

## AGREEMENT

This agreement made and entered into this 21<sup>st</sup> day of December, 2023 between the **City of Stevenson**, a municipal corporation of the State of Washington, hereinafter referred to as “City”, and Kevin McHugh of KTM, LLC / Gorge Outrigger Races, hereinafter referred to as “**Gorge Outrigger Races**”.

### Recitals

1. The City of Stevenson desires to increase the distribution of information about the City to attract visitors to the City and to increase tourism.
2. The City of Stevenson does not have qualified staff to manage Outrigger races.
3. Gorge Outrigger Races is uniquely qualified to manage an Outrigger race, to meet the requirements specified herein, and to provide such services with the degree of reasonable skill and diligence normally required to manage such events.
4. It is in the City’s interest to contract with Gorge Outrigger Races to perform certain activities relating to the design and management of this event that will encourage increased tourism, promote interest in the City and the local region and to act on the City’s behalf in disseminating information about the City.

Now, therefore, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Performance. Gorge Outrigger Races will perform the work set forth below and submit requests for payment within forty-five days of each accepted task:
  - a. Gorge Outrigger Races will plan and operate the Gorge Outrigger Races as described on Exhibit A, incorporated herein by reference.
  - b. Gorge Outrigger Races will complete the tourism funding expenditure report(s) required by the Washington State Legislature. All required reports are to be submitted before final payment under this contract is made.
2. Completion. Gorge Outrigger Races will complete the work and provide the services to be performed under this agreement on or before December 31, 2024.
3. Term. The term of this agreement shall begin January 1, 2024 and end upon the completion of the project, but no later than December 31, 2024.
4. Payment.
  - a. The City will reimburse Gorge Outrigger Races up to \$5,000 for services performed under this agreement. Payments will be made on a reimbursement basis only, following submittal of detailed invoices with back-up documentation to the City.
  - b. Final invoice for this agreement must be received by the City on or before January 15, 2024. **INVOICES RECEIVED AFTER THIS DATE WILL NOT BE PAID.**

- c. The Tourism Funding Expenditure Report required by section 1 above shall be submitted before final payment under this contract is made.
5. Default. Upon default by either party of any of the terms of this agreement, the non-defaulting party may terminate the agreement after written notice to the defaulting party. Failure by the non-defaulting party to exercise the right to terminate or take any action upon default shall not constitute a waiver of any rights of the non-defaulting party hereunder and shall not excuse any such default. However, upon default and termination, the non-defaulting party is excused from further performance hereunder.
  6. Termination. This agreement may be terminated by either party giving the other party written notice of its intent to terminate at least thirty (30) days prior to the effective date of termination. Reimbursement for work completed prior to the effective date of termination shall be made in accordance with the terms of this agreement.
  7. Financial Records. Gorge Outrigger Races shall maintain financial records of all transactions related to this agreement for six years after contract completion. The financial records shall be made available at all times for auditing by any City, State of Washington or federal auditors.
  8. Status of "Gorge Outrigger Races". It is hereby understood, agreed and declared that Gorge Outrigger Races is an independent contractor and not the agent or employee of City and that no liability shall attach to City by reason of entering into this agreement, except as may be provided herein.
  9. Insurance and Liability. Gorge Outrigger Races shall indemnify and save harmless City from any and all liability arising hereunder, including costs, damages, expenses and legal fees incurred by City in connection therewith, for injury (including death) to persons or damage to or loss of property (including equipment) caused by or arising out of the work performed under this agreement.  
  
Gorge Outrigger Races further agrees, and has specifically negotiated, to waive its immunity under the State Industrial Insurance Act (RCW Title 51) and to indemnify and hold the City harmless from any claims made against the City by Gorge Outrigger Races employees, agents, contractors, subcontractors or other representatives.
  10. Assignment. This agreement shall not be transferred, assigned, or sublet by either party without prior written consent of the other party.
  11. Completeness of Agreement and Modification. This document contains all of the terms and conditions of this agreement, and any alterations or variation of the terms of this agreement shall be invalid unless made in writing and signed by both of the parties hereto. There are no other understandings, representations, or agreements, written or oral, not incorporated herein.
  12. Equal Opportunity and Compliance with Laws. Gorge Outrigger Races shall not discriminate against any employee employed under this agreement because of race, color,

religion, age, sex or national origin. Further, Gorge Outrigger Races shall comply with all local, state and federal laws and regulations in all aspects of fulfilling this agreement.

13. Governing Law and Venue. The laws of the State of Washington shall govern the construction of this agreement and any dispute arising hereunder. The parties agree that the Superior Court of Skamania County shall be the venue for any litigation brought in relation to this agreement.
14. Costs and Attorney Fees. If either party shall be in default under this contract, the non-defaulting party shall have the right, at the defaulting party's expense, to retain an attorney to make any demand, enforce any remedy, or otherwise protect or enforce its rights under this contract. The defaulting party hereby promises to pay all costs and expenses so incurred by the non-defaulting party, including, without limitation, reasonable attorneys' costs and fees. The failure of the defaulting party to promptly pay the same shall constitute a further and additional default. In the event either party hereto institutes, defends, or is involved with any action to enforce the provisions of this contract, the prevailing party in such action shall be entitled to reimbursement by the losing party for its court costs and reasonable attorney costs and fees at trial and on appeal.
15. Certification of Authority. The undersigned certify that the persons executing this agreement on behalf of City and Gorge Outrigger Races have legal authority to enter into this agreement on behalf of City and Gorge Outrigger Races respectively and have full authority to bind City and Gorge Outrigger Races in a valid Agreement on the terms herein.

**IN WITNESS WHEREOF**, the parties hereto have executed this agreement as of the day and year first above written.

**CITY OF STEVENSON**

**Gorge Outrigger Races / KTM, LLC**

\_\_\_\_\_  
Scott Anderson, Mayor

\_\_\_\_\_  
Kevin McHugh, Owner

ATTEST

\_\_\_\_\_  
Leana Kinley, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Robert C. Muth, City Attorney



City of Stevenson
TOURISM FUNDING APPLICATION FORM

Organization/Agency Information

KTM, LLC

Organization/Agency

Federal Tax ID Number

Kevin T McHugh

Contact Name

4215 NE 94th St, Seattle, WA 98115

Mailing Address

206.372.7889

Phone

kevin@kevintmchugh.com

Email

Gorge Outrigger Race

Name of Proposed Event/Activity/Facility

- Tourism Promotion Activities
Tourism-Related Facility
Events/Festivals

Amount Requested: \$ 5000

Supplemental Questions

You may type your answers in Word below or attach a separate sheet. If you attach a separate sheet, please answer all of the below questions and number your answers to correspond to the below question numbers.

1. Describe your Tourism-Related Activities, Event or Facility:

The Gorge Outrigger Race is the second largest outrigger canoe race in North America, and has become well attended with participants from across the nation and from countries including Tahiti, New Zealand, Australia, Hawaii and Europe.

2. Describe your proposal to attract visitors to the City, including dates and expected costs. Please see the Call for Tourism Promotion Proposals for criteria and items to be prioritized by the Tourism Advisory Committee.

We have long used TAC funds in previous years to help support the payments for timing and awards for participants of the event. Further the funds help pay for expenses related to registration, permit fees and cleanup costs

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3. Identify your top 5 sources of Revenue:

1.	Entry Fees	\$35560
2.	Sponsors	\$4771
3.		\$
4.		\$
5.		\$

4. Do you plan to become self-funded? If yes, please describe your plan and progress to date.

We strive to maintain a balanced budget, yet focus not on event income rather promotion of the event, activity and supporting the local community.

5. Describe your plans for advertising and promoting your proposed activity or facility.

This is the 26<sup>th</sup> year of the event, we have a strong following of repeat competitors each year though we continue to promote through social media channels including Facebook and Instagram (3k+ followers) as well as through our own website.

6. Explain how your activity or facility will result in increased tourism and overnight stays.

The event is two days in length and we average over 400 paddlers plus family and friends staying at the fairgrounds and within local housing. The event continues to leverage the infrastructure of Stevenson and Skamania county through restaurants, beer vendors, gas stations and notably the grocery stores.

7. \*List the number of tourists expected to attend your activity or facility in each of these categories (\*required):

1. \_\_\_ 400+ \_\_\_ Staying overnight in paid accommodations.
2. \_\_\_\_\_ Staying overnight in unpaid accommodations (with friends or family) and traveling 50 miles or more from their place of residence or business.
3. \_\_\_ 80 \_\_\_ Staying for the day only and traveling 50 miles or more from their place of residence or business.
4. \_\_\_\_\_ Attend but are not included in any one of the categories above.
5. \_\_\_ 120 \_\_\_ Estimated number of participants in any of the above categories that attend from another state or country.

8. Explain how you will coordinate with the Skamania County Chamber of Commerce for promotion of your proposed activity or facility. Describe any other partnerships you plan to develop to help ensure the success of your project.

We partner with the US Coast Guard, Port of Klickitat, WSP and Skamania Parks and Recreation for permitting, assistance and facilities

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9. If your proposal is for construction of a tourism-related facility, explain your plans for operation and maintenance of the facility.

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10. Describe how you will encourage support of Stevenson businesses, restaurants, retail and lodging? Through the high volume of participants who do business with local restaurants, coffee shops, gas stations and grocery stores. We are also aware many forgo camping at the fairgrounds and stay in local hotels or vacation rentals.

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11. Submit an itemized revenue and expense budget. What percentage of your revenue budget does this request for funding represent? List any other expected revenue sources and amounts.

1. See attached expense sheet from the 2023 Event.
2. The TAC funds represent roughly 14% of the revenue for the event.

12. Sign and date your proposal.

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Signature

Printed Name

Date

*You may attach additional information to help the Tourism Advisory Committee evaluate your proposal.*

*If multiple activities are planned, please submit a separate application for each activity.*

Date	Description	Amount
	Timers and Evening Registration	\$ (1,173.66)
	Fairgrounds Contract	\$ (2,022.45)
	Bathroom Cleaning	\$ (250.00)
	Boat Drivers (4)	\$ (3,000.00)
	Awards	\$ (488.36)
	Insurance Paddlesports Risk Management	\$ (1,929.75)
	PNWORCA - \$5 per paddler to PNWORCA kick back	\$ -
	PNW ORCA annual Club Dues	\$ (250.00)
	Volunteers	\$ (416.44)
	Shipping Race Shirts	\$ -
	Photocopies	\$ -
	T-Shirts	\$ (4,771.44)
	wave runner gas	\$ (60.49)
	Race Decals	\$ (404.00)
	Misc Event Expenses	\$ (23.79)
	Porta Potties	\$ (248.00)
	Race promotion fees (founder)	\$ (5,400.00)
	Entry Fees	\$ 35,560.07
	2023 revenue	\$ 35,560.07
	2023 net income	\$ 15,121.69