

CONSULTING AGREEMENT

THE STATE OF TEXAS *
COUNTY OF POLK *

KNOW ALL MEN BY THESE PRESENTS:

A. Preamble

This document evidences an Agreement, (the "Agreement"), between the County of Polk, State of Texas, by and through its Commissioner's Court duly elected and existing, represented by the Honorable John Thompson, County Judge, (the "County"), and Betty M. Russo, (the "Consultant"), for the providing of certain specialized services by Consultant for the benefit of the County.

B. Intent of the Parties

It is the intent of the parties that Consultant, shall perform certain actions to the benefit of the County, as set forth in this Agreement. This Agreement is entered into this 26th day of October, 2010 by and between Betty M. Russo (the "Consultant"), whose principal address is 311 North Cover Road, Coldspring, Texas and Polk County, Texas (the "County") whose principal address is 101 West Church Street, Suite 300, Livingston, Texas 77351.

C. Recitals

WHEREAS, the County is in need of assistance in the area of marketing and administrative support of the County as a Certified Retirement Community; and

WHEREAS, Consultant has agreed to perform consulting work for the County in providing marketing and administrative support and consulting services and other related activities as directed by the County.

D. Agreement

NOW, THEREFORE, the parties hereby agree as follows:

1. Consultant's Services

Consultant shall be available and shall provide to the County professional consulting services in the area of marketing and administrative support as

required to service and maintain the designation of the county as a Certified Retirement Community.

2. Consideration

- A. RATE.** In consideration for the Consulting Services to be performed by Consultant under this Agreement, the County will pay Consultant the amount of ONE THOUSAND and no/100 DOLLARS (\$1,000.00) per month at the end of each month during the period of this Agreement for a combined total not to exceed TWELVE THOUSAND and no/100 DOLLARS (\$12,000.00). In addition to a monthly invoice, Consultant shall submit to County Judge's office for distribution to Commissioners Court written, signed reports of the activities generated for the services rendered. The County shall pay Consultant the amounts due pursuant to submitted invoice and reports and upon approval at the next Commissioners Court session in which invoices are included on and approved in the Consent Agenda.
- B. EXPENSES.** Any additional expenditures above and beyond the amounts described above as "RATE" shall be reimbursed to Consultant provided written documentation has been submitted to County for prior approval and County has approved in writing the reimbursement of said expense. Total expenses combined shall not exceed FIVE THOUSAND and no/100 DOLLARS (\$5,000.00). Upon approval of expense, Consultant will submit receipts to County and be reimbursed by County after approval at the next Commissioners Court session in which invoices are included on and approved in the Consent Agenda. Expenses shall include but not be limited to:
- (1) Mileage for out of town travel reimbursed at currently approved IRS rate for business travel.
 - (2) Any advertising materials, including but not limited to brochures, signage, periodical ads;
 - (3) Administrative expenses to include cost of website set up and maintenance and other social networking; postage for mail outs;
 - (4) Lodging expenses if work demands overnight stays.

3. Independent Contractor Status

Nothing herein shall be construed to create an employer-employee relationship between the County and Consultant. Consultant is an independent contractor and not an employee of the County or any of its subsidiaries or affiliates. The consideration set forth in Section 2 shall be the sole consideration

due Consultant for the services rendered hereunder. It is understood that the County will not withhold any amounts for payment of taxes from the compensation of Consultant hereunder. Consultant will not represent to be or hold herself out as an employee of the County, but shall, at all times, represent the County in a professional manner.

4. Confidentiality

In the course of performing Consulting Services, the parties recognize that Consultant may come in contact with or become familiar with information which the County or its subsidiaries or affiliates may consider confidential. Consultant agrees to keep all such information confidential and not to discuss or divulge it to anyone other than appropriate County personnel or their designees.

5. Consultant to provide Automobile

The Consultant agrees to furnish a properly registered automobile for all of the Consultant's transportation needs required for the performance of the Consultant's duties under this Agreement. At all times during the term of this Agreement, the Consultant will keep in full force and effect at the Consultant's sole expense automobile insurance on any automobile owned by the Consultant that is used at any time to carry out any of the duties of the Agreement. The policy must be issued by an insurance company acceptable to the County and must include the name of the County as one of the insureds. The policy must insure against public liability for bodily injury and property damage at a minimum rate required by the County and/or State or approved by the County at the time of executing this Agreement. The Consultant will deliver documentation providing proof of insurance to the County.

6. Liability

With regard to the services to be performed by the Consultant pursuant to the terms of this Agreement, the Consultant shall not be liable to the County, or to anyone who may claim any right due to any relationship with the County, for any acts or omissions in the performance of services on the part of the Consultant or on the part of the agents or employees of the Consultant, except when said acts or omissions of the Consultant are due to willful misconduct or gross negligence. The County shall hold the Consultant free and harmless from any obligations, costs, claims, judgments, attorneys' fees, and attachments arising from or growing out of the services rendered to the County pursuant to the terms of this Agreement or in any way connected with the rendering of services, except when the same shall arise due to the willful misconduct or gross negligence of the Consultant and the Consultant is adjudged to be guilty of willful misconduct or gross negligence by a court of competent jurisdiction.

7. Term

This Agreement shall commence on October 1, 2010 and shall terminate on September 30, 2011, unless earlier terminated by either party hereto. Either party may terminate this Agreement upon thirty (30) days prior written notice. The County may, at its option, renew this Agreement for an additional one (1) year term on the same terms and conditions as set forth herein by giving written notice to Consultant of such intent to renew on or before September 1, 2011. Any changes in this Agreement for renewal purposes in regards to services or compensation shall constitute a newly executed Agreement to be agreed upon and signed by both parties.

8. Notice

Any notice or communication permitted or required by this Agreement shall be deemed effective when personally delivered or deposited, postage prepaid, in the first class mail of the United States properly addressed to the appropriate party at the address set forth below:

- Notices to Consultant: Betty M. Russo
P.O. Box 721
Coldspring, Texas 77331
- Notices to County: Hon. John Thompson, County Judge
Polk County, Texas
101 West Church Street, Suite 300
Livingston, Texas 77351

9. Miscellaneous

- A. ENTIRE AGREEMENT AND AMENDMENTS.** This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and replaces and supersedes all other agreements or understandings, whether written or oral. No amendment or extension of the Agreement shall be binding unless in writing and signed by both parties.
- B. BINDING EFFECT, ASSIGNMENT.** This Agreement shall be binding upon and shall inure to the benefit of Consultant and the County. Nothing in this Agreement shall be construed to permit the assignment by Consultant of any of its rights or obligations hereunder, and such assignment is expressly prohibited without the prior written consent of the County.

- C. **GOVERNING LAW, SEVERABILITY.** This Agreement shall be governed by the laws of the State of Texas. The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of any other provision.
- D. **APPROVAL OF COMMISSIONER'S COURT.** By the signature of the County Judge, it is acknowledged that this Agreement has been voted on and approved by the Polk County Commissioner's Court, which Court has authorized the County Judge to sign below.

WHEREFORE, the parties have executed this Agreement as of the date first written above.

POLK COUNTY, TEXAS

By: *John O. Thompson*
 JOHN THOMPSON, COUNTY JUDGE

BETTY M. RUSSO

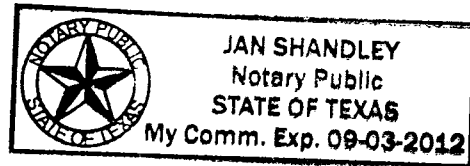
By: *Betty M Russo*
 BETTY M. RUSSO

THE STATE OF TEXAS *

COUNTY OF POLK *

This instrument was acknowledged before me on the 14 day of October, 2010, by BETTY M. RUSSO.

Jan Shandley
 NOTARY PUBLIC, STATE OF TEXAS



THE STATE OF TEXAS *

COUNTY OF POLK *

This instrument was acknowledged before me on the 26th day of October, 2010, by JOHN THOMPSON, County Judge, Polk County, on behalf of Polk County, Texas.

Marcia Cook
NOTARY PUBLIC, STATE OF TEXAS

