of the County at large.

(3) One member shall be appointed by the joint City-County Committee established by the City Council and Board of County Commissioners. The appointee must be a current member of the Durham City Council or Board of County Commissioners with the appointment alternating between the City Council and the Board of County Commissioners. The term of the appointment for this member shall be two (2) years.

C. Advisory Board.

The City and County shall appoint three members each and the seventh member shall be appointed by the Civic Center Authority. The Bureau Executive Board and President/CEO shall prepare a list of nominees, with two each, holding management/owner level positions, from six local visitor industry categories; food service, transportation, entertainment/attractions, convention service, retail trade and lodging. The Bureau President will make a proactive effort to identify, locate and include nominees that provide ethnic and gender balance. From the nominees:

1) The City shall appoint three members. One appointee shall be a representative from food service. One appointee shall represent lodging. One appointee shall represent convention services.

2) The County shall appoint three members. One appointee shall be a representative from retail trade. One appointee shall be a representative from transportation. One appointee shall be a representative from entertainment/attractions. .

The Executive Board shall have the discretion to expand the membership of the Advisory Board from time to time up to a maximum of fifteen members. The additional members shall be added upon the recommendation to the governing bodies of the City and County for their appointment according to the following schedule:

City appointments from the Lodging Industry:

- Full Service
- Limited Service
- Rooms Only

City appointments from the Food Service Industry:

- Fast Food
- Family Dining
- Full Table Service

County appointments from the Transportation Industry:

- Airline
- Motorcoach
- Car Rental/Taxi

County appointments from the Retail Trade Industry:

- Mall/Department Stores
- Independent
- Specialty

The Executive Board shall meet periodically to establish policy, evaluate management performance, and to review and approve the annual plan. The Executive Board shall convene the Advisory Board annually, or as needed, to evaluate Bureau performance, gather input for the annual plan and consider special issues.

4. Bureau Employees.

The Board of Directors shall appoint a President and Chief Executive Officer (CEO). The President/CEO shall appoint all subordinate staff employees. If consistent with the approved budget and work program of the bureau as provided in Section 5 of this Agreement, the President/CEO may employ, retain, and contract with agents and independent contractors to help carry out the functions of the Bureau. The

President/CEO and other employees, agents and contractors of the Bureau shall not be employees, officers, agents and contractors of either the City or County.

5. Method of Financing.

A. The Bureau shall operate on the same fiscal year as the City and County. On or before March 1 of each year, the Bureau shall prepare and submit to the City and County Managers a proposed annual work program and budget for the upcoming fiscal year. The annual work program and budget shall be subject to the approval of the City and County, and should be submitted to the City and County in such form as the City and County Managers shall prescribe in order to facilitate and allow consideration by the City and County as part of the budget process of each.

B. The primary source(s) of funding of the Bureau shall be the revenues resulting from the 2% room occupancy tax levy collected by the County, or funds or other assets which may be provided to the Bureau from sources other than the City and County. The budget may not be amended without the prior written consent of both the City and County. It is the express intent of the City and County that the amounts appropriated on an annual basis to fund the joint City and County share of the budget of the Bureau shall be limited to those funds available from the proceeds of the 2% room occupancy tax.

C. The President and CEO of the Bureau shall be responsible for seeing that all funds (whether public or private) received by or provided to the Bureau are promptly deposited into an account or accounts established in accordance with the budget and fiscal control policies and procedures of the County pursuant to The Local Government Budget and Fiscal Control Act, G.S. 159-7 et seq. (hereinafter the "Act"). The President/CEO of the Bureau shall also be responsible for seeing that all such funds and any other assets of the Bureau are expended, utilized or accounted for, as the case may be: (1) in accordance with the budget and annual work program of the Bureau; (2) in a manner consistent with the budget and fiscal control policies and all statutes, regulations and ordinances applicable to the expenditure of funds or utilization of assets of the City and County including, without limitation, the Act and public bidding and purchasing requirements. The Bureau shall have an annual audit prepared and submitted to the City and County on or before October 1 of each year. The audit shall be in a form satisfactory to the Finance Directors of the City and County, conform to generally accepted principles of accounting, and account for all funds and other assets received and expenditures made by the Bureau.

D. Any and all budgeting and accounting systems of the Bureau shall be a part of the budgeting and accounting systems of the County. The records of the Bureau shall be subject to inspection and audit by the City or County at any time. It is not the intent of the City or County that the Bureau shall be a public authority as that term is defined in G.S. 159-7 (b)(10).

E. To the extent that the County or City shall be found liable for any of the activities of the Bureau, which liability is expressly denied, the respective shares of such liability shall be 57.5 percent County and 42.5 percent City. Nothing contained in this Agreement shall be in any manner be construed or deemed to be a waiver by the City or County of governmental or sovereign immunity.

6. Term.

This Agreement shall become effective on the date of this Agreement and shall continue for a period of five years. This Agreement may be extended beyond its original term upon agreement of the City and County expressed in writing.

7. Amendments.

This Agreement may be amended by the City and County at any time by execution of a written amendment.

8. Termination.

This Agreement may be terminated at any time by either the City or County. Termination is achieved by giving written notice to the other party in writing at least six months prior to the date of termination. This Agreement may be terminated at any time upon mutual agreement of the City and County.

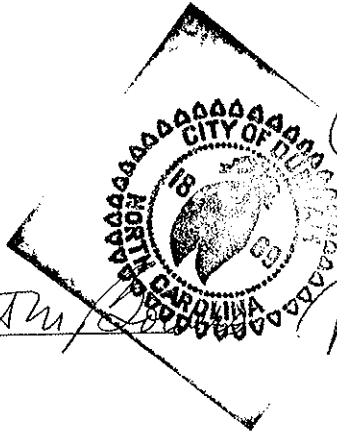
9. Property.

Either of the City or County, with the approval of the other, or both together may finance the purchase of real or personal property for the use and benefit of the Bureau and may enter into and execute such agreements and documents as may be required or provided by law to effectuate such purchase(s). To the extent necessary, the revenues collected from the 2 percent room occupancy tax levy designated for the Bureau shall be available to the party financing such purchase to satisfy debt service on such financing. Any real property purchased or acquired for the use of the Bureau shall be titled in the name of the entity undertaking the financing. Any other property purchased or acquired for the use of the Bureau shall be titled in the name of the Bureau. Upon termination of this Agreement, all property of the Bureau shall become the joint property of the City and County and may be disposed of as the City and County mutually agree. In the event of the sale of such property, then 57.5% of the proceeds of such sale shall be distributed to the County and 42.5% of the proceeds shall be distributed to the City, unless the City and County jointly direct some other distribution of the proceeds.

10. Captions.

The captions contained at the beginning of each numbered paragraph of this Agreement are for convenience only and do not define, limit or describe the scope or intent of the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have authorized this Agreement to be executed and attested by their undersigned officers, to be effective from and after the date first above written.



CITY OF DURHAM

By [Signature]
City Manager

*This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

ATTEST:

[Signature]
City Clerk

[Signature] 3/18/99
FINANCE OFFICER DATE

COUNTY OF DURHAM

By [Signature]
Chairman, Board of
County Commissioners

ATTEST:

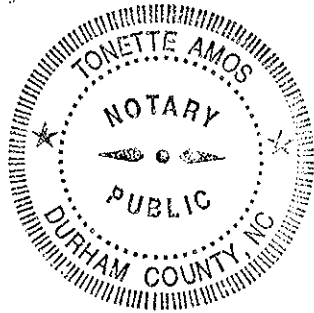
[Signature]
Clerk to the Board

NORTH CAROLINA
DURHAM COUNTY

I, Tonette Amos, a Notary Public in and for the above named County and State, do hereby certify that on this day personally appeared before me Margaret M. Bowers with whom I am personally acquainted, who, being by me duly sworn, says that she is City Clerk and that P. Lamont Guell is City Manager of the CITY OF DURHAM, the municipal corporation named within and which executed the foregoing instrument; that she knows the common seal of said corporation; that the seal affixed to said instrument is said common seal; that the name of the corporation was subscribed thereto by the said City Manager, and that the said City Manager and City Clerk subscribed their names thereto and said common seal was affixed, all by order of its City Council duly given, and said instrument is the act and deed of said corporation.

Witness my hand and notarial seal, this the 22nd day of March, 1999.

Tonette Amos
Notary Public



My commission expires:

07-17-2002

NORTH CAROLINA
DURHAM COUNTY

This is to certify that on this day personally came before me Garry E. Umstead, with whom I am personally acquainted, who, being by me duly sworn, says that MaryAnn E. Black is the Chairman of the Board of Commissioners for the County of Durham and that he, said Garry E. Umstead is the Clerk of the Board of Commissioners for the County of Durham, a body politic and corporate, described in and which executed the foregoing instrument; that he knows the common seal of said County of Durham; that the seal affixed to said instrument is said common seal; that the name of the County of Durham was subscribed thereto by the said Chairman of the Board of Commissioners for the County of Durham and said Clerk of the Board of Commissioners for the County of Durham subscribed their names thereto and said common seal was affixed, all by order of the Board of Commissioners for the County of Durham, and that said instrument is the act and deed of said County of Durham.

Witness my hand and notarial seal, this the 20TH day of APRIL,
1999.

Susan B. Page
Notary Public

My commission expires: 12-20-2000