

## **EXECUTIVE SUMMARY**

### **Recommend Approval of Additional Billing from Paradise Advertising Over \$2 Million in Accordance with the Paradise Advertising & Marketing, Inc. Agreement with Collier County.**

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**OBJECTIVE:** Review and recommend approval of additional expenditures with Paradise Advertising and Marketing, Inc. above \$2,000,000 level at gross.

**CONSIDERATIONS:** The First Amendment of the agreement with Paradise Advertising and Marketing, Inc. dated October 9, 2007 (attached) indicates a monthly service fee in the amount of \$25,000 (\$300,000 annually). This service fee covers the standard agency commission of 15% on all media and production costs for regular and emergency advertising up to an aggregate of \$2,000,000 annually. Media or production billing for regular and emergency advertising over an aggregate of \$2 million annually will be added by change order and will be billed at gross, reflecting a commission of 15% payable to Paradise Advertising and Marketing, Inc. The approved FY 08 budget for marketing and advertising is \$2,400,000, so additional expenditures covered by this action were pre-authorized in the FY 08 budget.

Paradise has billed \$808,243 to date for media and production with another \$1,191,757 committed but not yet billed by Media Insertion Orders for a total paid or committed of \$2,000,000. They are projecting the expenditure of an additional \$125,000 in media and \$75,000 in production for a total of \$200,000 in the balance of the fiscal year ending September 30, 2008. By County Resolution, Paradise is also authorized to spend up to \$500,000 in emergency advertising and promotion, if needed. If all these additional funds are spent, a total of \$700,000 would be billed to Collier County at gross reflecting the standard 15% commission.

We are requesting the TDC to recommend the additional expenditure of up to \$700,000 by Change Order to the Paradise Advertising & Marketing, Inc. agreement. The Change Order will be prepared by County Purchasing and will be presented to the County Commission for approval at their July 22, 2008 meeting.

**COUNTY ATTORNEY FINDING:** This action is in accordance with the current approved agreement and Resolution with Paradise Advertising and Marketing, Inc.

**FISCAL IMPACT:** The additional \$700,000 is available in the approved FY 08 marketing and promotion budget in Fund 184.

**GROWTH MANAGEMENT IMPACT:** There is no impact to the Growth Management Plan related to this action.

**RECOMMENDATION:** Staff recommends the TDC approve the additional expenditure of \$200,000 in media and production expenses and up to \$500,000 in emergency advertising, if needed for a total authorized expenditure of \$700,000 at gross reflecting the standard agency commission of 15%.

**PREPARED BY: Jack Wert, Tourism Director**

**FIRST AMENDMENT  
2006 TOURISM MARKETING SERVICES AGREEMENT (CONTRACT #06-4007)  
BETWEEN COLLIER COUNTY AND PARADISE ADVERTISING AND MARKETING,  
INC.**

This First Amendment to the 2006 Tourism Marketing Services Agreement, made this 9<sup>th</sup> day of October, 2007, (hereinafter referred to as "First Amendment"), is entered into by and between the Board of County Commissioners of Collier County, Florida (hereinafter referred to as "COUNTY"), and Paradise Advertising and Marketing, Inc. (hereinafter referred to as "CONTRACTOR").

WITNESSETH:

WHEREAS, the COUNTY and CONTRACTOR entered into a 2006 Tourism Agreement dated October 10, 2006 (the "Agreement") with CONTRACTOR; and

WHEREAS, the COUNTY and CONTRACTOR desire to further amend the terms of the Agreement.

NOW, THEREFORE, in consideration of valuable consideration and the premises and mutual covenants hereinafter set forth, the parties agree as follows:

1. Section 4 of said Agreement is hereby deleted in its entirety and the following paragraph is inserted in its place:

AGENCY FEE.

For regular and emergency advertising, the County agrees to pay the Contractor a fee of Twenty-Five Thousand Dollars (\$25,000.00) per month based upon a total annual fee of Three Hundred Thousand Dollars (\$300,000.00) as consideration for all professional time devoted to account administration, client meetings, strategic planning, media planning, media negotiation, media placement, broadcast traffic and billing. All media and production costs for regular and emergency advertising, including but not limited to, creative and outside vendor costs up to an aggregate of Two Million Dollars (\$2,000,000.00) annually will be billed to the County at net, so that the County receives any available agency discount. Media or production billing for regular and emergency advertising over an aggregate of Two Million Dollars (\$2,000,000.00) annually will be added by change order and will be billed at gross, reflecting a commission of fifteen percent (15%) payable to Contractor. The Contractor fee will be billed on the first day of each month beginning October 1, 2006.

The County Museum advertising budget is One Hundred Twenty Thousand Dollars (\$120,000.00) and will be billed at gross, reflecting a Contractor commission of fifteen percent (15%).

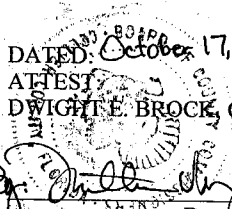
All charges for advertising, production, photography, on-line production design, printing, direct mail, audiovisual production services, marketing research and museum promotional activity will be estimated by the Contractor and authorized in writing by the Tourism Director or his designee and billed on a project basis. Out-of-pocket expenses will be billed at net.

The Contractor agrees, if requested by the County, to provide emergency pro bono publicity and public relations services, up to Six Thousand Dollars (\$6,000.00) in staff time on an annual basis. Additionally, the Contractor will make publicity and public relations services over and above the emergency budget available on an as-needed basis, estimated in advance on an estimate form and submitted to the Tourism Director, or his designee, for prior written approval before expenses are incurred.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their duly authorized officers and their official seals, hereto affixed the day and year first written above.

DATED: October 17, 2007

ATTEST:  
DWIGHT E. BROCK, Clerk

  
D. Dwight Brock  
Deputy Clerk  
Access as to Chairmen's  
signature only.

BOARD OF COUNTY COMMISSIONERS  
COLLIER COUNTY, FLORIDA

By:   
JAMES COLETTA, Chairman

Approved as to form and  
legal sufficiency:

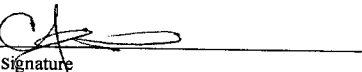
Heidi Ashton-Cicko  
Heidi Ashton-Cicko  
Assistant County Attorney

WITNESSES:

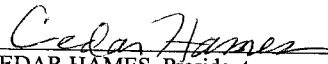
(1)   
Signature

Ashleigh Slyker  
Printed/Typed Name

CONTRACTOR:  
PARADISE ADVERTISING AND MARKET  
INC.

(2)   
Signature

CHRISTINE JONES  
Printed/Typed Name

By:   
CEDAR HAMES, President

**RESOLUTION NO. 2007- 278**

**RESOLUTION OF THE COLLIER COUNTY BOARD OF COUNTY COMMISSIONERS AUTHORIZING USE OF EMERGENCY ADVERTISING FUNDS.**

**WHEREAS**, the Board of County Commissioners of Collier County sets aside tourist development tax funds for Disaster Recovery Advertising in accordance with Ordinance No. 92-60, as amended; and

**WHEREAS**, the Board of County Commissioners desires to authorize staff to use up to \$500,000 annually from Fund 196 for Disaster Recovery Advertising on an as-needed basis.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF COLLIER COUNTY, FLORIDA, that:** the Tourism Director is authorized, after approval by the County Manager and the Chairman of the Tourist Development Council, to use funds up to \$500,000 annually for Disaster Recovery Advertising in accordance with this Resolution; and

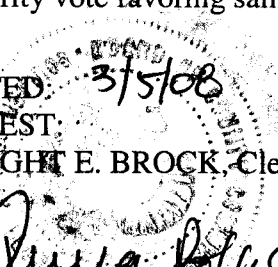
**BE IT FURTHER RESOLVED**, the Board of County Commissioners finds that circumstances or events in or near Collier County which warrant the immediate use of Disaster Recovery Funds include, but are not limited to: unusual weather events such as a hurricane, tropical storm or tropical depression; and wildfires or series of brushfires; and

**BE IT FURTHER RESOLVED**, the Board of County Commissioners further finds that no funds may be used until the Board of County Commissioners declares a state of emergency; and

**BE IT FURTHER RESOLVED**, this authorization is for the duration of the County's contract with Paradise Advertising and Marketing, which contract shall expire on September 30, 2008, unless renewed annually for up to a maximum of two (2) additional years.

This Resolution adopted this 25th day of September, 2007 after motion, second and majority vote favoring same.

DATED: 3/5/08  
ATTEST:  
DWIGHT E. BROCK, Clerk

  
*[Signature]*  
Attest as to Deputy Clerk  
signature only

BOARD OF COUNTY COMMISSIONERS  
OF COLLIER COUNTY, FLORIDA

By: *[Signature]*  
JAMES N. COLETTA, Chairman

Approved as to form and  
legal sufficiency:

*[Signature]*  
Heidi Ashton-Cicko  
Assistant County Attorney



**NAPLES, MARCO ISLAND, EVERGLADES CVB  
 2008 Media Plan  
 Billing Overview**

DEPARTMENT	BILLED TO DATE	COMMITTED NOT BILLED	PLANNED - NOT COMMITTED	EMERGENCY PLAN	TOTAL BUDGET
MEDIA			Airline Partnership - \$50,000		
			Travel Agent specific - \$5000		
			UK Online/Print - \$14,000		
			Germany Online/Print - \$14,000		
			In-State Online Extension - \$42,000		
<b>MEDIA TOTALS</b>	<b>\$619,206</b>	<b>\$1,111,308</b>	<b>\$125,000</b>	<b>\$450,000</b>	<b>\$2,305,514</b>
PRODUCTION			Online - \$15,000		
			Print - \$10,000		
			Collateral - \$50,000		
<b>PRODUCTION TOTALS</b>	<b>\$189,037</b>	<b>\$80,449</b>	<b>\$75,000</b>	<b>\$50,000</b>	<b>\$394,486</b>
<b>TOTALS TO DATE:</b>	<b>\$808,243</b>	<b>\$1,191,757</b>	<b>\$200,000</b>	<b>\$500,000</b>	<b>\$2,700,000</b>