

TOURISM SERVICES AGREEMENT

BETWEEN THE CITY OF RICHLAND CENTER, WISCONSIN AND THE GREATER RICHLAND TOURISM CORPORATION

Effective Date: May 1, 2026

RECITALS

WHEREAS, the City of Richland Center, Wisconsin ("City") is authorized under Wis. Stat. § 66.0615 to impose a room tax on the furnishing of rooms by lodging operators within the City; and

WHEREAS, Wisconsin law requires that at least seventy percent (70%) of room tax revenues collected by a municipality shall be forwarded to a qualified tourism entity for use in tourism promotion and tourism development; and

WHEREAS, the Greater Richland Tourism Corporation ("GRTC") is a Wisconsin nonprofit corporation newly organized to serve as the tourism entity for the City of Richland Center, and meets the applicable requirements of Wis. Stat. § 66.0615(1)(f) as a nonprofit organization that spends at least 51 percent of its revenues on tourism promotion and tourism development and provides destination marketing staff and services for the tourism industry; and

WHEREAS, the City and GRTC desire to enter into this Agreement to set forth the terms under which room tax revenues will be forwarded to GRTC and to establish clear expectations, performance standards, and accountability measures;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

SECTION 1 — PARTIES AND STATUTORY BASIS

1.1 Parties. This Agreement is between the City of Richland Center, a Wisconsin municipal corporation ("City"), and the Greater Richland Tourism Corporation, a Wisconsin nonprofit corporation ("GRTC").

1.2 Statutory Authority. This Agreement is entered into pursuant to Wis. Stat. § 66.0615, which authorizes municipalities to impose a room tax and requires that a designated portion be forwarded to a tourism entity for tourism promotion and tourism development.

1.3 Tourism Entity Status. GRTC represents and warrants that it qualifies as a "tourism entity" within the meaning of Wis. Stat. § 66.0615(1)(f) as a nonprofit organization that spends at least 51 percent of its revenues on tourism promotion and tourism development and provides destination marketing staff and services. GRTC shall maintain this status throughout the term of this Agreement and shall promptly notify the City if its qualification status changes.

SECTION 2 — TERM

2.1 Initial Term. This Agreement shall be effective as of the date last signed below and shall continue for an initial term of two (2) years, unless earlier terminated as provided herein.

2.2 Renewal. This Agreement shall automatically renew for successive one-year terms unless either party provides written notice of non-renewal at least sixty (60) days before the end of the then-current term.

2.3 Annual Review. The City Council shall review GRTC's performance annually in conjunction with the Annual Report described in Section 6 and may adjust funding levels or terms for any renewal term by written amendment.

SECTION 3 — ROOM TAX FUNDING

3.1 Forwarding of Funds. The City shall forward to GRTC seventy percent (70%) of the room tax revenues collected each quarter, consistent with the requirements of Wis. Stat. § 66.0615(1m)(d).

3.2 Payment Schedule. The City shall forward funds to GRTC within forty-five (45) days following the end of each calendar quarter (i.e., by May 15, August 15, November 15, and February 15). Each payment shall be accompanied by a written statement showing the total room tax collected for the quarter and the amount forwarded.

3.3 Eligible Uses. GRTC shall use room tax revenues received under this Agreement solely for tourism promotion and tourism development, as those terms are defined in Wis. Stat. § 66.0615(1). Eligible uses include, but are not limited to:

- Marketing and advertising designed to attract overnight visitors to the Richland Center area;
- Development and distribution of visitor guides, maps, digital content, and promotional materials;
- Support for tourism-related events, festivals, and activities that generate overnight stays;
- Visitor information services and staffing;
- Tourism research, data collection, and strategic planning;
- Partnerships with regional, state, and national tourism organizations.

3.4 Prohibited Uses. Room tax revenues shall not be used for:

- Construction or development of a lodging facility (Wis. Stat. § 66.0615(1m)(d)5.);
- General operating expenses of GRTC that are unrelated to tourism promotion and development;
- Political contributions or lobbying activities;
- Personal benefit to officers, directors, or employees beyond reasonable compensation for services rendered.

3.5 Fund Accounting. Room tax revenues received under this Agreement need not be held in a separate bank account but shall be accounted for in a dedicated fund within GRTC's financial records, kept distinct from all other GRTC revenues and expenditures. GRTC may pool room tax funds with other operating cash for banking purposes, provided that its books and records clearly track the receipt, balance, and expenditure of room tax funds at all times and that such tracking is reflected in all quarterly and annual reports submitted to the City.

SECTION 4 — SCOPE OF SERVICES AND PERFORMANCE EXPECTATIONS

4.1 Core Services. GRTC shall perform the following services in support of tourism promotion and development within the City of Richland Center and the greater Richland County area:

(a) Destination Marketing. Develop and implement an annual marketing plan promoting Richland Center as a visitor destination, including digital marketing, social media, print, and cooperative advertising with state and regional partners such as Wisconsin Department of Tourism.

(b) Visitor Services. Maintain accessible visitor information services, which may include a visitor center, website, and telephone/email inquiry response, providing timely and accurate information to prospective visitors.

(c) Event Support. Actively support and help develop tourism-generating events and activities that attract overnight visitors and increase room tax revenue. GRTC shall specifically provide promotional and organizational support for the following community events: Dairy Days and Rodeo Parade, and Canyon of Lights Parade. Support for these named events is a required obligation under this Agreement and shall be reflected in each annual marketing plan. To the extent that participation in or support of these named events requires event liability insurance coverage, the City shall provide or arrange for such coverage through its municipal insurance program; GRTC shall cooperate with the City's insurer as reasonably requested and shall provide advance notice to the City Clerk of any GRTC-organized activities associated with these events so that appropriate coverage can be confirmed.

(d) Stakeholder Coordination. Collaborate with local lodging operators, restaurants, retailers, and other tourism-related businesses to strengthen the overall visitor experience.

(e) Annual Marketing Plan. By September 1 of each year, GRTC shall submit to the City a written preliminary marketing and operational plan for the upcoming year, including a proposed budget and priority initiatives. The preliminary plan is intended to inform the City's annual budget deliberations. By November 1 of each year, GRTC shall submit a final marketing and operational plan and budget for the upcoming year, incorporating any feedback received from the City following submission of the preliminary plan. The final plan and budget shall govern GRTC's operations and expenditures for the upcoming year and shall serve as the performance baseline against which GRTC's activities are measured in quarterly and annual reports.

4.2 Performance Measures. GRTC shall track and report the following metrics to the City at minimum:

Performance Metric	Description / Benchmark
Room Tax Revenue Trend	Track total room tax collected by the City year-over-year; GRTC efforts should support stable or growing revenue.
Visitor Inquiries	Track volume of visitor inquiries received via all channels (phone, email, web, walk-in) annually.
Website & Digital Engagement	Report annual website visits, social media reach/followers, and digital ad impressions.
Events Supported	Number and estimated attendance of tourism-generating events supported or co-sponsored.
Marketing Expenditures	Document that at least 51% of GRTC total revenues are spent on tourism promotion and development, as required by statute.
Media & PR Value	Track earned media coverage and estimated publicity value for Richland Center.
Partner Collaborations	Number of active partnerships with state, regional, or local tourism organizations.

4.3 Annual Marketing Plan Submission. GRTC shall submit a written annual marketing and operational plan to the City no later than September 1 of each year for the following calendar year. The plan shall include a proposed budget, priority initiatives, and intended performance benchmarks for the coming year.

SECTION 5 — GOVERNANCE AND FINANCIAL MANAGEMENT

5.1 Nonprofit Status. GRTC shall maintain its status as a Wisconsin nonprofit corporation and its federal tax-exempt status throughout the term of this Agreement.

5.2 Board Composition. GRTC's board of directors shall include representation from the lodging industry and the broader business community of Richland Center. GRTC shall notify the City of any material change in board membership within thirty (30) days.

5.3 Conflict of Interest. GRTC shall adopt and maintain a conflict-of-interest policy applicable to its officers and directors and shall make it available to the City upon request.

5.4 Financial Controls. GRTC shall maintain books and records consistent with generally accepted accounting principles. GRTC shall retain all financial records related to room tax expenditures for a minimum of seven (7) years.

5.5 Audit Rights. The City reserves the right, upon reasonable advance written notice of not less than ten (10) business days, to audit or inspect any financial records, accounts, or documentation of GRTC relating to the receipt and expenditure of room tax revenues under this Agreement. GRTC shall cooperate fully with any such audit.

SECTION 6 — REPORTING REQUIREMENTS

6.1 Quarterly Written Reports

GRTC shall submit a written Quarterly Report to the City Clerk within thirty (30) days following the end of each calendar quarter (by April 30, July 31, October 31, and January 31). Each Quarterly Report shall include:

- A financial summary showing all room tax funds received and all expenditures made during the quarter, categorized by type of activity;
- A narrative summary of tourism promotion activities and initiatives undertaken during the quarter;
- Progress on performance metrics identified in Section 4.2;
- Any significant partnerships, events, or media placements;
- Any issues, concerns, or anticipated changes to programs or staffing.

6.2 Annual Written Report

GRTC shall submit a comprehensive Annual Report to the City Clerk no later than March 31 of each year covering the prior calendar year. The Annual Report shall include:

- A complete financial statement showing all revenues and expenditures, with documentation that at least 51% of total revenues were spent on tourism promotion and development;
- A year-end summary of all performance metrics from Section 4.2;
- Accomplishments, challenges, and lessons learned;
- A copy of any independent financial review or audit conducted;
- The proposed annual marketing plan for the current year (if not already submitted under Section 4.3).

6.3 Annual In-Person Presentation

GRTC's executive director (or designated representative) and at least one board member shall appear in person before the City Council or a designated City committee at least once per year — no later than July 30 — to present the Annual Report and respond to questions. The City may schedule this presentation at any regular or special City Council meeting. The presentation shall include at minimum:

- A summary of the prior year's activities, expenditures, and accomplishments;
- Performance metric results compared to prior year and to the annual plan;
- Goals and budget overview for the current year;

- An open question-and-answer period for Council members.

6.4 Special Reports

The City may request additional written or oral reports from GRTC on specific topics or expenditures at any time, and GRTC shall respond within fifteen (15) business days of such a request.

SECTION 7 — CITY OVERSIGHT AND COMPLIANCE

7.1 Compliance with Wis. Stat. § 66.0615. The parties acknowledge that this Agreement is intended to satisfy the City's obligations under Wis. Stat. § 66.0615(1m)(d) to forward the required percentage of room tax revenues to a qualified tourism entity. GRTC's performance under this Agreement must remain consistent with the requirements of that statute.

7.2 City Liaison. The City Clerk (or designee) shall serve as the primary City liaison to GRTC, and shall be responsible for receiving reports, facilitating communication, and bringing compliance matters to the City Council's attention.

7.3 Annual Funding Review. The City Council shall review GRTC's performance, annual report, and funding level on an annual basis. Funding may be adjusted for subsequent periods by resolution, subject to the 70% minimum required by state law.

7.4 Corrective Action. If the City determines that GRTC has not complied with the terms of this Agreement or with Wis. Stat. § 66.0615, the City shall provide written notice specifying the deficiency. GRTC shall have thirty (30) days to cure the deficiency or submit a written corrective action plan. Failure to cure may result in suspension of funding or termination under Section 9.

SECTION 8 — BRANDING AND CITY ACKNOWLEDGMENT

8.1 City Acknowledgment. In all significant marketing materials, publications, and campaigns funded in whole or in part by City room tax revenues, GRTC shall include a statement acknowledging that funding is provided by the City of Richland Center room tax. The specific form of acknowledgment is subject to agreement of the parties and need not be prominent but should be present.

8.2 Use of City Name. GRTC shall not use the City's official seal or represent itself as an agency of the City without prior written consent.

SECTION 9 — TERMINATION

9.1 Termination for Cause. Either party may terminate this Agreement for material breach by the other party upon thirty (30) days' written notice, provided that the breaching party has failed to cure the breach within the notice period.

9.2 Termination for Convenience. Either party may terminate this Agreement without cause upon ninety (90) days' written notice to the other party.

9.3 Loss of Qualifying Status. This Agreement shall terminate automatically if GRTC ceases to qualify as a tourism entity under Wis. Stat. § 66.0615(1)(f), unless the City waives this requirement in writing within thirty (30) days of receiving notice of the disqualifying change.

9.4 Effect of Termination. Upon termination, GRTC shall promptly return to the City any unspent room tax funds held in its dedicated account. Any funds already committed or expended for eligible purposes prior to the termination date shall not be subject to recapture.

SECTION 10 — GENERAL PROVISIONS

10.1 Independent Contractor Status. GRTC is an independent contractor and not an agent, employee, or department of the City. GRTC shall operate independently and maintain control over its own methods and means of performing the services described in this Agreement. Nothing in this Agreement shall be construed to create an employment relationship, partnership, or joint venture between the parties. GRTC is responsible for its own federal, state, and local tax obligations, including IRS Form 1099 reporting requirements.

10.2 Indemnification. The parties shall mutually indemnify and hold harmless each other, including their respective officials, officers, employees, and agents, from and against any claims, damages, losses, or expenses (including reasonable attorneys' fees) arising out of or resulting from the indemnifying party's negligent or wrongful acts or omissions in the performance of or failure to perform obligations under this Agreement, to the extent permitted by law.

10.3 Insurance. GRTC shall obtain and maintain, at its own expense, throughout the term of this Agreement the following minimum insurance coverage, consistent with the City of Richland Center Independent Contractors Policy (adopted August 5, 2025):

- **General Liability Insurance:** \$1,000,000 per occurrence and \$2,000,000 aggregate, covering bodily injury, property damage, and personal injury;
- **Workers' Compensation Insurance:** Statutory limits as required by Wisconsin law, with Employer's liability coverage of at least \$500,000 per accident for bodily injury or disease.

Certificates of insurance shall name the City of Richland Center as an additional insured and shall include a waiver of subrogation in favor of the City. GRTC's insurance company shall have no right to seek recovery from the City, its agents, employees, or insurers for any loss or damage arising from GRTC's performance of this Agreement to the extent such loss is covered by GRTC's insurance policies. GRTC shall provide updated certificates of insurance to the City Clerk upon request and upon any policy renewal. The City Administrator may require higher limits or additional coverage for high-risk or specialized activities.

10.3a Dispute Resolution. Disputes arising under this Agreement shall be resolved through mediation before either party initiates legal action. The cost of mediation shall be shared equally by both parties unless otherwise agreed during the mediation process.

10.4 Visitor Center / Railroad Depot. The City agrees to make available to GRTC the use of the City's Visitor Center/Railroad Depot facility located at 397 W. Seminary Street, Richland Center for the purpose of conducting GRTC's tourism operations and visitor services, at no rental cost to GRTC. GRTC shall be solely responsible for all utility costs associated with its occupancy and use of the facility, including but not limited to water, sewer, heat, electric, telephone, and internet services. The parties shall enter into a separate facility use agreement or license if necessary to address the specific terms of occupancy, maintenance responsibilities, and permitted uses. GRTC's use of the facility is a privilege contingent upon continued performance under this Agreement, and the City reserves the right to revoke access upon thirty (30) days' written notice or immediately upon termination of this Agreement.

Notwithstanding the foregoing, the parties recognize that GRTC is a newly formed organization during the initial two-year term of this Agreement and that utility costs at the Facility may present a financial burden that impairs GRTC's ability to carry out its tourism promotion and development obligations. If during the initial two-year term GRTC determines that utility expenses are materially impeding its ability to fulfill those obligations, GRTC may submit a written request to the City for financial assistance with utility costs. Any such request shall include documentation of the utility expenses incurred and an explanation of the operational impact. The City Council shall

consider the request at its next regularly scheduled meeting and may, in its sole discretion, provide supplemental financial assistance for utility expenses by separate resolution. Nothing in this paragraph creates an obligation on the part of the City to provide such assistance, and any assistance approved shall not be construed as a modification of GRTC's ongoing utility obligations under this Agreement or the Facility License Agreement.

10.5 Amendment. This Agreement may be amended only by a written instrument signed by authorized representatives of both parties.

10.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior discussions, representations, and agreements.

10.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin. Any dispute arising under this Agreement shall be resolved in the courts of Richland County, Wisconsin, following the mediation process described in Section 10.3a.

10.8 Severability. If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

10.9 Notices. All notices under this Agreement shall be in writing and delivered by first-class mail, email with confirmation, or personal delivery to:

City of Richland Center
Attn: City Administrator
450 S Main St, Richland Center, WI 53581

Greater Richland Tourism Corporation
Attn: Executive Director
397 W. Seminary Street, Richland Center, WI 53581

SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date last written below.

CITY OF RICHLAND CENTER

GREATER RICHLAND TOURISM CORPORATION

Karin Tepley, Mayor

Authorized Representative / Board President

Karin Tepley
Printed Name

Printed Name

May 1, 2026
Date

Title

City Clerk (Attestation)

Date

— END OF AGREEMENT —