

AGREEMENT FOR SERVICES

This Agreement for Services (“Agreement”) is made as of the date next to the last signature hereto (the “Effective Date”) by and between San Luis Obispo County (hereinafter “County”), and Inside/Outside Associates and Positive Futures (hereinafter “Agency”) with reference to the following facts.

RECITALS

WHEREAS, the County Board of Supervisors approved the creation of the San Luis Obispo Business Improvement District (“CBID”) and appointed an advisory committee (the “CBID Advisory Committee) to make recommendations regarding CBID activities; and

WHEREAS, the CBID Advisory Committee has recommended that, in order to carry out its functions, it is necessary and desirable to employ the services of Inside/Outside Associates and Positive Futures to work with the CBID for this purpose; and

WHEREAS, Inside/Outside Associates and Positive Futures represents that it is a duly qualified agency with a breadth of experience in, among other things, stewardship tourism development, including but not limited to providing leadership, innovation, and capacity building in the development of stewardship programs; and

WHEREAS, Inside/Outside Associates and Positive Futures provides special services and County has no employees available to do such work; and

WHEREAS, Inside/Outside Associates and Positive Futures is willing, able and capable to provide the desired services to County/CBID in accordance with the terms and conditions hereinafter set forth; and

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

AGREEMENT

1. Scope of Services.

1.1 Inside/Outside Associates and Positive Futures Specified Services.

Inside/Outside Associates and Positive Futures (“Agency”) agree that they shall be responsible for performing the services as outlined and shown in the Scope of Work attached Exhibit A within the times or dates agreed upon with the CBID Advisory Board.

1.2 Creative Works and Intellectual Property.

All trademarks and service marks developed on the County's behalf during the term of this Agreement are and shall remain the County's exclusive property. County is responsible for ensuring that any work completed by Agency can be trademark and/or copyright protected. The parties understand that, subject to the confidentiality obligations set forth herein and pursuant to applicable law, Agency retains the right at all times to use any creative works developed by Agency as examples of Agency's work. Each party agrees to execute any such further documents as may be necessary or appropriate to protect or enforce the rights set forth in this paragraph.

1.3 Cooperation with CBID.

Agency shall work closely with the County, CBID and the appointed CBID staff in the performance of all work hereunder.

1.4 Performance Standard.

During the term of this Agreement, Agency agrees to treat as private and confidential any and all information, which is not otherwise publicly available under applicable law, relating to the County's business, including but not limited to projections, pricing, marketing strategies and customer base. Agency will not release any such information to any person, firm or institution unless specifically directed or permitted by an authorized representative of Client in writing.

Further, during the term of this agreement and for one year thereafter, the County and Agency mutually agree that they shall not extend offers of employment or consultancy to each other's employees without prior agreement between the County's appropriate senior executive and Agency's President.

1.5 Performance Standard.

Agency will perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Agency's profession.

1.6 Assigned Personnel.

In the event that Agency has any employees and desires to have them assist with the work as described in Paragraph 1.1, Agency shall assign only competent personnel to perform work hereunder. In the event that at any time County and/or CBID, for no good cause shown, desires the removal of any person or persons assigned by Agency to perform any work hereunder, Agency shall remove such person or persons immediately upon receiving written notice from County or CBID.

2. Payment.

For all services and incidental costs required hereunder, Agency shall be compensated as set forth in the Scope of Work. Total cost of services shall not exceed \$50,000. Payments shall be based upon the following schedule:

- Retainer Deposit due upon approve of agreement by Board of Supervisors - \$5,000
- May 1, 2012 to April 30, 2014 - \$1,875/month

Inside/Outside Associates and Positive Futures shall invoice the County and CBID for all services provided hereunder. Invoices will be sent on a monthly basis, by the tenth of the month following. Invoices are net 10 days. Invoices will reference each project Scope of Work, phases, services, media costs, production, ancillary fees, material expenses and sales tax, where applicable. County warrants will be mailed to one address that has been provided by Inside/Outside Associates and Positive Futures.

3. Term of Agreement.

The term of this agreement shall be for twenty-four (24) months beginning May 1, 2012 through April 30, 2014 except in the event that the funding of the CBID through assessments upon the lodging businesses within its boundaries is not renewed for FY 2013-14. At which time all work will cease, this Agreement shall be terminated and Agency will submit an invoice for work completed to date. The term may be extended by mutual written agreement of the parties herein.

4. Prosecution of Work.

4.1 Commencement of Work.

The execution of this Agreement by the County shall constitute Agency'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 Agency's performance of this Agreement shall be extended by a number of days equal to the number of days Agency has been delayed.

4.2 Extra or Changed Work.

Only the CBID's Chair, in conjunction with County CBID administrative staff, may authorize extra or changed work or waive Agreement requirements. Said authorization and/or waiver must be in writing.

5. Representations and Warranties of Inside/Outside Associates and Positive Futures.

5.1 Standard of Care

Agency hereby warrants that all its work will be performed in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Agency's work by County and CBID shall not operate as a waiver or release.

5.2 Status of Inside/Outside Associates and Positive Futures.

The parties intend that Agency, in performing the services specified herein, shall act as an independent contractors, and shall control the work and the manner in which it is performed. Agency is an independent contractor and is not to be considered an agent or employee of County and/or CBID and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits County and/or CBID provides its employees.

5.3 Taxes.

Except as elsewhere herein provided, Agency agrees to file federal and state tax returns and pay all 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. Agency agrees to indemnify and hold County and CBID harmless from any liability which it may incur to the United States or to the State of California as a consequence of Agency's failure to pay, when due, all such taxes and obligations.

5.4 Records Maintenance.

Agency shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement and shall make such documents and records available to County and CBID for inspection at any reasonable time.

5.5 Conflict of Interest.

Agency covenants that it presently has not interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder.

5.6 Nondiscrimination.

Agency 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, or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in the Agreement are incorporated by this reference.

6. Method and Place of Giving Notice, Submitting Bills and Making Payments.

All notices, bills, and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail shall be addressed as follows:

TO: Nikki J. Schmidt
Administrative Office
County of San Luis Obispo
1055 Monterey Street, Room D430
San Luis Obispo CA 93408

TO: Diane Strachan
Inside/Outside Associates & Positive Futures
622 Freeman Lane
Mt. Shasta CA 96067

and when so addressed, shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices, bills, and payments shall be deemed at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills, and payments are to be given notice pursuant to this paragraph.

7. Resolution of Disputes.

The parties agree that disputes, which cannot be resolved by the parties alone, will be resolved by the following process:

7.1 Mediation.

The parties agree to mediate any dispute or claim between them arising out of this Agreement or any resulting transaction before resorting to arbitration or court action. The mediation fee, if any, shall be divided equally among the parties involved. In advance of the mediation, the parties shall voluntarily exchange all documents requested by the other party that relate to the dispute. Issues concerning discovery shall be submitted to the mediator prior to mediation; the mediator's decision shall be binding upon the parties to the dispute. Statements made during any mediation proceeding shall not be admissible in a subsequent arbitration or court proceeding, and shall be privileged to the full extent permitted under California law. If any party commences an arbitration or court action based on a dispute or claim to which this paragraph applies without first attempt to resolve the matter through mediation, then in the discretion of the arbitrator(s) or judge, the other party may apply to such arbitrator or judge for an order staying the arbitration or court action pending mediation.

7.2 Arbitration.

If the parties cannot resolve the dispute with the assistance of a mediator, the parties shall submit the dispute to binding arbitration. So that all claims, disputes, or controversies that may arise can be resolved by arbitration, any dispute or claim in law or equity between the parties arising out of this contract or the breach thereof, or any resulting transaction which is not resolved through mediation, shall be decided by neutral, binding arbitration and not by court action, except as provided by law for judicial review of arbitration proceedings. Arbitration shall take place in San Luis Obispo County California. The arbitration shall be conducted in accordance with the rules of either the American Arbitration association (“AAA”) or Judicial Arbitration and Mediation Services, Inc. (“JAMS”). The selection between AAA and JAMS rules shall be made by the claimant first filing for the arbitration, but the parties to the arbitration may agree in writing to use different rules or arbitrators.

8. Termination of Contract for Convenience of Either Party.

Either party may terminate this contract at any time by giving to the other party 30 days written notice of such termination. Termination shall have no effect on upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Agency shall be paid for all work satisfactorily completed prior to the effective date of said termination.

9. Termination of Contract for Cause.

If I Agency fails to perform Agency’s duties to the satisfaction of the County or CBID or if Agency fails to fulfill in a timely and professional manner Agency’s obligations under this Contract or if Agency shall violate any of the terms or provisions of this Contract or if Agency, Agency’s agents or employees fail to exercise good behavior either during or outside of working hours that is of such a nature as to bring discredit upon the County and/or CBID, then County shall have the right to terminate this Contract effective immediately upon the County giving written notice thereof to the Agency. Termination shall have no affect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Agency shall be paid for all work satisfactorily completed prior to the effective date of such termination. If County’s termination of Agency for cause is defective for any reason, including but not limited to County’s reliance on erroneous facts concerning Agency’s performance, or any defect in notice thereof, County’s maximum liability shall not exceed the amount payable to Agency under paragraph 2 above.

10. 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.

11. Applicable Law and Forum.

This Agreement shall be construed and interpreted according to the substantive law of the State of California. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of San Luis Obispo.

12. Indemnification.

Agency shall defend, indemnify and hold harmless the County, its officers and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, liabilities or other losses that may be asserted by any person or entity, and that arise out of or are made in connection with the acts or omissions relating to the performance of any duty, obligation or work hereunder. The obligation to indemnify shall be effective and shall extend to all such claims and losses, in their entirety, even when such claims or losses arise from the comparative negligence of the County, its officers and employees. However, this indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers and employees.

It is the intent of the parties to provide the County the fullest indemnification, defense, and "hold harmless" rights allowed under the law. If any word(s) contained herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this contract and the remaining language shall be given full force and effect.

13. Non-Assignment of Contract.

Inasmuch as this Contract is intended to secure the specialized services of Agency, Agency may not assign, transfer, delegate or sublet any interest therein without the prior written consent of County and any such assignment, transfer, delegation, or sublease without the County and CBID's prior written consent shall be considered null and void.

14. INSURANCE.

Agency, at its sole cost and expense, shall purchase and maintain the insurance policies set forth below on all of its operations under this Agreement. Such policies shall be maintained for the full term of this Agreement and the related warranty period (if applicable). Any failure to comply with reporting provisions(s) of the policies referred to above shall not affect coverage provided to the County, its officers, employees, volunteers and agents. For purposes of the insurance policies required hereunder, the term "County" shall include officers, employees, volunteers and agents of the County of San Luis Obispo, California, individually or collectively.

14.1 Minimum Insurance Requirements.

The following policies shall be maintained with insurers authorized to do business in the State of California and shall be issued under forms of policies satisfactory to the County:

14.2 Commercial General Liability Insurance Policy (“CGL”)

Policy shall include coverage at least as broad as set forth in Insurance Services Office (herein “ISO”) Commercial General Liability coverage. (Occurrence Form CG 0001) with policy limits not less than the following:

- \$500,000 each occurrence (combined single limit);
- \$500,000 for personal injury liability;
- \$500,000 aggregate for products-completed operations; and
- \$500,000 general aggregate.

The general aggregate limits shall apply separately to Agency’s work under this Agreement.

14.3 Business Automobile Liability Policy (“BAL”)

Policy shall include coverage at least as broad as set forth in Insurance Services Office Business Automobile Liability Coverage, Code 1 “Any Auto” (Form CA 0001). This policy shall include a minimum combined single limit of not less than One-million (\$1,000,000) dollars for each accident, for bodily injury and/or property damage. Such policy shall be applicable to vehicles used in pursuit of any of the activities associated with this Agreement. Agency shall not provide a Comprehensive Automobile Liability policy which specifically lists scheduled vehicles without the express written consent of County.

14.4 Workers’ Compensation And Employers’ Liability Insurance Policy (“WC/EL”)

This policy shall include at least the following coverages and policy limits:

14.4.1 Workers’ Compensation insurance as required by the laws of the laws of the State of California; and

14.4.2 Employer’s Liability Insurance Coverage B with coverage amount not less than one-million (\$1,000,000) dollars each accident / Bodily Injury (herein “BI”); one-million (\$1,000,000) dollars policy limit BI by disease; and, one-million (\$1,000,000) dollars each employee BI disease.

14.5 Deductibles And Self-Insurance Retentions

Any deductibles and/or self-insured retentions which apply to any of the insurance policies referred to above shall be declared in writing by Agency and approved by the County before work is begun pursuant to this Agreement. At the option of the County, Agency shall either reduce or eliminate such deductibles or self-insured retentions as respect the County, its officers, employees, volunteers and agents, or shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and/or defense expenses.

14.6 Endorsements

All of the following clauses and endorsements, or similar provisions, are required to be made a part of insurance policies indicated in parentheses below:

14.6.1 A “Cross Liability,” “Severability of Interest” or “Separation of Insureds” clause (CGL & BAL);

14.6.2 The County of San Luis Obispo, its officers, employees, volunteers and agents are hereby added as additional insureds with respect to all liabilities arising out of Agency’s performance of work under this Agreement (CGL & BAL);

14.6.3 If the insurance policy covers an “accident” basis, it must be changed to “occurrence” (CGL & BAL)

14.6.4 This policy shall be considered primary insurance with respect to any other valid and collectible insurance County may possess, including any self-insured retention County may have, and any other insurance County does possess shall be considered excess insurance only and shall not be called upon to contribute to this insurance (CGL, BAL, & PL);

14.6.5 No cancellation or non-renewal of this policy, or reduction of coverage afforded under the policy, shall be effective until written notice has been given at least thirty (30) days prior to the effective date of such reduction or cancellation to County at the address set forth below (CGL, BAL, WC /EL & PL);

14.6.6 Agency and its insurers shall agree to waive all rights of subrogation against the County, its officers, employees, volunteers and agents for any loss arising under this Agreement (CGL); and

14.6.7 Deductibles and self-insured retentions must be declared (All Policies).

14.7 Absence Of Insurance Coverage

County may direct Agency to immediately cease all activities with respect to this Agreement if it determines that Agency fails to carry, in full force and effect, all insurance policies with coverages at or above the limits specified in this Agreement. Any delays or expense caused due to stopping of work and change of insurance shall be considered Agency's delay and expense. At the County's discretion, under conditions of lapse, the County may purchase appropriate insurance and charge all costs related to such policy to Agency.

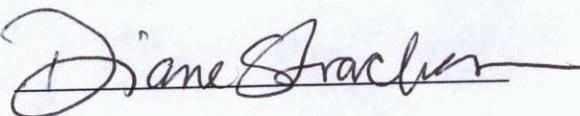
14.8 Proof of Insurance Coverage and Coverage Verification.

Prior to commencement of work under this Agreement, and annually thereafter for the term of this Agreement, Agency, or each of Agency's insurance brokers or companies, shall provide County a current copy of a Certificate of Insurance, on an Accord or similar form, which includes complete policy coverage verification, as evidence of the stipulated coverages. All of the insurance companies providing insurance for Agency shall have, and provide evidence of, a Best Rating Service rate of A VI or above. The Certificate of Insurance and coverage verification and all other notices related to cancellation or non-renewal shall be mailed to:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth below.

INSIDE/OUTSIDE ASSOCIATES
AND POSITIVE FUTURES

COUNTY OF SAN LUIS OBISPO

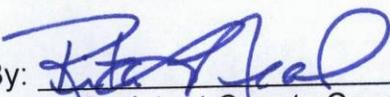
By: 

By: _____

Dated: 6/14/12

Dated: _____, 2012

APPROVED AS TO FORM AND LEGAL EFFECT:
WARREN R. JENSEN
County Counsel

By: 
Assistant County Counsel

Dated: 6/28/2012

EXHIBIT A – SCOPE OF WORK
Inside/Outside Associates & Positive Futures

Diane Strachan

"Our future lies in innovative economic development while providing stewardship for our natural, cultural, and historic rural environments."

Time Period: May 1, 2012 to May 1, 2014

Description of Work:

1. The draft Key Development Activities and Key Marketing Activities of the "Work in Progress 2-Year Stewardship Tourism Strategy Plan" are attached as scope of work addendum to contract.
2. The motion for contract is contingent upon a formal review at 6 months (Nov 1, 2012), including a set of success criteria (strategy development milestones) that are approved and monitored by the Marketing Committee.
3. Both parties will share agreement before moving forward on key messages, titles, and narrative regarding planning process and strategy implementation for the duration of the contract. For example: Both parties are in agreement about titling the plan "Work in Progress 2-Year Stewardship Tourism Strategy Plan". Additional work is required to add the Word "Sustainability" to the title.

Services, Consultant Role, & Purpose Overview:

To provide oversight and depth in Stewardship Tourism leadership, insuring high profile creative development and planning, collaboration, integration with existing and new campaigns, community and constituent facilitation, education and inspiration, and public relations enhancement. Staff training and organizational development provided to help evolve CBID's unique collaborative leadership role for the long-term sustainability of CBID, its lodging industry constituents and San Luis Obispo County.

Working Title: Diane Strachan, SLO County Stewardship Tourism Leader (STL)

Key Tasks: *(See addendum "Stewardship Tourism Strategy Plan Key Development and Marketing Activities" for additional detail – please note, the plan is accepted as a draft form. Activities not listed may be accomplished, as well as some activities the STL and marketing committee will decide not to move on.)*

- Provide staff and board access to resources and training while being responsive to assist in all areas of mission accomplishment, helping to build capacity for the CBID to collaboratively lead the county, state, and country in Stewardship Tourism.

- Provide creative, integrative, and collaborative leadership in planning & development of the Stewardship Tourism platform with CBID, constituents, core marketing firm, and community/public stakeholders. Provide training and concept development depth.
- Bring knowledge, understanding, proven communication skills, and oversight for the sensitive and potentially risky aspects of marketing concepts such as “stewardship”, “sustainability” and “the environment” in today’s context.
- Provide generative meeting facilitation, education, and development ideas for community/constituent inspiration and collaboration.
 - Co-create and successfully implement a constituent and general public “Stewardship Tourism-Traveler” rollout plan for positive “by-in”.
- Enhance media outreach capability in the Stewardship Tourism realm. Consult with Core Marketing Firm on press release drafts/articles and participate on some elements of outreach if desired. Introduce to the media and explore with them and their readers the depth, evolution, and emergence of the “stewardship traveler” in California – providing history, new trend research, interviews, and pitching stories successfully to targeted media outlets if desired.
- Build on the existing CBID organizational and leadership strengths to build capacity for long-term growth and sustainability of the CBID with Cheryl Cuming, Chief Administrative Officer.

Key Training and Capacity Building Services with strategy development:

- Advanced meeting facilitation skills, including: graphic facilitation, generative listening, multi-stakeholder collaboration, process steps for innovation, audience needs assessment for effectiveness, in-depth meeting planning to create and meet desired outcomes.
- Leadership Development
 - The power of intention, purpose, and openness
 - Communication skills and approaches for leaders
 - Generative listening and influential messaging
 - Awareness and high performance team dynamics skills
- Organizational Development (“Go slow to go fast”)
 - Inclusive systems approach – and understanding functional priorities for effective mission accomplishment.
 - Leading with clear process and structure(s) in place
 - The power of and need for evolving vision, clear roles, open communication, identified needs and tasks, etc.

Client Responsibilities:

- Assign one point person to work with Diane to communicate and provide info. and follow-up with Board and all committees (Cheryl Cuming).
- Provide all phone meeting and conference call logistics that best suits committee(s), constituents, stakeholders.
- Arrange for meeting spaces to have plenty of wall space, open 2 hours before meetings if possible for charting and preparations, notify attendees of location, meeting pre-work (if any), and have refreshments available if meeting is longer than 3 hours.
- Reproduce and distribute handouts pre, for, and after meetings/workshops.
- Keep Diane informed of committee and board needs, desires, and concerns so Diane can best respond.
- Provide budget for meeting graphics, chart paper, large format charts, agenda materials, folders for audiences.

Work not included: Only the work explicitly described in the Description of Work is considered a part of this agreement. This agreement does not include costs or fees for any special studies or additional tasks that may be requested by the client. Any additional work requested shall be considered Additional Work.

Additional Work: Any Additional Work not specified in the Description of Work but requested by the client shall be agreed upon together along with the additional project fee. In addition, the client will be billed for any expenses associated with the conduct of Additional Work – with agreement only.

Non-Disclosure/Privacy: Diane agrees to abide by any and all restrictions imposed by CBID in regard to the safeguarding of proprietary or confidential data and information furnished to Diane during the course of this assignment.

Six-Month Development Milestones:

1. The draft ST Strategy Plan has been integrated into the new overall marketing plan and prioritized with other strategies/actions for implementation. Draft timelines in ST plan reset accordingly.
2. All board members and staff are all involved (at some desired level) in the positive development and reaching out to community stakeholders to help create the new stewardship tourism strategy. Attending meetings, promoting and sharing information in emails, quoted in press, sharing one-on-one, and answering questions, generating new ST ideas for visitors, etc.
3. Criteria for identifying SLO County Stewardship Traveler Activities are created.
4. New SLO brand evolution has been completed with input from ST consultant.
5. Consultant has reviewed existing marketing materials for ST integration recommendations.

6. "At-a-Glance" SLO CBID Stewardship Tourism/Traveler informational fact sheet for constituents/county stakeholders created and distributed through various channels.
7. Stewardship Traveler Journey one page model created with CMF
8. All individual Funds have had Stewardship Tourism presentations with ST consultant, staff, outcomes include: ST strategy and approach orientation and input received.
9. "SLO Stewardship Tourism Hero's" identified and publicized with input and co-leadership from consultant.
10. "Are you a Stewardship Traveler?" Survey created (put online/website when ready).
11. The top 5 to 10 SLO county Stewardship Traveler activities have been identified and further development needs identified.
12. "Planting the seed" with local funds on developing and using stewardship tourism criteria to help make funding choices.

Thank you!
"The best way to predict the future is to create it."
Together....