

# AGREEMENT NO. 2019-04

## SUB-RECIPIENT AGREEMENT

(Revised 01-2019)

FRANKLIN COUNTY BOARD

COUNTY TOURISM FUND

THIS AGREEMENT is entered into this 21<sup>st</sup> day of January 2019, by the Franklin County Board herein referred to as the "County" and the Rend Lake Area Tourism Council, a non-profit corporation herein referred to as the "Sub-recipient".

WITNESSETH THAT:

WHEREAS, County ordinance No. 99-04, passed October 19, 1999, imposes a tax of five percent (5%) on gross rental receipts on rooms in hotels or motels not rented to "permanent residents" as defined in the "Hotel Operators' Occupation Tax Act," and

WHEREAS, the County Board of the County of Franklin, Illinois has determined that the promotion of tourism and the attraction of non-resident overnight visitors to Franklin County, Illinois is in the best interest of the County; and

WHEREAS, proceeds resulting from the imposition of the tax shall be expended by the County solely to promote tourism, conventions, exhibitions, theatrical, sports and cultural activities within the county or otherwise to attract non-resident overnight visitors to the County, and

WHEREAS, the County desires to sub-grant the tourism tax proceeds to the Sub-recipient and engage the Sub-recipient to promote tourism on the County's behalf, and

WHEREAS, the County has required the Sub-recipient to enter into this Sub-recipient Agreement specifying the terms and conditions of the County's delegation of certain responsibilities to the Sub-recipient.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set out in this agreement, the parties agree as follows:

- A. **SPECIAL PROVISIONS.** The County agrees, under the terms and conditions of this Agreement, to sub-grant tourism tax proceeds to the Sub-recipient for the promotion of tourism and the attraction of non-resident overnight visitors to Franklin County, Illinois.
- B. **INDEPENDENT SUB-RECIPIENT.** It is understood by the parties hereto that the Sub-recipient is an independent Sub-recipient and that neither its principals nor its employees (if any) are employees of the County for purposes of tax, retirement system, or social security (FICA) withholding. It is furthermore understood that the Sub-recipient has obtained, or will obtain, and will maintain at its expense for the duration of this agreement, coverage in a liability insurance plan and worker's compensation plan (if necessary) for its principals and employees (if any) for the services to be performed hereunder.

**C. SCOPE OF SERVICES.**

- a. The Sub-recipient will perform services to meet the following goals as listed in Rend Lake Area Tourism Council Statement of Corporate Purpose
  - i. To use the Franklin County Bed Tax in a responsible manner that carries out the purpose for which the County instituted the tax. (see page 1 paragraph 3)
  - ii. To promote the development, establishment, or expansion of tourism in the Rend Lake Area of Illinois;
  - iii. To promote civic and public understanding and educate the public regarding the Rend Lake Area; and
  - iv. To engage in any and all lawful activities incidental to the foregoing purposes permitted to be exempt from taxation under Section 501(c) or 501(d) of the United States Internal Revenue Code as now in or hereafter amended.'
- b. During the term of this agreement, the Sub-recipient will maintain reasonable records of its performance under this Agreement in a manner consistent with generally accepted accounting principles. The Sub-recipient will allow the County or their authorized representatives access to these records at any time during normal business hours. At the request of the County, the Sub-recipient will submit to the County, in the format prescribed by the County, status reports on its performance under this agreement.
- c. If the Sub-recipient ceases to exist or an Event of Default occurs, all tourism tax funding on hand and accounts or notes receivable related to this agreement will revert to the County.

**D. DURATION OF AGREEMENT.** This Agreement will become effective upon authorization by the County and the Sub-recipient. The initial term of said agreement is for a period of 5 years and may be renewed by the parties by written agreement signed by both parties.

**E. TERMINATION:** That either party may terminate this agreement at any time, with or without cause, by providing 30 days written notice to the other party. Upon receiving said written notice, no additional expenditures of the county tax money shall be authorized without written agreement to the contrary signed by both parties. All money held by the Sub recipient shall be returned to the county within 14 days after the expiration of the 30-day notice period.

**F. ADMINISTRATION.**

- a. The Sub-recipient's board shall consist of nine Directors. The nine will be comprised of one resident from each of the county's three county board districts and six at-large members from Franklin County. For the purpose of implementing this agreement, the County Board shall be responsible for appointing the members of the Sub-recipient's Board of Directors. The appointments shall be made by the chairman of the County Board. Anyone with a potential conflict of interests may not be appointed or continue in an appointment on the Sub recipient's Board of Directors.
- b. The Sub-recipient will comply with all applicable federal and state statutes and regulations.
- c. The Sub-recipient shall submit an annual financial report to the County at the January board meeting of the Franklin County Board.
- d. The Sub-recipient shall submit a "quarterly activities" report to the County at the January, April, July, and October board meetings of the Franklin County Board.

**G. PAYMENT.** It is expressly agreed and understood that the total amount to be dispersed annually to the Sub-recipient (Rend Lake Area Tourism Council) by the County under this agreement shall not exceed the annual amount collected under account number 26/00430000. The county remains obligated to disperse all of the county's hotel/bed tax money to the Sub-recipient, retaining full authority for advice and consent for Tourism Council activities.

**H. TRAVEL.** The Sub-recipient shall adhere as closely as possible to the County's written travel policy.

- a. The Sub-recipient shall receive written approval from the County for any travel outside the State of Illinois or the State of Missouri. Travel within the State of Illinois or the State of Missouri shall not require approval of the County.
- b. The Sub-recipient may reimburse its employees or agents for travel at a rate not to exceed the rate approved by the County for official purposes.
- c. The Sub-recipient shall not reimburse its employees or agents for the purchase of alcohol under any circumstances.

**I. PROHIBITED ACTIVITIES.** The Sub-recipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities, lobbying, political patronage, and nepotism activities.

**J. PROCUREMENT.** The Sub-recipient shall comply with current County policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured

with funds provided herein. All program assets purchased with tourism tax proceeds shall revert to the County upon termination of this agreement.

- K. REPORTS AND INFORMATION.** The Sub-recipient shall maintain accounts and records including personnel, property and financial records, adequate to identify and account for all costs pertaining to this Agreement and other such records as may be deemed necessary by the County to assure proper accounting for all project funds. These records will be made available for audit purposes to the County or its authorized representative, and will be retained for three years after receipt of final payment for the services rendered under this Agreement unless permission to destroy them is granted by the County.
- L. INDEMNIFICATION.** The Sub-recipient waives any and all claims and recourse against the County, including the right of contribution or damage to person or property arising from, growing out of, or in any way connected with or incidental to the Sub-recipient's performance of this Agreement, except claims arising from the concurrent or sole negligence of the County or its officers, agents, or employees. The Sub-recipient will indemnify, hold harmless, and defend the County against any and all claims, demands, damages, costs, expenses, or liability arising out of the Sub-recipient's performance of this Agreement except for liability arising out of the concurrent or sole negligence of the County or its officers, agents, or employees.
- M. ASSIGNABILITY.** The Sub-recipient shall not assign or transfer any interest in this Agreement without the prior written consent of the County.
- N. SEVERABILITY.** If any provision of the Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.
- O. DEFAULT/IMMEDIATE TERMINATION OF AGREEMENT.** If any of the following events occur, the County may, in its sole discretion, declare such event a default under this Agreement:
- a. Any representation or warranty made by the Sub-recipient in this Agreement or in any request or certificate or other information furnished to the County under this agreement proves to have been incorrect in any material respect, other than accidental error; or
  - b. The Sub-recipient fails in any material respect to carry out its obligations under this Agreement; or
  - c. Ineffective or improper use of funds provided under this Agreement;
  - d. The County determines that the performance of the Sub-recipient is failing to meet the desired goals of the county in relation to tourism promotion.

If the Sub-recipient fails to perform any of its duties under this Agreement or if any event of default occurs, the County may declare the Sub-recipient to be in default and thereafter give the Sub-recipient written notice setting forth the action or inaction which constitutes the default and giving the Sub-recipient 45 days in which to correct the default. If the Sub-recipient fails to correct the default within 45 days receipt of this notice, the County may notify the Sub-recipient in writing that the agreement is null and void, and all tourism tax funding on hand and accounts or notes receivable related to this agreement will revert to the County.

It is agreed by the parties that that the provisions of this Agreement provide for reasonable and sufficient notice to be given to the Sub-recipient in the case of the Sub-recipient's failure to comply with any of its covenants and that this notice is sufficient for the Sub-recipient to rectify its actions or inactions of default.

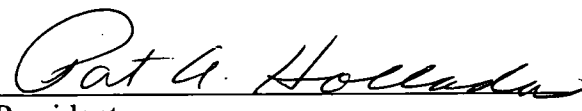
The waiver by the County of any default by the Sub-recipient does not constitute a waiver of a continuing breach or a waiver of a subsequent breach. Any agreement contrary to this Agreement is not binding upon either party unless it is in writing and signed by both parties.

- P. **CHOICE OF REMEDY:** These remedies described herein are cumulative and the County may choose to terminate said agreement at any time as described herein, without cause or without default by the Sub-recipient (Rend Lake Area Tourism Council).
  
- Q. **CONSTRUCTION AND VENUE.** This agreement will be construed under and governed by laws of the State of Illinois. The County and the Sub-recipient agree that performance of the Agreement is in the County of Franklin, State of Illinois and that in the event of litigation concerning it, venue is in the Circuit Court of the 2<sup>nd</sup> Judicial Circuit in and for the County of Franklin, Illinois.

This Sub-recipient Agreement has been approved by the County and the Sub-recipient.

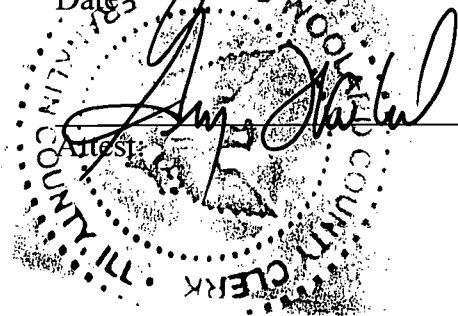
IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed.

  
Steve Leek, Vice Chairman  
Franklin County Board

*vice*   
Pat A. Hollada  
President  
Rend Lake Area Tourism Council

April 16, 2019  
Date

May 9, 2019  
Date



  
Kathy Crawford, Sec. Treasurer  
Rend Lake Area Tourism Council