

MEETING DATE:

March 16, 2009

AGENDA ITEM:

Approval of a Memorandum of Understanding Between the City of Culver City and the Culver City Sister City Committee, Inc. and Discussion of the Re-Creation of a City Council Subcommittee and Appointment of Two Council Members Thereto, if Desired.

ATTACHMENTS

MOU between the CCSCC, Inc. and the City of Culver City

Pages

1-16

**AGREEMENT BETWEEN
THE CITY OF CULVER CITY
AND
CULVER CITY SISTER CITY COMMITTEE, INC.**

THIS AGREEMENT is made and entered into this ____ day of _____, 2009, by and between the CITY OF CULVER CITY, a municipal corporation ("City"), and CULVER CITY SISTER CITY COMMITTEE, INC., a nonprofit corporation of the State of California ("CCSCC, Inc.").

RECITALS

- A. On December 10, 1962, the City Council established the Culver City Sister City Committee.
- B. On June 22, 2008, CCSCC, INC. received its Final Status Determination Letter as a 501 (c) 3 from the Internal Revenue Service, retroactive to January 31, 2008.
- C. The City Council has found that the development and implementation of a sister city relationship between Culver City and various sister cities worldwide promotes cultural relations and benefits the City. In particular, the Sister City relationship fosters and promotes:
 - (1) the exchange of information and ideas for the cultural betterment of the City and its people;
 - (2) the knowledge, understanding, and education of the City and of its people; and
 - (3) mutual understanding and goodwill between the City and Sister Cities.

D. Culver City's sister cities are:

<u>No.</u>	<u>City</u>	<u>State</u>	<u>Country</u>	<u>Date</u>
1.	Uruapan	Michoacan	Mexico	February 24, 1964
2.	Kaizuka	Osaka	Japan	April 29, 1965
3.	Iksan City	Chollabuk-do	South Korea	September 12, 1983

4. Lethbridge Alberta Canada November 6, 1989¹

E. The City desires to establish and maintain a relationship with CCSCC, Inc., an organization qualified for the purposes of implementing and administering a Sister City program.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, City and CCSCC, Inc. hereby agree as follows:

SECTION 1. TERM OF AGREEMENT.

The term of this Agreement shall be from May 1, 2008 ("Commencement Date") and shall end on June 30, 2013, with a fiscal year of July 1 to June 30 of the following year, subject to the termination provisions set forth in this Agreement. Regardless of the date of execution of this Agreement, this Agreement is effective as of the Commencement Date.

SECTION 2. SERVICES PROVIDED BY CCSCC, Inc.

A. The City recognizes that maintaining successful relationships with Sister Cities requires active participation by members of the community. The CCSCC, Inc. should develop and administer diverse programs and activities to promote art, culture, education, civic affairs and economic development, and enhance the relationships with Sister Cities through ongoing activities.

B. CCSCC, Inc. shall perform its services consistent with the goals of the City, and as further set forth in EXHIBIT A, entitled "CCSCC, Inc. SCOPE OF ACTIVITIES," which is attached hereto and incorporated herein by reference. The parties agree that the broad goals of the City include advancing international understanding and cooperation, exchanging ideas and information, and establishing goodwill and positive relations in the community and with citizens of Sister Cities.

¹ The Sister City relationship with Yanji City, Jilin, China was established in October 11, 1994 and was terminated circa 1998.

SECTION 3. PAYMENT.

City agrees to consider reimbursing CCSCC, Inc. in future fiscal years in an amount not to exceed the amount allocated annually by City Council, which shall include funding for the required insurance policies pursuant to the terms and conditions of this Agreement. The annual amount is subject to the approval of the City Council through the budget process. The rate and schedule of payment is set out in EXHIBIT B, entitled "COMPENSATION" which is attached hereto and incorporated herein by reference.

For Fiscal Year 2008/09, the City agrees to reimburse the CCSCC, Inc. in an amount not to exceed \$16,600, which includes \$14,000 for discretionary expenses and \$2,600 for reimbursement of required insurance policy premiums.

SECTION 4. BANK ACCOUNTS.

All CCSCC, Inc. bank accounts shall be maintained by CCSCC, Inc. CCSCC, Inc.'s Tax Identification Number shall be used on all bank accounts.

SECTION 5. COORDINATION.

- A. The City Manager, or his/her designee, is charged with the responsibility of administering this Agreement on City's behalf. The City Manager shall delegate his or her authority to designated City employees as necessary. The City Manager shall determine the role of City staff and use of mementos, proclamations, commendations, facilities and equipment in any CCSCC, Inc. event.
- B. The City Council and City Manager will receive ex-officio memberships at no cost during their tenure in office.
- C. Future consideration of new Sister Cities shall be presented to the City Council for prior approval, and CCSCC, Inc. shall not initiate or terminate any relationship with an existing or future Sister City without prior approval of the City Council.
- D. All functions and activities performed by CCSCC, Inc. in connection with its relationships with the Sister Cities, whether or not directly funded by City,

must be consistent with the mission and goals of the City. The City Manager will monitor CCSCC, Inc.'s compliance with this Section.

- E. At the time of execution of this Agreement, CCSCC, Inc. shall provide the City with a roster of CCSCC, Inc.'s officers and its Board of Directors. An updated roster shall be provided annually and upon written request by the City Manager to CCSCC, Inc.
- F. During the term of this Agreement, CCSCC, Inc. shall provide the City with an agenda of CCSCC, Inc.'s board and membership meetings with at least three (3) days advance notice. CCSCC, Inc. shall provide City with minutes of such meetings.
- G. The City Manager or his or her designee shall grant approval for the annual use of Veterans Park Picnic Area and Carlson Park Picnic Area and the monthly use of the Dan Patacchia Conference Room at City Hall for CCSCC, Inc. meetings and official CCSCC, Inc. delegations to Culver City. The City Manager may, at his or her discretion, move the CCSCC, Inc. meeting or event to an alternate City facility should the meeting or event conflict with the conduct of City business.
- H. If the CCSCC, Inc. provides or establishes a gift, garden or facility directly to the City or serves as a conduit for sister cities to provide gifts to the City, all gifts become the property of the City. As such, the City Manager or his or her designee will determine the placement or location of the gifts and the level of maintenance and/or operation associated with said gifts. All past sister city gifts given to the City shall fall under this provision. CCSCC, Inc. shall have the right of first refusal for the disposition of said gifts.
- I. The City shall coordinate its level of involvement or participation in any CCSCC, Inc. event.
- J. The City shall not become involved in or support orphanage donations, which shall be the CCSCC, Inc.'s sole responsibility and liability.
- K. Except as provided herein, City employees shall not perform CCSCC, Inc. activities on City time or use City resources unless authorized in writing by the City Manager. A City employee who is volunteering for CCSCC, Inc. is not

acting as a representative of the City during the course of his or her volunteer activities, and the City is not liable for his or her actions.

SECTION 6. REPORTING.

A. CCSCC, Inc. shall provide a written plan of activities within thirty (30) days of the execution of this Agreement, and annually thereafter, prior to July 1 of each year. The Plan shall include activities, trips and projects to be implemented during the fiscal year. The Plan shall also outline a project level budget and any planned fundraising activities. Any specific funding requests for the upcoming fiscal year must be received by the City prior to March 31st in order to be considered during the City's budget process.

B. CCSCC, Inc. shall complete financial reports detailing income from all sources, and expenses, including receipts and documentation of expenditures, in accordance with generally accepted accounting principles. Financial reports are due within six months after the end of each fiscal year.

SECTION 7. RIGHT TO AUDIT.

A. CCSCC, Inc. agrees to furnish the City Manager, not later than thirty (30) days after the expiration of each fiscal year, or no less than 60 days upon written notice by the City, two (2) complete statements of its income from all sources and its expenditures for all purposes during the term of this Agreement. CCSCC, Inc. further agrees to make available for examination or audit by City, all ledgers, invoices, vouchers, canceled checks or other documents representing CCSCC, Inc.'s financial transactions.

B. In the event that upon examination or audit of CCSCC, Inc.'s records, City determines that CCSCC, Inc. has failed to conform its expenditure of all or any portion of City's funds with the terms and provisions of this Agreement, CCSCC, Inc. shall either correct the matter or return to City such funds, within sixty (60) days of City's written notification.

SECTION 8. PERFORMANCE REVIEW.

5

CCSCC, Inc.'s performance during the term of this Agreement may be evaluated on an annual basis, and at the end of the Agreement. CCSCC, Inc. shall cooperate with any and all City requests for information and material for CCSCC, Inc.'s evaluation. If the City is not satisfied with the performance of CCSCC, Inc., the City Manager shall meet with CCSCC, Inc. to develop a plan to remediate any area(s) of concern. If the performance of CCSCC, Inc. continues to fail to meet the objectives outlined in this Agreement, the City Manager may issue a written notice to CCSCC, Inc., outlining the requirements to maintain their relationship with the City and file a report with City Council. If further action is required, the matter may be referred to City Council.

SECTION 9. NONDISCRIMINATION.

In the performance of the activities permitted by this Agreement, CCSCC, Inc. or its contractors will not refuse or fail to hire or employ any qualified person, or bar or discharge from employment any person, or discriminate against any person, with respect to his or her compensation, terms, conditions or privileges of employment, because of such person's race, color, religion, national origin, ethnicity, sex, sexual orientation, actual or perceived gender identity, disability or age.

SECTION 10. INDEPENDENT CONTRACTOR.

CCSCC, Inc. and its employees (if any), volunteers and agents, are independent contractors and are not agents or employees of City. This Agreement shall not in any way be construed to create a partnership, association, or any kind of joint undertaking or venture between City and CCSCC, Inc.

SECTION 11. COMPLIANCE WITH LAWS.

- A. CCSCC, Inc. shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments, including but not limited to any laws specifically referenced in this Agreement.
- B. CCSCC, Inc. shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of CCSCC, Inc.'s business.

- C. CCSCC, Inc. shall maintain its status as a nonprofit corporation in the State of California in good standing, at all times during the term of this Agreement.
- D. CCSCC, Inc. shall obtain and maintain its tax-exempt status of the federal Internal Revenue Code. Within ten days of suspension, termination or otherwise loss of its tax exempt status under section 501(c)(3), CCSCC, Inc. shall provide written notice to the City of such loss.
- E. CCSCC, Inc. shall develop and implement standards to screen individuals who may interact with children, including but not limited to chaperones and host families. These standards shall be approved by the City Manager.

SECTION 12. ASSIGNMENT.

This Agreement shall not be assigned by CCSCC, Inc. without City's prior written consent. Unless specifically authorized by this Agreement, CCSCC, Inc. shall not assign the performance of any obligation under this Agreement and may not assign any interest under this Agreement without City's prior written consent.

SECTION 13. HOLD HARMLESS.

CCSCC, Inc. shall be responsible for any and all injuries to or death of any person, and for any and all damage to any and all real or personal property, including City's or others, caused by or resulting from any acts, errors or omission of CCSCC, Inc., its employees or its agents arising out of or connected with rendition of services hereunder. CCSCC, Inc. shall defend, hold harmless and indemnify City and its officials, officers and employees from any and all liability claims, including costs, for damages to real or personal property, or personal injury or death, resulting from CCSCC, Inc.'s, its employees or agent's acts, errors or omissions arising out of or connected with rendition of services hereunder.

SECTION 14. TERMINATION.

- A. This Agreement may be terminated by either party upon giving to the other party ninety (90) days written notice of termination.

- B. CCSCC, Inc.'s performance under this Agreement is an integral part of the consideration for City to enter into future agreements. CCSCC, Inc.'s failure to perform under this Agreement shall constitute a material breach for which City, in addition to any other rights or remedies available to City, may immediately terminate this Agreement upon written notice to CCSCC, Inc.
- C. Only the City Council may decide on the part of City that this Agreement is to be terminated, and may direct the City Manager to furnish written notice to the CCSCC, Inc. of such termination.
- D. Only the CCCSCC Board of Directors may decide on behalf of CCSCC, Inc. that this Agreement is to be terminated and may direct the President to furnish written notice to the City of such termination.

SECTION 15. INSURANCE REQUIREMENTS.

CCSCC, Inc. agrees to have and maintain insurance policies as set forth in Exhibit C, attached hereto and incorporated herein by reference. All policies, endorsements, certificates and/or binders shall be subject to approval by the City Manager or the City Manager's authorized designee as to form and content. Without limiting its obligations under Exhibit C of this Agreement, CCSCC, Inc. shall submit one or more duly executed certificates of insurance for Comprehensive General Liability in the minimum amount of One Million Dollars (\$1,000,000) each occurrence, with not less than Two Million Dollars (\$2,000,000) in annual aggregate coverage; Directors and Officers Insurance; and Workers Compensation insurance in the statutorily required amount, if applicable. Any individual driving a personal or rented vehicle while conducting any business related to the CCSCC, Inc., must provide proof of valid Automobile Liability Insurance.

SECTION 16. NOTICES.

Any notices or communications shall be sent in writing to the respective parties at the following addresses:

To CCSCC, Inc.:

President
Culver City Sister City Committee, Inc.
P.O. Box #1072
Culver City, CA 90230

To City:

Jerry Fulwood
City Manager
City of Culver City
9770 Culver Boulevard
Culver City, CA 90232

SECTION 17. MISCELLANEOUS.

- A. Captions and sections of this Agreement are for convenience only and shall not be considered in resolving any questions of interpretation or construction.
- B. This Agreement shall be governed exclusively by its provisions and by the laws of the State of California as the same from time to time exist. In the event that suit shall be brought by either party, the parties agree that venue shall be exclusively vested in the state courts of the County of Los Angeles, or if federal jurisdiction is appropriate, exclusively in the United States District Court, Central District of California, in Los Angeles, California.
- C. If a court of competent jurisdiction rules that any provision of this Agreement is void or unenforceable, the remaining provisions shall not be affected and shall remain in full force and effect.
- D. As used in this Agreement and when required by the context, each number (singular and plural) shall include all numbers.
- E. Whenever in this Agreement words of obligation or duty are used, such words shall have the force and effect of covenants. Any obligation imposed by either party shall include the imposition on such party of the obligation to pay all costs and expenses necessary to perform such obligation.
- F. This Agreement, including the exhibits attached thereto, contains the entire Agreement of the parties and supersedes all prior understandings or representations of the parties, whether written or oral. Any subsequent

modification of this Agreement must be made in writing and signed by the parties' authorized representatives.

///

WITNESS THE EXECUTION HEREOF the day and year first hereinabove written.

**CULVER CITY SISTER CITY
COMMITTEE, Inc.**

Dated: _____

By _____
Its _____

CITY OF CULVER CITY, CALIFORNIA

Dated: _____

By _____
Jerry Fulwood
City Manager

APPROVED AS TO FORM:

APPROVED AS TO FINANCING
AND BUSINESS TAX CERTIFICATE:

Carol A. Schwab
City Attorney

Jeff Muir
Chief Financial Officer

EXHIBIT A
CCSCC, Inc. SCOPE OF ACTIVITIES

CCSCC, Inc. may perform the services set forth below, consistent with the goals of the City:

1. Plan and implement activities to meet the goals and objectives of the City to build community support and enhance relations with all Sister Cities.
2. Arrange cultural programs for official Sister City representatives who visit the City as official delegations of the Sister Cities. An "official delegation" is defined as a group of one or more individuals, which may include government officials, residents of a Sister City, or persons affiliated with and endorsed by the Sister City, and may include representatives of community organizations, schools or government agencies.
3. Plan, arrange, sponsor and facilitate Sister City visitor greetings, including welcoming and farewell meals or receptions. Costs of facilities, food, beverages and hotel accommodations for official visitors may be selectively approved by the City on a case-by-case basis. When expenses are incurred as a result of dining in restaurants, CCSCC, Inc. shall provide a clearly stated, separate listing of the individuals incurring the costs. Meal expenses shall not exceed \$60 per person per diem or the equivalent City of Culver City allowable per diem amount. Alcoholic beverages are not an allowable expense for reimbursement. Host families and members of CCSCC, Inc. are responsible for their own expenses, including lodging accommodations, food and transportation costs when the event is not considered to be open to the public. Examples of events open to the public include picnics in public parks and receptions. CCSCC, Inc. shall make all efforts to host all CCSCC, Inc. events and meetings within Culver City.
4. Support official CCSCC, Inc. trips to the Sister Cities. Participants on Sister City trips do so not as at the CCSCC, Inc.'s expense. An official Culver City Sister City delegation shall be defined as a group of individuals, which may include local, state, and federal government officials, members of CCSCC, Inc., representatives of local businesses and/or community organizations,

representatives of schools, and individuals sponsored by CCSCC, Inc. The purpose of such official trips shall be in accordance with the goals and objectives of the City.

5. Provide souvenirs to visiting delegations at a reasonable cost per member of an official delegation. City protocol gifts may be available from the Office of the City Manager.
6. Prepare exhibits at community events and functions to inform the public about the Sister Cities and to promote CCSCC, Inc. and its goals before school and community groups. Reimbursable expenses for such events include sponsor fees, site rentals and booths, banners and other decorations and publicity. Entertainment expense reimbursements will be considered by the City on a case-by-case basis.
7. Develop, print and distribute appropriate brochures, flyers and other material to promote CCSCC, Inc.
8. May design and maintain a website to promote the relationships with the Sister Cities, consistent with the goals of the City.
9. Help to facilitate the sponsorship of exchange students designated by the Sister Cities.
10. Scholarships and/or grants presented on behalf of the CCSCC, Inc. shall be funded exclusively by the CCSCC, Inc.
11. Furnish the City with advance notice of at least thirty (30) days, when feasible, of the arrival of official Sister City representatives, and of trips planned by CCSCC, Inc. to a Sister City.

EXHIBIT B

COMPENSATION

1. Maximum Compensation

City agrees to reimburse CCSCC, Inc. up to an amount allocated on an annual basis, including reimbursement for eligible insurance expenses, pursuant to EXHIBIT C. At the commencement of this agreement, the City shall advance to CCSCC, Inc. an amount equal to 25% of the amount approved in the annual budget for this purpose. All subsequent funds shall be disbursed on a reimbursement basis. All funding is subject to approval by the City Council, through the budget process at the City Council's sole discretion.

2. Statements

City shall pay all sums to CCSCC, Inc. on a reimbursement basis for eligible costs actually incurred by and paid by CCSCC, Inc. pursuant to this Agreement, as specified in EXHIBIT A. At the commencement of this agreement, the City shall advance to CCSCC, Inc. an amount equal to 25% of the amount approved in the annual budget for this purpose. No further sum shall be paid until the City receives a statement in a form approved by the City specifying in detail the reimbursable costs incurred and paid by CCSCC, Inc. CCSCC, Inc. shall provide City with supporting documentation and original receipts for all reimbursable costs. After the initial advance, CCSCC, Inc. may file for subsequent reimbursements as costs are incurred and paid. No further reimbursements will be made during a fiscal year once the City's budgeted allocation to CCSCC, Inc. is reached. At the conclusion of the fiscal year, CCSCC, Inc. will submit final documentation for costs incurred and paid through June 30th. If the amount paid by the City to CCSCC, Inc. during the fiscal year, including the initial advance, exceeds costs then that amount shall be offset against the next fiscal year's advance. Any requests from CCSCC, Inc. for advance payments will be handled on a case-by-case basis. Travel, meal and entertainment expenses incurred on behalf of CCSCC, Inc. officers, members or volunteers are not eligible expenses for reimbursement. City shall initiate payment to CCSCC, Inc. within thirty (30) days of City's approval of the

statements submitted pursuant to this Agreement. In no event shall reimbursement exceed the amount appropriated by the City Council.

EXHIBIT C

INSURANCE REQUIREMENTS

1. General

CCSCC, Inc. shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the services hereunder by CCSCC, Inc., its agents, representatives, employees or subcontractors.

2. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to, and approved by the City Manager or his/her designee. At the option of City, either:

- A. The insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officers, employees, agents and contractors; or
- B. CCSCC, Inc. shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the City's Risk Manager.

3. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

A. Commercial General Liability Coverage

- 1. Insured. The City of Culver City, members of its City Council, its boards and commissions, officers, agents, and employees are to be covered as additional insureds. The coverage shall contain no special limitations on the scope of protection afforded to City, members of its City Council, its boards and commissions, officers, agents, and employees; and
- 2. Contribution Not Required. CCSCC, Inc.'s insurance coverage shall be primary insurance as respects the City, its officers, employees, agents and contractors. Any insurance or self-insurance maintained by City, its

officers, employees, agents or contractors shall be excess of CCSCC, Inc.'s insurance and shall not contribute with it; and

3. Provisions Regarding the Insured's Duties after Accident or Loss. Any failure to comply with reporting provisions of the policies by CCSCC, Inc. shall not affect coverage provided City, its officers, employees, agents, or contractors: and
4. Coverage. Coverage shall state that CCSCC, Inc.'s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. All Coverages

Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or reduced in limits except after thirty (30) days' prior written notice has been given to the City Manager.

C. Acceptability of Insurers

Insurance is to be placed with insurers with a financial rating of B+ or better by A.M. Best Company.

D. Verification of Coverage

CCSCC, Inc. shall furnish City with certificates of insurance and with original endorsements affecting coverage required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Proof of insurance shall be submitted to the City Manager.

E. Subcontractors

CCSCC, Inc. shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor.

16