

- I. CONTRACTOR may retain subcontractors to deliver services herein; however, CONTRACTOR shall remain fully responsible for compliance by its contractors with all terms of this Agreement, regardless of terms of any other agreement between CONTRACTOR and its subcontractor.
- J. CONTRACTOR's governing board shall be subject to terms of the Ralph M. Brown Act.
- K. CONTRACTOR shall assume responsibility as COUNTY's representative for the North Coast Tourism Council, and is responsible for determining an annual financial commitment to participate in the North Coast Tourism Council to benefit the District, including the minimum \$10,000 matching funds for the California Welcome Center.
- L. CONTRACTOR shall develop and maintain financial records related to receipt and/or expenditure of all funds received from COUNTY.
- M. CONTRACTOR shall prepare a quarterly report of actual expenditures and program accomplishments for each calendar quarter and shall deliver the quarterly report to COUNTY Chief Executive Officer within a reasonable amount of time. The quarterly report shall break out actual expenditures and program accomplishments into two categories, Inland Mendocino County and Coastal Mendocino County, with a clearly stated definition of what areas of the County constitute Inland Mendocino County and Coastal Mendocino County.
- N. CONTRACTOR shall provide and fund such additional projects, programs and activities to promote tourism in Mendocino County as may be made possible through other non-assessment funding sources. These other funds shall be accounted for separately from assessment funds.
- O. CONTRACTOR shall maintain a Reserve Fund equal to One Hundred Thousand Dollars (\$100,000) or ten percent (10%) of annually projected expenses, whichever is greater, to be held in an interest-bearing account, reflected as a line item on CONTRACTOR's balance sheet, with expenditures from said fund requiring approval of CONTRACTOR's Board.
- P. CONTRACTOR shall include line items in each annual budget to fund:
 - 1. On-going Board Training and development.