

TRAVEL AND TOURISM MEMORANDUM OF UNDERSTANDING

THIS TRAVEL AND TOURISM MEMORANDUM OF UNDERSTANDING (“MOU”) is effective January 1, 2019, and is by and between the City of Grand Junction (the “City”), a Colorado home rule municipality, Visit Grand Junction (“Visit GJ”), a department within the City, the Grand Junction Regional Air Service Alliance (“Air Service Alliance”), a Colorado nonprofit corporation, and the Greater Grand Junction Sports Commission (“Sports Commission”), a Colorado nonprofit corporation. Visit GJ, the Air Service Alliance, and the Sports Commission are each referred to as a “Party” and together as the “Parties.”

1. Additional Lodging Tax Funds.

- a. In November 2018, City voters adopted an additional three percent lodging tax to promote and market travel and tourism-related activities to the Grand Junction area. These activities include destination marketing, additional direct airline service, and sporting activities and events.
- b. Resolution No. 45-18 (“Resolution”) authorized the City to annually allocate 1.0% of the lodging tax increase to the Air Service Alliance and 0.75% to the Sports Commission. The remaining 1.25% of the lodging tax increase would be allocated to Visit GJ or as otherwise decided by the City Council. Changes in annual allocations are subject to formal consideration by the City Council.
- c. This MOU outlines the City and Parties’ understanding of how the additional lodging tax funds (“Funds”) will be used to promote travel and tourism to the Grand Junction area.

2. Term. This MOU runs from January 1, 2019 through December 31, 2019. Unless terminated under Section 8, the MOU automatically renews for five (5) successive one-year terms. The City’s funding obligations, however, are contingent on an annual appropriation of funds from the City Council.

3. Use of Allocated Funds.

- a. The Air Service Alliance will use Funds allocated by the City for marketing, promoting, acquiring, and enhancing direct air service to and from the Grand Junction Regional Airport. This includes but is not limited to minimum revenue guarantees and funding marketing and promotion of such service in other markets.
- b. The Sports Commission will use Funds allocated by the City to attract and enhance sporting events within the Grand Junction area that bring tourism and visitors.
- c. Visit GJ will use Funds allocated by the City to market and promote travel and tourism and destination marketing and destination management services such as branding, marketing and support of the products and services that bring people to the area.
- d. Funds may not be used for construction, facility maintenance, or to pay debt. The Parties may use Funds for third-party expenses (e.g., D&O insurance, banking, staff, consulting, auditing, accounting or legal fees).
- e. Funds used for a purpose not allowed by this MOU and/or the Resolution shall be repaid to the City.

4. Disbursement of Funds.

- a. The City, without need for a request, will disburse Funds to the Parties on a quarterly basis.

- b. The Parties may each hold a reserve equal to no more than two years of allocated Funds unless the City agrees otherwise in writing.
5. **Coordination Among Parties.** The City and the Parties will meet at least quarterly to provide updates on plans for how Funds are being spent and to explore opportunities for collaboration. In addition, representatives from Visit GJ and the Sports Commission are invited to attend the Grand Junction Regional Air Service Alliance as ex officio members to stay informed as to their activities and provide input. The Parties also agree to update City staff and City Council on their activities at least annually, and more frequently if requested.
6. **Accounting and Recordkeeping.** The Parties shall maintain detailed accounting of how they expend received Funds and, upon request from the City, will provide that accounting of expenditures as well as any reasonable reports. Upon request, the City shall also give the Parties an account of Funds held.
7. **Liability.** Neither the City nor any Party, nor any of their employees, officers, or directors will be liable to the City or to any other Party for damages (whether direct, consequential, special, or otherwise) for anything relating to this MOU.
8. **Termination.** The City or any Party's breach of a material provision of this MOU shall be cause for termination of the Agreement with respect to the City or that Party if it has not cured the breach within thirty (30) days of having been given written notice. Termination of the MOU with respect to a Party may, in the sole discretion of the City Council, result in termination of future allocations of Funds to that Party.
9. **Indemnification.** The Air Service Alliance and Sports Commission ("Indemnifying Parties") agree to indemnify, defend, and hold harmless the City and its officers, employees and agents ("Indemnified Parties") from all damages, suits, actions or claims, including reasonable attorney's fees incurred by the Indemnified Parties in responding to and/or defending the same, that arise out of or under this agreement or on account of any and all injuries or damages claimed, received or sustained by any person(s) or property because of any act or omission, neglect or misconduct of the Indemnifying Parties. The obligations of the Indemnifying Parties in this Section 9 are limited to Funds that have been disbursed under this MOU less any amount already spent and less any amount otherwise contractually committed to a third party at the time the Indemnified Parties request indemnification.
10. **Miscellaneous Matters.**
 - a. This MOU does not create an agency, partnership, joint venture, or other form of legal association by or among the City or the Parties.
 - b. The Parties are authorized to enter into such additional agreements, including contracts with and payments to third parties, as may be necessary to promote the purposes of the MOU. Neither the City nor any Party shall be responsible for any agreement, however, that it has not individually entered.
 - c. If permitted by law, each Party may provide at no cost its intellectual property or materials, including logos and images, to another Party so as to promote a complimentary and cohesive brand for the Grand Junction area.
 - d. Each Party will assign a primary contact person to act as the central point of communication with the other Parties regarding this MOU. Unless designated otherwise, those individuals shall be the Director of Visit Grand Junction (for the City), the CEO of the Grand Junction

Area Chamber of Commerce (for the Air Service Alliance), and the Executive Director of the Greater Grand Junction Sports Commission.

- e. This MOU may be amended only by written agreement of the City and the Parties.

CITY OF GRAND JUNCTION

By:  _____

Greg Caton, City Manager

VISIT GRAND JUNCTION

By:  _____

Elizabeth Fogarty, Director

GRAND JUNCTION REGIONAL AIR SERVICE ALLIANCE

By:  _____

Jay Seaton, Chairman

GREATER GRAND JUNCTION SPORTS COMMISSION

By:  _____

Derek Wagner, Chairman