

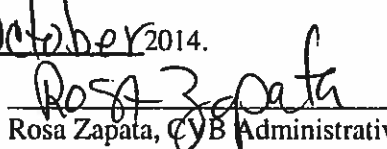
NOTICE OF SPECIAL MEETING
CITY OF SOUTH PADRE ISLAND
CONVENTION AND VISITORS ADVISORY BOARD

NOTICE IS HEREBY GIVEN THAT THE CONVENTION AND VISITORS ADVISORY BOARD OF THE CITY OF SOUTH PADRE ISLAND, TEXAS WILL HOLD A SPECIAL MEETING ON:

MONDAY, OCTOBER 20, 2014
11:00 A.M. AT THE MUNICIPAL BUILDING,
CITY COUNCIL CHAMBERS, 2ND FLOOR
4601 PADRE BOULEVARD, SOUTH PADRE ISLAND, TEXAS

1. Call to order.
2. Pledge of Allegiance.
3. Public announcements and comments: *This is an opportunity for citizens to speak to the Convention and Visitors Advisory Board relating to agenda or non-agenda items. Speakers are required to address the Convention and Visitors Advisory Board at the podium and give their name before addressing their concerns. (Note: State law will not permit the Advisory Board to discuss, debate or consider items that are not on the agenda. Citizen comments may be referred to Convention and Visitors Bureau staff or may be placed on the agenda of a future Convention and Visitors Bureau Advisory Board meeting).*
4. Discussion and Action on FY15 Machete Contract.
5. Set new meeting date/agenda items for next meeting.
6. Adjourn.

DATED THIS THE 17 DAY OF October 2014.


Rosa Zapata, CVB Administrative Assistant

I, THE UNDERSIGNED AUTHORITY, DO HEREBY CERTIFY THAT THE NOTICE OF MEETING OF THE GOVERNING BODY OF THE CITY OF SOUTH PADRE ISLAND, TEXAS IS A TRUE AND CORRECT COPY OF SAID NOTICE AND THAT I POSTED A TRUE AND CORRECT COPY OF SAID NOTICE ON THE BULLETIN BOARD AT THE CITY HALL/MUNICIPAL BUILDING ON October 17, 2014, at/or before 11:00 AM AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING.


Rosa Zapata, CVB Administrative Assistant

THERE MAY BE ONE OR MORE MEMBERS OF THE SOUTH PADRE ISLAND CITY COUNCIL ATTENDING THIS MEETING, AND IF SO, THIS STATEMENT SATISFIES THE REQUIREMENTS OF THE OPEN MEETINGS ACT.



2014/2015 Agreement
Between
City of South Padre Island
and
Machete Creative, LLC

Machete Creative, LLC (referred to as Machete) hereby agrees to serve as marketing agency for the City of South Padre Island (referred to City) in accordance with and subject to the following terms:

1. During the term of this agreement Machete shall be the primary company charged with the responsibility of preparing and placing advertising/marketing communications for the City of South Padre Island with the only exception being direct placement by the City.
2. Machete shall perform the following services in connection with the planning, preparing and placing of advertising/community outreach/promotions and other marketing communications to sell the overall experience of South Padre Island and to stimulate overnight lodging. MACHETE will be compensated for services rendered in accordance with the following paragraphs that define the scope of services.

A. Account Stewardship and Strategic Planning - \$5,000 Monthly

- 1) Study City's products or services;
- 2) Analyze City's current and potential markets and audiences;
- 3) Create, prepare and submit to the City for approval a strategic marketing plan and associated communication tools;
- 4) Provide monthly reports to Convention and Visitors Transition Board highlighting the value of activity;
- 5) Provide quarterly presentations to City Council;
- 6) Form strategies to deliver successful special event marketing and promotion; and
- 7) Provide account leadership, supervision and day to day management, including time consumed for regularly scheduled meetings and phone conferences to manage the implementation of the marketing plan.

B. Media Research, Planning and Negotiation - Paid by the commission for media placed.

- 1) Employ on the City's behalf, Machete's knowledge and research of available media and means that can be effectively used to promote the City's products or services;
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- 2) Order the space, time or other means to be used for the City's advertisements, endeavoring to secure the most advantageous rates available; and
- 3) On all time and space purchased by Machete on the City's behalf, we shall bill the City at best possible negotiated media rates. If no Machete commission is granted or allowed to us on such purchases of space by media vendor, you agree that we may invoice the City an amount, which shall yield us ten percent (10%) of such amount as Machete commission. Media commission covers the internal cost of media planning and placement, media trafficking and all administrative and accounting functions.

C. Creative Concepts and Development. - \$5,000 Monthly

- 1) Develop creative strategies and concepts that enhance the South Padre Island Brand, to include but not limited to conducting research studies, providing instructions to fulfill orders, develop content to fit a variety of media outlets.
- 2) Submit to Client for approval all advertising plans and campaigns; copy, layouts, artwork, storyboards, scripts, etc.
- 3) Create materials for promotional support of special events.

D. Production

- 1) Employ on the City's behalf, film production houses, recording studios, printing facilities and digital specialists to produce creative needed to fulfill media contracts.
 - 2) Submit all video, audio, print and digital assets to Client for approval before airing.
 - 3) On all creative production, Machete on the City's behalf, shall bill the City at best possible negotiated rates. Machete will present cost estimates for production for the City's review and approval prior to beginning work. These estimates detail all production costs and reflect a plus or minus 10% contingency factor in addition to any specifically stated contingency. If changes and/or additional unforeseen services/costs are necessary to complete a job, a change order will be issued to the City for review and approval.
3. Agency Compensation for All Other Projects not identified in this agreement will be handled on a project by project basis. Where additional projects are requested outside of the agreement budget estimates will be provided for all programs and, where necessary, quotations on individual projects will be supplied.
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4. Machete will present cost estimates for projects not identified in this agreement for the City's review and approval prior to beginning work on individual projects. These estimates detail all production costs and reflect a plus or minus 10% contingency factor in addition to any specifically stated contingency. If changes and/or additional unforeseen services/costs are necessary to complete a job, a change order will be issued to the City's for review and approval.
 5. Payments within this agreement between Machete and the City will be subject to the Prompt Payment Act.
 6. Reimbursable expenses for out of town travel in relation to the scope of services under item #2 of this agreement will not exceed \$750 per month. Expenses for out of town travel that exceed the scope of this agreement (item #2) must be pre-approved by the City before the City will reimburse Machete for those expenses.
 7. All purchases of space and facilities and all engagement of talent with respect to the advertising of the City's products shall be subject to prior approval. If the City should direct Machete to cancel and/or terminate any previously authorized purchase or project, Machete shall promptly take all appropriate action, provided that the City will hold us harmless with respect to any costs incurred to Machete as a result thereof. Machete warrant and represent to the City that in purchasing any materials or services for your account, we shall exercise due care in selecting suppliers and make every effort to obtain the lowest price for the desired quality of materials or services. In every circumstance appropriate, Machete shall obtain multiple competitive bids.
 8. The term of this agreement shall commence on October 1, 2014 for a period of one year and may be renewed annually thereafter for two additional one-year periods based on performance review. City will provide written notice of intent to renew at least 90 days prior to the end of each renewal period. This agreement may be terminated by either party at any time with, or without cause upon written notice of such intention given ninety (90) days in advance. Notices shall be deemed given on the day of mailing or in case of notice by fax or email, on the day it is transmitted. The rights, duties and responsibilities of Machete shall continue in full force during the period of notice, including the ordering and billing of advertising in print media whose closing dates fall within such period and the ordering and billing of advertising in broadcast media where the air dates fall within such period.
 9. Any advertising, merchandising, packaging and similar plans and ideas prepared by Machete and submitted to the City (whether submitted separately or in conjunction with or as part of other material) but not used by the City, shall remain the City's property provided that Machete is compensated for its development. The City agrees to return to Machete any copy, art work, plates or any other physical embodiment of the creative work relating to such ideas or plans, (which may be in the City's possession upon termination) that have not been paid for at that time.
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10. Upon termination of this contract, Machete shall transfer, assign and make available to the City, all property and materials in Machete's possession or control belonging to and paid for by the City. Furthermore, the City recognizes that talent contracts with members of certain labor unions or guilds generally cannot be assigned except to signatories to the collective bargaining agreements governing the services rendered by such talent. Upon termination, no rights or liabilities shall arise out of this relationship, regardless of any plans which may have been made for future advertising, except that any non-cancelable contracts made on the City's authorization and still existing at termination hereof, which contracts were not paid or could not be assigned by Machete to the City or someone designated by the City, shall be carried to completion by Machete and paid for by the City in the manner described in Paragraph 5 above.
11. The parties shall each be responsible for their own acts and omissions in the performance of their duties hereunder and the acts and omissions of their agents and employees.
12. Machete shall maintain general liability insurance, including "personal and advertising injury" with minimum limits of \$1,000,000 per occurrence, \$2,000,000 annual aggregate, during the term of this agreement.
13. All notices given under this agreement will be sent by certified mail to the following:

As to: City of South Padre Island
City Manager
4601 Padre Blvd
South Padre Island, TX 78597
956-761-8108
FAX: 956-761-3888

As to: Machete Creative, LLC
Catarino Lopez, President
200 E. Grayson Street, Suite 103
San Antonio, TX 78215
210-274-8665
FAX: 210-579-1161

And copy to:
Executive Director
Convention and Visitors Bureau
7355 Padre Blvd
South Padre Island, TX 78597

14. Machete Creative, LLC is an independent contractor. Nothing in this agreement is intended, nor should be construed to create a relationship of principal and agent, joint venture, partnership, or any relationship other than that of independent contractors, contracting with each other solely with respect to the performance of those services, which are the subject matter of this agreement.
15. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this Agreement, which is not contained herein shall be valid or binding. The parties agree that this Agreement and its attachments constitute the entire understanding of the parties. In the

event of conflict between the Agreement and Proposal, the Agreement shall control.

16. The City and Machete each bind themselves, their successors, executors, administrators and assigns to the other party to this Agreement. Neither the City nor Machete will assign, sublet, subcontract or transfer any interest in this Agreement without the written consent of the other party. No assignment, delegation of duties or subcontract under this Agreement will be effective without the written consent of the City. Subject to the provision regarding assignment, this Agreement shall be binding on the administrators, legal representatives, successors, and assigns of the respective parties.
17. The validity of this Agreement, any of its terms or provisions, as well as, the rights and duties of the parties hereunder, shall be governed by the laws of the State of Texas. The parties agree that it is performable in Texas and that exclusive venue shall be in Cameron County, Texas.
18. This Agreement is entered into subject to the charter and ordinances of the City as they may be amended from time to time, and is subject to and is to be construed, governed and enforced under all applicable federal and state laws. Machete shall make any and all reports required in accordance with federal, state or local law, including but not limited to proper reporting to the Internal Revenue Service as required in accordance with Machete 's income.
19. In case any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and; this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
20. Machete acknowledges and represents it is aware of the laws, City Charter, and City Code of Conduct regarding prohibited interest and that the existence of a prohibited interest at any time will render the Agreement voidable. At the time of executing this Agreement, a representative of Machete will execute the Conflict's Disclosure Statement.
21. Machete understands spending within this contract is not to exceed the City Council approved budget for the current fiscal year budget period (See Appendix A).

This agreement is effective as of October 1, 2014.

Machete Creative, LLC
Catarino Lopez, President

Date

City of South Padre Island
Bill Dilibero, City Manager

Date

**Agreement
Between
City of South Padre Island and Machete Creative, LLC
Appendix A
Fiscal Year 2014-2015 Budget**

02-594-xxxx Professional Services	\$60,000 - account stewardship and strategic planning.
02-594-xxxx Professional Services	\$60,000 – creative development.
02-594-xxxx Media Placement	\$1,140,000- Media research, planning and negotiation is paid by the commission for media placed.
02-594-xxxx Production	<u>\$50,000- Reimbursement up to \$50,000 for Production of TV, radio spots, videos and outdoor boards.</u>
TOTAL	<u>\$1,310,000.00</u>

City Manager
Bill Dilibero

Catarino Lopez
Machete Creative, LLC