

AGREEMENT FOR SERVICES

This Agreement for Services ("Agreement"), dated as of July 11, 2017 ("Effective Date") is made and entered into by and between the County of Sonoma, a political subdivision of the State of California ("County"), and the Sonoma County Tourism Bureau, Inc., a California non-profit mutual benefit corporation ("Contractor" or "SCTB"), with reference to the following facts:

Recitals

WHEREAS, Contractor is designated in the ordinance ("Ordinance") creating the Sonoma County Tourism Business Improvement Area ("SCTBIA") as the initial and successive contractor to be given responsibility for carrying out services, activities and programs promoting tourism in Sonoma County ("Services") funded by assessments from within the SCTBIA and by other revenue sources; and

WHEREAS, Contractor was formed in accordance with the requirements of the Ordinance and is willing to provide the Services on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, for consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Agreement

1. Scope of Services.

1.1 Contractor's Services. Contractor shall perform the services described in Exhibit "A," attached hereto and incorporated herein by this reference (hereinafter "Scope of Work"), and within the times or by the dates provided for in Exhibit "A" and pursuant to Section 7. In the event of a conflict between the body of this Agreement and Exhibit "A," the provisions in the body of this Agreement shall control.

1.2 Cooperation with County. Contractor shall cooperate with County and County staff in the performance of all work hereunder.

1.3 Performance Standard. Contractor shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor's profession. If County determines that any of Contractor's work is not in accordance with such level of competency and standard of care, County, in its sole discretion, shall have the right to do any or all of the following: (a) require Contractor to meet with County to review the quality of the work and resolve matters of concern; (b) require Contractor to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Section 4; or (d) pursue any and all other remedies at law or in equity.

2. Payments.

2.1 Sources. During the term of this Agreement, Contractor shall receive the following payments from County:

All revenues received by County from assessments made pursuant to the Ordinance ("Assessments"), less reimbursements and fees authorized by the Ordinance

2.2 Uses. Contractor shall use funds received pursuant to Section 2.1 only for purposes authorized by, and subject to the terms and conditions of, the Ordinance, the California Constitution (including, but not limited to, California Constitution article XIII C, section 1(e)), Streets and Highways Code section 36533-35, Stats. 2013 ch. 552 §2 (AB 483, enrolled as Government Code section 53758) and this Agreement. This Agreement will be administered on behalf of the County by the Director of the Economic Development Board, who in consultation with the County Counsel's Office and the County Administrator's Office, may authorize disbursements of Assessments to Contractor solely for the purposes authorized in the Ordinance. Contractor shall reimburse the Sonoma County Counsel's Office and the Economic Development Board for the costs to review the uses of the funds and ensure compliance with this Agreement (monitoring fees). Monitoring fees shall be deducted by the County semi-annually from any transient occupancy tax proceeds paid by County to SCTB pursuant to the Agreement for Services of even date herewith under which County agrees to pay such proceeds to SCTB prior to remitting Assessments to the Contractor. Monitoring fees during the term of this Agreement shall not exceed \$25,000, and shall be supported by documentation provided by County to SCTB reflecting the actual cost of the review.

2.2.1 Travel and Meal Reimbursements. Contractor shall comply with a travel and meal reimbursement policy that has been updated to incorporate recommendations made by Contractor's independent auditor. Contractor shall continue to retain an independent auditor to review its travel and meal reimbursement requests and ensure compliance with all laws. Contractor shall share these audit reports with the Director of the Economic Development Board and County Counsel's Office annually

2.3 Schedule. County shall pay the amounts described in Section 2.1 to Contractor quarterly on the first business days after the 15th day of August 2017, November 2017, February 2018 and May 2018. Before making these payments, the Director of the County of Sonoma Economic Development Board, in coordination with the County Counsel's Office and the County Administrator's Office, shall conduct such investigations of the performance of Contractor and such examinations of the books and records of Contractor, as he or she shall deem necessary to establish that Contractor is in compliance with the terms and conditions of this Agreement and the Ordinance. If the Director of the Economic Development Board, in coordination with the County Counsel's Office and the County Administrator's Office, determines that Contractor is in breach of any provision of this Agreement or the Ordinance, he or she may withhold any payment due

3. Term of Agreement. The term of this Agreement shall be from the Effective Date to June 30, 2018, unless terminated earlier in accordance with the provisions of Section 4 below. This Agreement will terminate on June 30, 2018 unless the parties approve a written amendment to extend the term.

4. Termination.

4.1 Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, County shall have the right, in its sole discretion, to terminate this Agreement by giving 30 days written notice to Contractor.

4.2 Termination for Cause. Notwithstanding any other provision of this Agreement, should Contractor fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, County may terminate this Agreement by giving Contractor written notice of such termination, stating the reason for termination, if Contractor does not cure the reason given within 10 days of receiving the written notice.

4.3 Procedures Relating to Termination. If County terminates this Agreement pursuant to Section 4.1 or 4.2, or if the SCTBIA is disestablished as provided in the Ordinance, or if the term of this Agreement expires, the following procedures shall apply. Contractor's obligations under this Section 4.3 are in addition to those contained in Section 9.8 and 9.9 of this Agreement.

4.3.1 Transfer of or Payment for Property. County and Contractor agree that all property (both tangible property and intangible property such as intellectual property) either (a) acquired by Contractor directly from County, or (b) acquired using funds provided by County pursuant to Section 2.1(a) or Section 2.1(b) of this Agreement, or (c) acquired by Contractor using funds provided by County prior to the term of this Agreement (the "Property") shall be used exclusively for the purposes set forth in the Ordinance and Section 2.2 of this Agreement. No later than twenty (20) days before termination, expiration, or disestablishment, Contractor shall deliver to County a complete list of all Property. For each item of Property, Contractor shall, as designated by County at County's option, either (1) transfer title to and deliver the Property to County (or, if directed by County, to a successor contractor pursuant to Section 33-16(d) of the Ordinance), or (2) pay to County the then-current fair market value of the Property. Contractor shall fully cooperate with County following termination, expiration, or disestablishment to ensure that all Property necessary to the continued operation of the tourism marketing program are transferred and delivered in a prompt and timely manner in order to minimize disruption to the tourism marketing program.

4.3.2 Assignment of Agreements. Contractor shall use its best efforts to ensure that all contracts, leases, and other agreements entered into between Contractor and third parties contain language allowing the contracts, leases, and other agreements to be assigned to the County or a successor contractor. No later than twenty (20) days before termination, expiration, or disestablishment, Contractor shall provide

County with a list of all contracts, leases, and other agreements. Contractor shall assign to County or, if directed by County, to a successor contractor, any contract, lease, or other agreement designated by County.

4.3.3 Accounting. Within thirty (30) days of termination, expiration, or disestablishment, Contractor shall provide County with a complete accounting of all money and other financial assets (including, but not limited to, money market funds, notes, accounts payable, securities, claims, etc.) held by or for Contractor that (a) were acquired by Contractor directly from County, or (b) were acquired using funds provided by County pursuant to Section 2.1 of this Agreement (including assets constituting or acquired using the proceeds from the sale or disposition of Property or the proceeds from any agreement funded by Contractor using funds received from the County) (the "Financial Assets"), and shall transfer such Financial Assets to County.

4.3.4 Cooperation; Payment of Transition Costs. In the event of termination, expiration, or disestablishment, Contractor shall fully cooperate with County in order to transfer the operation of the tourism marketing program to County or to a successor contractor in an orderly and expeditious manner.

5. Indemnification. Contractor agrees to accept all responsibility for loss or damage to any person or entity, including but not limited to County, and to defend, indemnify, hold harmless, reimburse and release County, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, liabilities and expense including, but not limited to attorneys' fees and the cost of litigation incurred in the defense of claims as to which this indemnity applies or incurred in an action by County to enforce the indemnity provisions herein, whether arising from personal injury, property damage or economic loss of any type, including claims involving compliance with statutory and constitutional requirements, that may be asserted by any person or entity, including Contractor, arising out of or in connection with the performance of Contractor hereunder, whether or not there is concurrent negligence on the part of County, but, to the extent required by law, excluding liability due to the sole or active negligence or due to the willful misconduct of County. If there is a possible obligation to indemnify, Contractor's duty to defend exists regardless of whether it is ultimately determined that there is not a duty to indemnify. County shall have the right to select its own legal counsel at the expense of Contractor, subject to Contractor's approval, which approval shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts. Contractor's obligations under this Section 5 shall not be paid or discharged using funds paid to Contractor by County under Section 2.1 or using funds derived from any assets or property acquired by Contractor using funds paid to Contractor by County under Section 2.1), except proceeds from any policy of insurance maintained by Contractor under Section 6.

6. Insurance. With respect to performance of work under this Agreement, Contractor shall maintain and shall require all of its subcontractors, contractors, and other agents to maintain, insurance as described below:

6.1 Workers' Compensation Insurance. Workers' compensation insurance with statutory limits as required by the Labor Code of the State of California. Said policy shall be endorsed with the following language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days' prior written notice to the County of Sonoma, Economic Development Board.

6.2 General Liability Insurance. Commercial general liability insurance covering bodily injury and property damage using an occurrence policy form, in an amount no less than One Million Dollars (\$1,000,000.00) combined single limit for each occurrence. Said commercial general liability insurance policy shall either be endorsed with the following specific language or contain equivalent language in the policy:

a. The County of Sonoma, its officers and employees, is named as additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement.

b. The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.

c. The insurance provided herein is primary coverage to the County of Sonoma with respect to any insurance or self-insurance programs maintained by the County.

d. This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the County of Sonoma, Economic Development Board.

6.3 Automobile Insurance. Automobile liability insurance covering bodily injury and property damage in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. Said policy shall be endorsed with the following language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the County of Sonoma, Economic Development Board.

6.5 Documentation. The following documentation shall be submitted to the County of Sonoma, Economic Development Board:

a. Properly executed Certificates of Insurance clearly evidencing all coverage's, limits, and endorsements required above. Said Certificates shall be submitted prior to the execution of this Agreement. Contractor agrees to maintain current Certificates of Insurance evidencing the above-required coverage's, limits, and endorsements on file with the County for the duration of this Agreement and assumes responsibility to automatically provide renewals without prior notification from County.

b. Signed copies of the specified endorsements for each policy. Said endorsement copies shall be submitted within thirty (30) days of execution of this Agreement.

c. Upon County's written request, certified copies of the insurance policies. Said policy copies shall be submitted within thirty (30) days of County's request.

d. After the Agreement has been signed, signed Certificates of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.

6.6 Policy Obligations. Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

6.7 Material Breach. If Contractor, for any reason, fails to maintain insurance coverage, which is required pursuant to this Agreement, the same shall be deemed a material breach of this Agreement. County, in its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance. These remedies shall be in addition to any other remedies available to County.

7. Prosecution of Work. The execution of this Agreement shall constitute Contractor's authority to proceed immediately with the performance of this Agreement. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God or by strike, lockout, or similar labor disturbances, the time for Contractor's performance of this Agreement shall be extended by a number of days equal to the number of days Contractor has been delayed.

8. Extra or Changed Work. Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes, which do not significantly change the scope of work or significantly lengthen time schedules, may be executed by the Director of the Economic Development

Board in a form approved by County Counsel. The Board of Supervisors must authorize all other extra or changed work. The parties expressly recognize that, pursuant to Sonoma County Code Section 1-11, County personnel are without authorization to order extra or changed work or waive Agreement requirements. Failure of Contractor to secure such written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work and thereafter Contractor shall be entitled to no additional compensation whatsoever for the performance of such work. Contractor further expressly waives any and all right or remedy by way of restitution and quantum meruit for any and all extra work performed without such express and prior written authorization of the County.

9. Representations of Contractor.

9.1 Standard of Care. County has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws (including the California Brown Act Government Code §§54950 et seq. and the California Public Records Act Government Code §§6250) , it being understood that acceptance of Contractor's work by County shall not operate as a waiver or release.

9.2 Status of Contractor. The parties intend that Contractor, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Contractor is not to be considered an agent or employee of County and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits County provides its employees. In the event County exercises its right to terminate this Agreement pursuant to Article 4, above, Contractor expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

9.3 Taxes. Contractor agrees to file federal and state tax returns and pay any applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Contractor agrees to indemnify and hold County harmless from any liability which it may incur to the United States or to the State of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case County is audited for compliance regarding any withholding or other applicable taxes, Contractor agrees to furnish County with proof of payment of taxes on these earnings.

9.4 Records Maintenance. Contractor shall keep and maintain full and complete documentation and accounting records concerning all services performed under this Agreement and shall make such documents and records available to County for inspection at any reasonable time. Contractor shall maintain such records for a period of four (4) years following completion of work hereunder.

9.5 Conflict of Interest. Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor agrees to comply with all state laws, including the Political Reform Act Government Code §§ 81000 et seq. and Government Code §§ 1090 et seq. Contractor further covenants that in the performance of this Agreement no person having any such interests shall be employed. In addition, if requested to do so by County, Contractor shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with County disclosing Contractor's or such other person's financial interests.

9.6 Nondiscrimination. Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

9.7 AIDS Discrimination. Contractor agrees to comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

9.8 Assignment Of Rights. Contractor assigns to County all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all work product, if any, now or later prepared by Contractor in connection with this Agreement. Contractor agrees to take such actions as are necessary to protect the rights assigned to County in this Agreement, and to refrain from taking any action which would impair those rights. Contractor's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all work product. Contractor shall have an exclusive right to use the work product during the term of this Agreement, but shall not permit another to use the work product without first obtaining written permission of County.

9.9 Ownership And Disclosure Of Work Product. All reports, original drawings, graphics, plans, studies, and other data or documents ("documents"), in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, contractors, and other agents in connection with this Agreement shall be the property of County. County shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Contractor shall promptly deliver to County all such documents, which have not already been provided to County in such form or format, as County deems appropriate. Such documents shall be and will remain the property of County without restriction or limitation. Contractor shall have an exclusive right to use the documents during the term of this Agreement and may retain copies of the above described documents but agrees not

to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of County.

10. Demand for Assurance. Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance. Nothing in this Section 10 limits County's right to terminate this Agreement pursuant to Section 4.

11. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

12. Method and Place of Giving Notice, Submitting Bills and Making Payments. All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

TO: COUNTY: Sonoma County Economic Development Board
 141 Stony Circle, Suite 110
 Santa Rosa, CA 95401
 Telephone: 707-565-7170

TO: CONTRACTOR: Sonoma County Tourism Bureau (SCTB)
 400 Aviation Blvd., Ste. 500
 Santa Rosa, CA 95403
 Telephone: 707-522-5800

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. When a copy of a notice, bill or payment is sent by facsimile, the notice bill or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, bill or payment is promptly deposited in the U.S. mail, (2) the sender has a written confirmation of the facsimile transmission, and (3) the facsimile is transmitted before 5

p.m. (recipient's time). In all other instances, notices, bills and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

13. Miscellaneous Provisions.

13.1 No Waiver of Breach. The waiver by County of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

13.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and County acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Contractor and County acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

13.3 Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

13.4 No Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

13.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the forum nearest to the city of Santa Rosa, in the County of Sonoma.

13.6 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

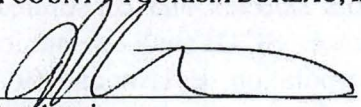
13.7 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

13.8 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

SONOMA COUNTY TOURISM BUREAU, INC.

DATED: 5/30/17

By: 
Joe Barkolomei
Board Chairman

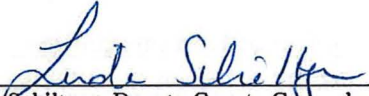
CERTIFICATES OF INSURANCE ON
FILE WITH AND APPROVED AS TO
SUBSTANCE BY DEPARTMENT:

DATED: _____

By: 
Ben Stone, Economic Development Director

APPROVED AS TO FORM:

DATED: 6/1/17

By: 
Linda Schiltgen, Deputy County Counsel

DATED: 10/30/17

COUNTY OF SONOMA

By: 
Chair, Board of Supervisors

DATED: 10/30/17

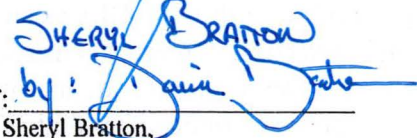
ATTEST: 
Sheryl Bratton,
Clerk of the Board of Supervisors

EXHIBIT "A"

SCOPE OF SERVICES

Contractor shall provide the following services to County. This scope of work reflects the desire of County to provide tourism marketing activities as contemplated by the California Constitution, including article XIII C, section 1(e), Stats. 2013 ch. 552 §2 (AB 483, enrolled as Government Code section 53758), Streets and Highways Code sections 36533-35 and the Ordinance.

1. Structure of SCTB. SCTB shall be a California non-profit corporation with a Board of Directors selected and constituted in accordance with the terms and conditions of the Ordinance. SCTB shall operate in accordance with duly authorized and adopted Articles of Incorporation, Bylaws and Board resolutions and shall hold meetings in accordance with the Brown Act. Appointments to the Board of Directors shall be made at the Board's annual meeting (in the first calendar year quarter), and shall be allocated based on the requirements established in the Ordinance as applied to the respective contributions made by the parties during the preceding calendar year. If such allocation results in the reduction in the number of directors appointed by the County, any then-serving director previously appointed by the County may serve the remainder of his or her term (as designated by the Sonoma County Board of Supervisors upon appointment of that director) as a non-voting, ex-officio member of the Board of Directors. SCTB shall serve as the SCTBIA Advisory Board during the term of this Agreement in accordance with the terms and conditions of Streets & Highways Code section 36530 unless terminated in accordance with Section 4 of this Agreement.

2. Transition of Responsibilities. County hereby grants to SCTB an exclusive license to use the assets listed on the attached Schedule 2.a. during the term of this Agreement.

3. Responsibilities of the SCTB:

a. SCTB will provide and fund projects, programs and activities that benefit lodging establishments within the SCTBIA in compliance with Streets and Highways Code section 36533-35, California Constitution article XIII C, section 1(e) and Stats. 2013 ch. 552 §2 (AB 483, enrolled as Government Code section 53758). This includes promotion of the SCTBIA as an overnight tourism destination and the provision of direct visitor services. Assessment funds shall be used exclusively for the forgoing purposes. SCTB shall reimburse the monitoring services provided pursuant to this Agreement by the Sonoma County Economic Development Board and the Sonoma County Counsel's Office to review the use of these funds and review for compliance with all state and local laws as set forth in Sections 2.2 and 2.3 of this Agreement.

b. SCTB will provide and fund such additional projects, programs and activities to promote tourism in Sonoma County as may be made possible through other non-Assessment funding sources. These other funds must be maintained and accounted for separately from Assessment funds.

c. SCTB shall perform and fund the specific projects, programs, and activities as described in the annual report referenced in Section 3.d below and in accordance with the terms of this Agreement. In addition, SCTB shall draft a Marketing Plan describing in detail the specific projects, programs, and activities to be performed, and containing a detailed budget for carrying out those projects, programs, and activities. Such Scope of Services shall be submitted to the Director of the Economic Development Board for review and approval. If approved, the Scope of Services shall be incorporated by reference as a part of this Agreement, and SCTB shall carry out its activities in accordance with the Scope of Services.

d. SCTB shall perform its responsibilities in accordance with the Parking and Business Improvement Area Law of 1989 (Sections 36500 *et seq.* of the California Streets and Highways Code), California Constitution article XIII C, section 1(e), and Stats. 2013 ch. 552 §2 (AB 483, enrolled as Government Code section 53758). Those responsibilities include performance of the duties of the Advisory Board, which include, but are not limited to,

- i. Preparation of recommendations to the Board of Supervisors regarding the expenditure of Assessment funds, the classification of businesses, and the method and basis of levying the assessment, in accordance with Section 36530 of the Law.
- ii. Preparation of the annual report required by Streets and Highways Code section 36533 which shall include any recommended changes to boundaries, the improvements and activities to be provided for that fiscal year, an estimate of cost for providing the improvements and activities, the method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his/her business for that fiscal year, the amount of any surplus or deficit revenues to be carried over from a previous fiscal year, and the amount of any contributions to be made from sources other than assessments. The report also must demonstrate that the assessments meet the California Constitution's requirements (for example, demonstrate that the assessments are imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or the privilege). Cal. Const. art. XIII C, section 1(e) and Stats. 2013 ch. 552 §2 (AB 483, enrolled as Government Code section 53758)

e. SCTB will develop and maintain financial records related to receipt and/or expenditure of all funds received from County. SCTB shall retain independent auditors to audit its operations. During the term of this Agreement, SCTB shall submit to County audits covering the periods from January 1, 2016 to June 30, 2017 and from July 1, 2017

to June 30 2018. The independent audit reports shall be provided to the Sonoma County Economic Development Board, County Counsel's Office and County Administrator within 30 days of receipt from the CPAs.

f. By March 15, 2018, the SCTB shall submit to the Director of the Sonoma County Economic Development Board ("EDB") or his/her designee and the Sonoma County Counsel's Office, for Board of Supervisors approval, a summary report of actual expenditures and program accomplishments during the preceding term of this Agreement.

g. By March 15, 2018, the SCTB shall submit to the Director of the EDB or his/her designee, for Board of Supervisors approval, a summary report comparison of the SCTB annual marketing plan and actual outcomes. In addition, the SCTB will also provide additional return on investment (ROI) measures that are to be determined by mutual agreement between the SCTB and the Director of the EDB or his/her designee.

h. By March 15, 2018, the SCTB shall also submit to the Director of the Economic Development Board and the Sonoma County Counsel's Office, for action by the Sonoma County Board of Supervisors, the Annual Report required by Sections 36533-36542 of the Law pertaining to continuance of the SCTBIA and the levy of Assessments for the following fiscal year in compliance with this Agreement. SCTB shall have full responsibility for preparing the information and cost estimates required for continuation of SCTBIA and the continuation of the levy and collection of Assessments, including non-County legal assistance.

i. By March 15, 2018, after consultation with the County, SCTB shall prepare and present to the Director of the Economic Development Board any and all changes to this Agreement, and the Marketing Plan, proposed for the following fiscal year.

j. SCTB will provide one (1) representative to serve on the Sonoma County Workforce Investment Board (WIB). The representative will assist the continued development of a hospitality training program for the tourism industry.

k. SCTB will allow reasonable access to, and use of, its database information to the Sonoma County Economic Development Board for the purpose of providing the industry with key economic information. The EDB will limit the frequency of its access to and use of the database information to no more than seven times per year. Data will be provided in an Excel format.

SCHEDULE 2.a.
(List of Licensed Assets)

Advertising/Service Marks

- Logo Sonoma County – Owned by County of Sonoma
- Partnership Logo – Owned by County of Sonoma
- Service Mark - “The Official Sonoma County Visitor’s Guide”- owned by County of Sonoma

Web-related

- Domain Names – The www.SonomaCounty.com domain name purchased by SCTP from WebPerceptions. The following domain names, which are registered with Network Solutions:

Domain Name	Expiration
SonomaCounty.com	29-Jan-2008
SonomaCountyTourism.com	21-Jan-2009
VintageWinterValues.com	23-Oct-2008
VisitSonomaCounty.com	21-Jan-2009

- All domain names purchased and owned by the SCTB become the property of the County in the event of disestablishment or termination.

Images, Video and Text

- The online appellation map, to which SCTP has non-exclusive rights of use.
- The B-roll/video clips produced by Travelmedia Communications
- To the extent that County has the right to license their use, any and all still images created, acquired or used by SCTP to promote tourism.
- To the extent that County has the right to license their use, any and all video images created, acquired or used by SCTP to promote tourism.
- To the extent that County has the right to license their use, any and all textual or graphic works created, acquired or used by SCTP to promote tourism.