

EAST SIXTH STREET USO CLUB & MUSEUM AGREEMENT

This Agreement, effective this ____ day of April 2011, between the City of Hattiesburg (hereinafter named "City") and the Hattiesburg Convention Commission;

RECITALS

1. Senate Bill 3232 approved May 3, 1991, creates the Hattiesburg Convention Commission for the "promotion of conventions and tourism." [SECTION 2(1)]
2. SECTION 4 of the Act states in part,

"The commission shall have jurisdiction and authority over all matters relating to the establishment, development, construction, furnishing and equipping of convention and tourism-related facilities within the City of Hattiesburg, including the authority to enter into such contracts and agreements as may be necessary to carry out the intent of this act...."
3. SECTION 5 of the Act refers to the provision of funds for the construction, furnishing, equipping, erection and operation of tourism and convention facilities. The Commission is authorized to make contracts in that respect and has full and sole discretion and authority to do so as long as it complies with the law.
4. The Convention Commission, created by Legislative act, is a separate and independent body corporate and politic. Its members are appointed by the Mayor and confirmed by the City Council, and its budget is approved by the City Council. The Convention Commission seeks to function with the City in common effort to achieve growth and responsible stewardship.
5. All funds for the construction, operation and maintenance of the Convention Center and its various facilities, including future expansions, are derived solely from the 2% Food and Beverage tax. No property ad valorem taxes are involved.
6. The Commission has requested that the City of Hattiesburg allow it to assume full financial, operational, and marketing responsibility for the East Sixth Street USO Club & Museum and related property, including staffing, project development and overall management. The Commission is authorized to, and makes said request.

WITNESSETH

Therefore, in consideration of the foregoing and the terms and conditions hereinafter contained, the City and the Hattiesburg Convention Commission do hereby agree as follows:

Article I

SCOPE

The Scope of contract shall be to provide renovation funding, operational funding, operational management, marketing, staffing and overall management and development of the East Sixth Street USO Club & Museum, a historical museum and venue owned by the City of Hattiesburg. The Hattiesburg Convention Commission may, at its discretion, utilize existing and future contracts with public and private entities to perform the functions listed herein. The specifically contracted services are outlined in Appendix A, which is attached and fully part of this contract.

Article II

DURATION OF CONTRACT

The Hattiesburg Convention Commission shall begin the herein described duties under this contract upon the date of signing by the parties below. These contracted duties and responsibilities shall be performed by the Hattiesburg Convention Commission for a period of five years from the renewal date above. At the will of both parties, upon completion of the term of this contract, the agreement will renew annually. Should either party wish to discontinue the contract, provisions are provided in Article III.

Article III

NOTICE OF CANCELLATION

The City of Hattiesburg and the Hattiesburg Convention Commission reserve the right to cancel this agreement at any time upon six months written notice to the other party. The City of Hattiesburg agrees to reimburse on a pro rata basis, the Hattiesburg Convention Commission for capital equipment or major renovation expenditures installed in the East Sixth Street USO Club & Museum in the two years prior to date of notice of cancellation.

Article IV

COVENANT AGAINST CONTINGENT FEES

The Hattiesburg Convention Commission shall comply with all relevant federal, state and local laws. The Hattiesburg Convention Commission warrants that it has not employed or retained any company or person, other than a bona fide employee working for the Hattiesburg Convention Commission, to secure this contract, and that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the awarding of this contract. For evidenced breach or violation of this warranty the City shall have the right to annul this contract without liability, or, at its discretion, to deduct from the contract price the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

Article V

MANAGEMENT AUTHORITY

Execution of this contract by the City shall designate the Hattiesburg Convention Commission as the Management Agency of Record for the East Sixth Street USO Club & Museum. The Hattiesburg Convention Commission shall be authorized to act on behalf of the City with regard to all contractual matters including facility management, museum development and marketing, evaluation, approval and contracting of current and future outsourced services, establishment of operational procedures, development and implementation of reasonable operational policies and procedures for users, provision of data and information, collection of any revenues and application of same towards operations, as well as contact with the press, media and general public.

The Hattiesburg Convention Commission and its contracted management company maintain policies and practices that are designed to prevent discrimination against any qualified employee or applicant on the basis of race, color, religion, ancestry, national origin, sex, age, marital status, sexual orientation, disability and medical condition to the extent protected by law. This policy of nondiscrimination applies to all employment practices, including hiring, compensation, benefits, promotion, training, and termination. In addition, the Hattiesburg Convention Commission and its contracted management company seek to reflect the demographic mix of Hattiesburg MSA in its hiring and employment of tourism facility operations professionals. Further, the Hattiesburg Convention Commission practices employment of industry professionals appropriate for the credibility and sensitivity of each unique venue.

Article VI

CIVIC/CITY USE OF FACILITY

The Hattiesburg Convention Commission agrees to complimentary usage of the East Sixth Street USO Club & Museum by the City of Hattiesburg as is reasonable and available for conduct of public forums, governmental meetings, scholastic programming, or civic programming of interest to a broad constituency. Availability of said complimentary usage will be based upon existing events and Museum usage patterns.

Article VII

INDEMNIFICATION FOR CLAIMS AND LIABILITY

The Hattiesburg Convention Commission shall be indemnified by the City of Hattiesburg for any and all damages to property or persons and shall save harmless its officers, agents, and employees from all suits, claims, actions, or damages of any nature whatsoever resulting from the performance of work under this contract or any pre-existing conditions and decisions of this project; provided however, this indemnification shall not extend to negligent acts or omissions of the Hattiesburg Convention Commission.

The City shall be indemnified by the Hattiesburg Convention Commission for any and all damages to property or persons, and it and its officers, agents, and employees shall be held harmless from all suits, claims,

actions, or damages of any nature whatsoever resulting from the performance of duties under this contract or any pre-existing conditions of the Hattiesburg Convention Commission; provided however, this indemnification shall not extend to negligent acts or omissions of the City of Hattiesburg.

Article VIII

ASSIGNMENT OR TRANSFER

The Hattiesburg Convention Commission agrees not to assign or transfer this contract in whole without prior written approval of the City. The Hattiesburg Convention Commission reserves the right to assign specific performance functions named in this contract to privately contracted firms as it deems appropriate. The Hattiesburg Convention Commission agrees that said assignment does not waive its responsibilities or obligations under the terms of this agreement.

Article IX

COVENANTS BINDING UPON SUCCESSORS AND ASSIGNS

The covenants herein contained shall, except as otherwise indicated, accrue to the benefit of and be binding upon the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, said parties have hereto set their hands the day and year above first written.

HATTIESBURG CONVENTION COMMISSION
One Convention Center Plaza
Hattiesburg, MS 39401

CITY OF HATTIESBURG
P.O. Box 1898
Hattiesburg, MS 39403-1898

By: Andy Stetelman
Chairman, H'bg Convention Commission

By: Johnny DuPree
Mayor, City of Hattiesburg

Date: _____

Date: _____

Appendix A

DEFINITION

The term "facilities" as used herein, shall mean all structures and improvements planned, developed and operated under the project entitled, "East Sixth Street USO Club & Museum."

FACILITY AND MUSEUM DEVELOPMENT

- 1) **Project Analyses** - The Hattiesburg Convention Commission will, from existing and subsequent analyses, develop a comprehensive summary of user needs for the development. This will include, but is not limited to, user needs and civic aspirations, planning and evaluation of ancillary development on the property for incorporation into overall facility program, neighborhood considerations and tourism development aspects.
- 2) **Venue Development** - As the Hattiesburg Convention Commission determines appropriate and productive, in conjunction with the City of Hattiesburg, African-American Military History Museum Committee and other user groups, it will evaluate and implement appropriate construction, installation and modification of the facility to improve its effectiveness as a museum, tourism venue and historical structure. Said activities will occur with respect to project's attractiveness to the neighborhood, Historic Downtown area and community as a whole. The Hattiesburg Convention Commission agrees any significant modifications will be discussed and reviewed with the architect of record and/or MS Department of Archives and History to preserve the historical accuracy of the facility.

FACILITY AND MUSEUM OPERATIONS

- 3) **Operational Structure** - The Hattiesburg Convention Commission will utilize existing knowledge and expertise of its staff currently allocated to the Commission venues to encourage economies of scale with regard to Maintenance, Event Operations and Marketing. Additionally, the Commission will provide a professional museum curator able to develop the historical and museum components of this facility as well as the Historic Eureka School.
- 4) **Staffing of Facility** - The Hattiesburg Convention Commission, or its contracted private management entity, will review and establish appropriate staffing requirements and seek to fill available full-time, part-time and contractual staff positions. The Hattiesburg Convention Commission and its agents maintain policies and practices that are designed to prevent discrimination against any qualified employee or applicant on the basis of race, color, religion, ancestry, national origin, sex, age, marital status, sexual orientation, disability and medical condition to the extent protected by law. This policy of nondiscrimination applies to all employment practices, including hiring, compensation, benefits, promotion, training, and termination.

Specific human resource activities will include...

- a- Establish appropriate staffing requirements for successful venue and museum operations.
- b- Develop (as appropriate) for each position:

- 1- Job description
 - 2- Specific duties
 - 3- Performance criteria
 - 4- Financial compensation range (inclusive of benefits)
 - 5- Schedule/hours of work
 - c- Advertise positions in accordance with applicable law and policy.
 - e- Conduct employee interview process as required.
 - f- Provide orientation program for new employees.
 - g- Provide on-going training and development program for venue and museum staff.
 - h- Conduct performance evaluations as required.
- 5) **Operations Sub-Contracting** - The Hattiesburg Convention Commission will evaluate fixed and optional sub-contracted operational contracts for the venue. Hattiesburg Convention Commission will review and negotiate sub-contracted operational activities, as appropriate.
- a- Identify specific venue operational components requiring fixed or sub-contracted performance.
 - b- Investigate and review industry standards, recommendations and historical data for contracted and fixed operational components.
 - c- Develop and review policies and procedure for proposed sub-contracted components of venue. This can include...Term of contract, performance bonding, control aspects, exclusivity clauses, types of services, operating conditions, hours of operation, license fees, audit and accounting controls, taxes and fees, operational surcharges, workers compensation, utility usage, termination clauses, subordination clauses, amendments, surety bonds, personnel practices, personnel training requirements, uniforms, work performance evaluations, inventory and control, equipment maintenance and usage, business ethics, quality and value, wage scales, endorsements and advertising.
- 6) **Booking and Event Management** - The Hattiesburg Convention Commission will develop, administer and oversee all booking and event management services for East Sixth Street USO Club & Museum during the terms of this contract. This will include Facility Marketing (see appropriate section), booking and reserving of venue and management of events.
- a- Research and develop sales and booking policies.
 - b- Utilize existing booking and event management software and staff.
 - c- Implement integrated event management accounting and reservations program.
 - d- Develop, review and produce venue use agreement and contracts.
 - e- Develop event management policies and procedures. This may include, crowd control, security, ADA accessibility, public and restricted entry, food and beverage management, event coordination plan, equipment distribution, etc.
 - f- Develop on-call staffing requirements and database of providers.
 - g- Begin equipment inventory program for event-related equipment.
 - h- Develop site tour program.
 - i- Develop facility safety program.

MUSEUM MARKETING

- 7) **Market Analysis** - The Hattiesburg Convention Commission will identify potential clients and target markets for marketing of the Museum, including educational, African-American, military and historical tourism audiences. In addition, the Hattiesburg Convention Commission will conduct an annual review and analysis of national, regional and state industry tourism and museum trends.

Specific components include...

- 1) Build Potential user database based upon
 - a) Seasonality
 - b) Frequency of Tours
 - c) Group Size
 - d) Type of Audience

- 2) Targets within the Educational Markets
 - a) University
 - b) Elementary Schools
 - c) Secondary Schools
 - d) High Schools
 - e) Kindergartens
 - f) Private Schools

- 3) Targets within the Historical and Motorcoach Markets
 - a) Military Tours (including regional, African-American, WWII, etc.)
 - b) Military Reunions
 - c) African-American Tourism
 - d) Civil Rights Tourism
 - e) Hattiesburg-focused Reunions
 - f) Educational Reunions

- 8) **Market Planning** - The Hattiesburg Convention Commission will develop a comprehensive marketing strategy, a specific marketing plan and an overall marketing budget on an annual basis.

Specific Components include...

- 1) Development of a dynamic long term Marketing Overview based on ongoing market analysis.
- 2) Develop annual market plan based on long-term objectives.
- 3) Develop annual marketing budget.

- 9) **Marketing Activities** - The Hattiesburg Convention Commission will coordinate the production of marketing and collateral materials, develop contracts with potential clients, establish annual advertising campaigns including space ads, direct mail and familiarization tours.

Specific Components include...

- 1) Coordination of Marketing and Collateral Material production
 - a) Media Kits - Develop up-to-date media kits on an ongoing basis.
 - b) Venue Information Package - Package to include marketing/tour booklet, diagrams of site plan and general facility data.
 - c) Facility Contracts - Develop comprehensive booking contracts and use policies.

- 2) Develop Marketing Network
 - a) Joining Various Professional Groups
 - Which may include...
 - aa) State Historical Associations
 - bb) National Historical Associations
 - cc) African-American Military Associations
 - dd) Historical Military Associations
 - ee) State Museum Associations
 - ff) African-American Tourism Associations

 - 3) Develop Marketing Programs including...
 - a) Cooperative Advertisement
 - b) Incentives
 - c) Value-Added Tour Packages
 - d) Electronic Media Sources
 - aa) Expand Web Site

 - 4) Media Open House
 - a) Develop Mailing List
 - b) Develop and produce Media Packet

 - 5) Set Up Familiarization Tour Plan
- 10) **Marketing Evaluation** - The Hattiesburg Convention Commission will provide a plan for ongoing evaluation of factors which will materially affect the viability of and promote the success of the East Sixth Street USO Club & Museum. This will include monitoring of trends, review of marketing and service programs, recommendations for modification and enhancement of existing programs.
- 1) Post Tour Surveys
 - a) Develop Post Tour Survey
 - b) Conduct interval Post Tour Evaluation Programs
 - c) Identify financial impacts including cost/benefits analysis for Museum and local economy

 - 2) Review, Discussion and Improvement of annual Marketing Programs