

Kōmike no ka Ho'olaule'a No'eau Pākīpika 13
Commission on the 13th Festival of Pacific Arts & Culture

Pō'akolu lā 13 o 'Pepeluali 2019
Kikowaena Hālāwai O Hawai'i
Lumi Papa Alaka'i A

Wednesday, February 13, 2019
Hawai'i Convention Center
Board Room A

Hō'ike Ho'okele Hanana
Festival Director's Report

- 1 *Nā Wahi Hanana*
- A. *Ho'ike Ho'okele Hanana, E Komo Pū Ana:*
 - *Ke ka'a'ike me nā 'elele*
Delegation responses and communications
 - *French Polynesia*
 - *Wallace & Futuna – 50 delegates*
 - *Palau – 100 delegates*
 - *Ke koho i hoa 'aelike no ke Ka'a'ike, Papa ho a Hokona*
Selection of a sub-contractor for Communications, Media and Marketing
RFP was sent out for Communications & Marketing search for a marketing/advertising firm to assist with FESPAC. We received 4 proposals:
 - *6Pillars Marketing Bennett Group*
 - *Becker Communications*
 - *Bennett Group*
 - *Strategies 360*
 - Based on reviews and interviews by the Festival Director, the Administrative Director and Kauai Burgess, Communications Director at Kamehameha Schools Strategies 360 was selected. Strategies 362 hosted the first branding and communications workshop on Monday 2/11. Scope of work includes developing a new website and:
 - • Create an overarching brand narrative that defines Festpac-Hawai'i 2020 to inform and guide all future communication and marketing strategies.
 - • Develop critical communications and engagement strategies to secure key funding from government officials (legislative and executive branches) and private sector donors (business, labor, foundation and non-profit groups)
 - • Build online media assets; including the creation of a website and related social media infrastructure and will assist with developing sponsor benefits package.
 - *Phase 1*
 - *Website development - \$50,000*
 - *Phase I \$62,500 February-June, 2019*
 - *Ke noi ho'olālā no na kanaka kotana ki'eki'e a alaka'i o kela me keia hui 'aina (2 o ka 'aina)*
Proposal for Logistical Coordination for the dignitaries and Heads of Delegation from each country (2 per country)
Pacific Islands Institute - \$120,000 coordination fees
 - *Ke noi no ka Palapala Ho'ike Hopena Waiwai FESTPAC 2020*
Proposal for a FESTPAC 2020 Economic Impact Study
SMS Database Marketing – Proposal
Phase I – February – July, 2019 \$41,885

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- FESTPAC Village at Kaka'ako Parks
 - 1/30 Mtg with Group 70 re: FESTPAC Village
 - 1/31 Meeting with City & County Parks
- Bishop Museum
- State Art Museum
- Honolulu Museum of Art
- Hawai'i Convention Center
- 'Iolani Palace
- University of Hawai'i/Community Colleges

Venue/Program Update:

Hawaii Convention Center(HCC)

The following activities/events are being considered for HCC:

- Art Exhibits, films, literature, storytelling, ecumenical service, music, fashion, floral design
- PCS Meetings, seminars, lectures, demonstrations,

As of our meeting with HCC on Friday, January 18, the following rooms are on hold for FESTPAC-2020:

Third Floor Meeting Rooms: June 12 – June 20

Lili'uokalani and Emma Theaters: June 12 – June 20

Exhibition Hall 1 – 2 -3: June 13 – June 19

Department of Parks and Recreation(DPR)

Date of Meeting: Friday, February 1

Kaka'ako Gateway Park

At present, DPR is under a right of entry (ROE) agreement with HCDA which expires March 30th. ROE is extended 6 months at a time. Until the transfer from State-City is complete, DPR/HCDA will continue to extend ROE. There is a mutual agreement that for any permits and uses, HCDA will work with DPR. While we work with the DPR staff to acquire a permit, the DPR will hold the festivals dates of June 10 – June 20, with additional pre and post festival dates of: April 1- July 15.

The following activities/events are being considered for this venue:

Village, market, music, dance, cultural exhibitions, culinary, weaving, carving, kite flying,

Kapi'olani Bandstand

Activities at Kapi'olani Bandstand will begin on Saturday, June 13th following the parade along with exhibitions, food booths and cultural activities and performances. Cultural Performances will continue from Sunday June 14th, through Friday June 20th.

Magic Island

Magic Island has been reserved for the Wa'a Arrival Ceremony on Wednesday, June 10. PVS will be take the lead in regard to wa'a activities.

Other Venues:

Meetings are scheduled to discuss delegate hosting and/or activities at the following sites:

Honolulu Museum of Art

Bishop Museum

Hawai'i State Art Museum

Iolani Palace

Kamehameha Parade

East West Center

Alternate Venue under discussion: Waimea Falls Park; Kualoa Ranch; University of Hawaii'i at Manoa

FESTPAC 2020
REVENUE & EXPENSES
CALENDER YEAR 2018

| | ACTUAL | IN-KIND | TOTAL |
|----------------------|------------|-----------|------------|
| REVENUE | | | |
| STATE | 275,000.00 | | 275,000.00 |
| PUBLIC | 61,540.00 | | 61,540.00 |
| INTEREST | 53.59 | | 53.59 |
| TOTAL REVENUE | 336,593.59 | | 336,593.59 |
| EXPENSES | | | |
| ADVERTISING | 13,435.93 | | 13,435.93 |
| BANK FEES | 177.26 | | 177.26 |
| CONFERENCES | 1,500.00 | | 1,500.00 |
| CONTRACT LABOR | 3,603.00 | | 3,603.00 |
| DUES & SUBSCRIPTIONS | 282.53 | | 282.53 |
| GIFTS | 385.34 | | 385.34 |
| MARKETING | 25,000.00 | | 25,000.00 |
| MEALS | 9,728.13 | | 9,728.13 |
| PARKING | 50.50 | | 50.50 |
| POSTAGE | 1.63 | | 1.63 |
| RENT - OFFICE | 0.00 | 12,565.00 | 12,565.00 |
| SALARIES & WAGES | 110,000.00 | | 110,000.00 |
| SUPPLIES | 315.53 | | 315.53 |
| TRAVEL | 14,888.39 | | 14,888.39 |
| TELEPHONE & INTERNET | 0.00 | 1,480.00 | 1,480.00 |
| VENUE RENTAL | 3,204.90 | | 3,204.90 |
| TOTAL EXPENSES | 182,573.14 | 14,045.00 | 196,618.14 |
| NET INCOME | 154,020.45 | | 139,975.45 |

| | 2018 | 2019 | 2020 | 2018 Expended | 2019 Budget | Balance Due |
|--------------------------|------------|-------------|-------------|---------------|-------------|----------------|
| REVENUES | | | | | | |
| 2018 APPROPRIATION | \$ 275,000 | \$ 120,000 | \$ 80,000 | | | |
| 2019 APPROPRIATION | | | | | \$ 755,000 | |
| EXPENSES | | | | | | |
| ADVERTISING | | | | 13,435.93 | \$ 50,000 | \$ 36,564.07 |
| BANK FEES | | | | 177.26 | \$ 500 | \$ 322.74 |
| CONFERENCES | | | | 1,500.00 | \$ 5,000 | \$ 3,500.00 |
| CONTRACT LABOR | | | | 3,603.00 | \$ 20,000 | \$ 16,397.00 |
| DUES & SUBSCRIPTIONS | | | | 282.53 | \$ 500 | \$ 217.47 |
| GIFTS | | | | 385.34 | \$ 2,000 | \$ 1,614.66 |
| CONTRACTS | | | | 25,000.00 | | \$ (25,000.00) |
| Marketing/Communications | | | | | \$ 120,000 | \$ 120,000.00 |
| Logistics | | | | | \$ 100,000 | \$ 100,000.00 |
| Data | | | | | \$ 55,000 | \$ 55,000.00 |
| MEALS | | | | 9,728.13 | \$ 10,000 | \$ 271.87 |
| MISC | | | | 52.13 | \$ 1,000 | \$ 947.87 |
| RENT - OFFICE | | | | 0.00 | \$ 40,000 | \$ 40,000.00 |
| SALARIES & WAGES | | | | | | |
| Planning/Design | 110,000.00 | \$ 205,000 | \$ 135,000 | | | |
| Administration | | | | 0 | \$ 270,000 | \$ 270,000.00 |
| SUPPLIES | | | | 315.53 | \$ 20,000 | \$ 19,684.47 |
| ACCOUNTING AND AUDIT | | | | | \$ 32,000 | \$ 32,000.00 |
| TRAVEL | 14,888.39 | | | | \$ 16,000 | \$ 38,000.00 |
| TELEPHONE & INTERNET | | | | 0.00 | \$ 3,000 | \$ 3,000.00 |
| VENUE RENTAL | | | | 3,204.90 | \$ 10,000 | \$ 6,795.10 |
| | | | | | | \$ - |
| TOTAL EXPENSES | 124,888.39 | 205,000.00 | 135,000.00 | 57,684.75 | 755,000.00 | 719,315.25 |
| DIFFERENCE | \$ 150,112 | \$ (85,000) | \$ (55,000) | \$ (57,685) | \$ 755,000 | \$ 719,315 |



SERVICES AGREEMENT

This services agreement is entered into by and between **Strategies 360, Inc.** ("Consultant") with its principal offices at **851 Fort Street Mall Suite 500, Honolulu, HI 96813** and **PA'I Foundation** ("Client"), with its principal address being **904 Kohou Street, #102, Honolulu, HI 96817**, hereinafter sometimes referred to collectively as the "Parties".

RECITALS

- A. Client wishes to contract with Consultant to provide services in the field of **Website Development, Strategic Communications & Public Affairs** ("Services"), on the terms and conditions set forth herein.
- B. Consultant is willing and qualified to perform such services.

In consideration of the above Recitals and the mutual promises and agreements contained herein, the Parties agree as follows:

1. Scope of Services. Consultant is retained and appointed to implement the services outlined in the attached Appendix A, which are designed to accomplish the Services objectives of the Client. Consultant shall use Consultant's best efforts to perform Services such that the results are satisfactory to Client.
2. Contract Administration; Communications. Consultant's employees will be responsible for performing services under this Agreement. Client and Consultant shall identify and maintain a mutually agreeable communication process to keep Client fully and currently informed about activities of Consultant on behalf of Client. Consultant will work closely with other consultants, team members, and related organizations and individuals as designated by Client, and as necessary to accomplish the objectives of the Client.
 - Primary Strategies 360 Contact: **Donalyn Dela Cruz**
(donalylnd@strategies360.com)
 - Primary Client Contact: **Vicky Holt Takamine** (vicky@festpac-hawaii2020.org)
3. Compensation. Consultant will perform the scope of services described in this Agreement for the following fees: **\$50,000 (Website Development), \$62,500 (Brand Development, Strategic Communications, Sponsor Engagement, Public Affairs consulting)**. The contract term begins **1.15.19** ("Effective Date") through **06.28.2019** ("Termination Date").

Fee schedule:

01/30/2019 \$25,000

- 50% of fees for website development work, project kickoff, Discovery phase, and visual design services and process for social media infrastructure.

02/15/2019 \$25,000

- Remaining 50% of website development work - implementation, launch and project maintenance.

04/15/2019 \$25,000

- January – February monthly retainer fees for brand development, strategic communications, sponsor engagement and public affairs related work.

05/15/2019 \$25,000

- March – April monthly retainer fees for brand development, strategic communications, sponsor engagement and public affairs related work.

05/15/2019 \$12,500

- March – April monthly retainer fees for brand development, strategic communications, sponsor engagement and public affairs related work.

Consultant's fees for service do not include additional costs deemed necessary by Client such as creating and printing materials, conducting public opinion research (e.g. polling), and providing other strategic and/or support services as requested by the Client.

4. Expenses. In addition to compensation payable to Consultant pursuant to this Agreement, Client will reimburse consultant for costs and disbursements including transportation and travel costs, food, lodging and automobile mileage at the applicable federal rate per business mile, and for necessary entertainment. Consultant shall include an accounting of costs and disbursements and the amount owed on the periodic statements rendered to Client. Total monthly charges to Client will not exceed 10% of monthly service retainer without advance approval from Client.

5. Payment.

Consultant shall send monthly statements to the Client on the first day of each month of service for the fees jointly agreed by the Parties. Client shall pay Consultant's fees in full by the 15th day of each month of service ("Due Date").

- Strategies 360 Billing Contact: **Laura Lukito (laural@strategies360.com)**
- PA'I Foundation Billing Contact: **Vicky Holt Takamine (vicky@festpac-hawaii2020.org)**

Payment terms are Net 15. If any invoiced amount is not received by Consultant by the Due Date, those charges may accrue late interest at the rate of 2% of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower.

Consultant will not exercise these rights if Client disagrees with the applicable charges reasonably and in good faith and is cooperating diligently to resolve the disagreement.

6. Terms of Service and Termination. This Agreement will commence on the Effective Date. Either Party may terminate this Agreement without cause by providing the other Party 30 days' notice in writing. Upon termination, Consultant will render Client a bill and within 15 days after receipt of said bill, Client shall pay Consultant in full whatever sums may be due for work performed.
7. Confidential Matters and Proprietary Information. The Consultant shall keep in strictest confidence all information that may be acquired in connection with or as a result of the Agreement. The Consultant shall not publish, communicate, divulge, disclose or use any of such information, which has been designated by Client as proprietary or confidential or which from the surrounding circumstances in good conscience ought to be treated by the Consultant as proprietary or confidential, without the prior written consent of Client. Upon termination or expiration of the Agreement, the Consultant shall deliver all records, data, information, and other documents and all copies thereof to Client, which shall remain the property of Client.
8. Conflict of Interest. The Consultant hereby warrants that there is no conflict of interest in the Consultant's other contracts or other employment with the activities to be performed hereunder and shall advise if a conflict arises in the future.
9. Independent Contractor. In all matters relating to this Agreement, the Consultant shall be acting as an independent contractor. The Consultant is not an employee of Client under the meaning or application of any Federal or State Unemployment or Insurance Laws or Workers' Compensation Laws, and the Consultant shall assume all liabilities and obligations imposed by any one or more of such laws. Consultant will work with the Client to determine the time, the place and the manner in which it will accomplish its services within an overall schedule date established by Client. The Consultant shall not have any authority to assume or create any obligations, express or implied, on behalf of Client.
10. Entire Agreement. This Agreement constitutes the entire agreement between Client and the Consultant in regard to the subject matter hereof and supersedes all prior or contemporaneous communications, representations, or agreements, whether oral or written, with respect thereto. No agreements hereafter made between the parties shall be binding on either party unless reduced to writing and signed by authorized representatives of the parties.
11. Non-Solicitation of Consultant Employees. During the Term of this Agreement and for a period of one (1) year after the termination of this Agreement, Client will not solicit,

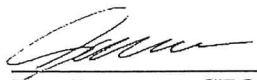
induce, recruit or encourage directly or indirectly (nor will Client direct, encourage or assist anyone else to solicit, induce, recruit or encourage) any of the Consultant's employees to terminate their employment with Consultant or to work elsewhere.

12. Indemnification and Insurance. Client shall indemnify, defend, and hold harmless Consultant and its directors, officers, and employees from any and all claims arising from or in connection with the performance of services including but not limited to statutory violations, Contractor's independent contractor status, or for injury or death of any and all persons whatsoever and from any and all damage to property. Client and Consultant warrant that they each carry workers' compensation, comprehensive liability, automobile, and other insurance with reasonable coverage and in reasonable amounts sufficient to insure against anticipated risks in connection with services under this Agreement.

By executing this Agreement each signatory affirms that they have read and understand its terms, and that each has the full power and authority to enter this Agreement on behalf of the entity for which they have signed.

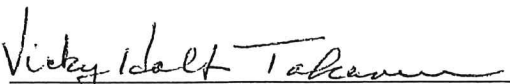
Executed in the County of King, Washington:

For: **STRATEGIES 360, INC.**
1505 Westlake Ave N, Suite 1000
Seattle, Washington 98109
TEL: 206/282-1990 FAX: 206/282-2704

By: 
Ron Dotzauer, CEO

Date: 1/22/2019

For: **PA'I Foundation**
904 Kohou Street
Honolulu, HI 96817

By: 
Vicky Holt Takamine, Executive Director

Date: 1/22/2019

Appendix A

Scope of Work

S360 will serve as a general consultant and strategic partner to Festpac-Hawai'i 2020 and proposes the following Phase I services:

- Brand Development
- Strategic Communications
- Public Affairs
- Website Development & Social Media Infrastructure

BRAND DEVELOPMENT

AUDIT AND DISCOVERY WORKSHOP

Strategies 360 is proposing an audit and discovery workshop to help Festpac-Hawai'i 2020 evaluate and identify how the organization can benefit from improving its brand and marketing presence. This phase includes an onsite workshop of 8-10 key stakeholders of the Festpac-Hawai'i 2020 leadership team as well as a review of existing brand elements, current and past promotional and marketing materials (including previous festivals' materials), communications vehicles, website and digital presence, digital marketing, program plans and other existing materials. S360 will use this information and workshop to ensure we have captured and contextually understand all the relevant information necessary for your brand. We will provide an objective evaluation of how Festpac-Hawai'i 2020 is currently presenting itself and how well it aligns with its intended and desired image.

VERBAL IDENTITY (AS PROPOSED BELOW, ALL DELIVERABLES WILL BE IN ENGLISH)

Brand Positioning - the single-minded idea at the core of your brand story

The challenge will be to create a brand position that is robust enough to resonate with a diverse and international audience, yet specific enough to be remembered and engaging. Working from what we learned in the audit & discovery workshop, we will present two positioning options for Festpac-Hawai'i 2020 that represent compelling reasons to engage with the festival. The client team will select one positioning option that will be extended in the subsequent phases of work. This is a critical choice, as it will drive all future brand deliverables including the elements of the brand foundation detailed below. Deliverables:

- Two positioning options, one position to be selected prior to brand foundation step listed below

BRAND FOUNDATION AND TOOLKIT

Drawing upon the workshop and with a sharp positioning statement defined, we will work with your team to efficiently develop the remaining elements of a brand foundation. In order to engage stakeholders and enable them to fulfill the promise of the new brand, it will be important to provide easy-to-use tools and resources that both explain the key tenets of the brand for internal use across the organization and offer audience-friendly language to use in telling Festpac-Hawai'i 2020 story to outside audiences. Deliverables include:

- Brand Promise - how you deliver on your brand position
- Brand Personality Tone and Traits (with definitions) - the differentiating attributes of your brand, as well as what they mean for how Festpac-Hawai'i 2020 stakeholders communicate

- Messaging Pillars
- Elevator Pitch - succinct answer to "what is Festpac-Hawai'i 2020?" for use by Festpac-Hawai'i 2020 stakeholders and for written/online content

This verbal identity will be used in subsequent phases for any visual identity work as well.

STRATEGIC COMMUNICATIONS

Our efforts will involve working with the Festpac-Hawai'i 2020 planning committee, to determine the critical issues, existing capacity and the universe of influencers and stakeholders we need to engage with. We would then determine the critical path forward that makes the best case for the reasons Hawai'i benefits from, and why they should ultimately support, a festival responsible that brings the world's largest gathering of indigenous Pacific Island and Pacific Rim peoples to our island home. To maximize reputation success, S360 will include a communications strategy that strategically positions the benefits of Festpac-Hawai'i 2020 with elected officials, policymakers and influential stakeholders to bring awareness and understanding of the importance of this dynamic event. This includes:

- Message Development
- Media Relations Strategy
- Event Promotion and Community Coalition Building

PUBLIC AFFAIRS

A key piece to the ultimate success of Festpac-Hawai'i 2020 will be recruiting government champions (both in Hawai'i and throughout the Pacific Region) and supporting those champions with a proactive communications and community engagement program that solidifies grass-tops and grass-roots support throughout the Festpac-Hawai'i 2020 footprint. We can accomplish this by:

- Regularly communicating with elected officials throughout the region, serving as an information resource
- Connecting issues of common agreement between Festpac-Hawai'i 2020 and elected officials and finding efforts to jointly promote areas of agreement to Pacific Island Nation constituencies
- Promoting the top objectives of Festpac-Hawai'i 2020 to constituencies of key legislators in Hawai'i that encourage the public, community, opinion, and business leaders to actively support legislative support for the festival.

SPONSORSHIP & LEGISLATIVE FUNDING STRATEGY

We start this phase of work by conducting a thorough donor prospecting program. The first step includes a thorough review of past donors to better understand the characteristics and traits of a potential donor. After this step, we will conduct an exhaustive prospective donor match and build a comprehensive list of donors that fit match the features of a past sponsor.

Once we finalize a list of prospective sponsors, we will determine the best engagement approach for each group or individual. The elements of our sponsorship engagement strategy include:

- Donor Communications Plan
- Donor Engagement Strategy

WEBSITE DEVELOPMENT

Our Web Engineering Group (WEG) will take information from the initial audit whereby clear goals and desired outcomes have been established. WEG will move through the user experience (UX) process, creating visual and contextual documentation that will illustrate information relationships, content placement, and function. Creative direction, technical specifications, and content development will be addressed. The final step of this phase is to document our approach and acquire approval from you on the many details before moving into the User Experience (UX) and Functional Specifications phase.

Website Terms/ Limiters

Phase: Project Maintenance

DELIVERABLES

- Weekly project status email during active design and development phases.

Phase: Discovery

DELIVERABLES

- Project Brief
- Working project timeline and project outline

Phase: Visual Design

- Content Audit of existing website and other assets
- Maximum 2 rounds of feedback
- Information Architecture
- Maximum 2 rounds of feedback
- Wireframing
- Maximum 2 rounds of feedback
- Design
- Maximum 2 rounds of feedback

DELIVERABLES

- Content Audit results
- Sitemap
- Design specifications

Phase: Implementation

Website features

- Beyond Contact forms and email signups, site is content-only
- Maximum of 8 custom content types

DELIVERABLES

- Development of website in alignment
- Maximum of 2 rounds of content feedback and changes

Phase: Launch

DELIVERABLES

- If launching on S360 servers, full-service launch assistance
- 30 days of bug fixing at no additional cost. Subsequent fixed billed hourly
- S360 may begin hosting, maintenance and support at this time

SOCIAL MEDIA INFRASTRUCTURE

For Phase I, S360 will help build your social media platforms. In Phase II, S360 will propose a plan that allows for management and optimal engagement by the S360 digital advocacy and marketing team.



PACIFIC
ISLANDS
INSTITUTE

February 12, 2019

Ms. Vicky Holt Takamine
Festival Director
Festival of Pacific Arts and Culture – Hawai‘i 2020
c/o PA‘I Foundation
P.O. Box 17698
Honolulu, HI 96817

Aloha Vicky,

This document dated February 12, 2019 will serve as a Letter of Agreement for services to be provided for the 13th Festival of Pacific Arts and Culture (“FestPac”) to be held in Hawai‘i over the dates of June 10-21, 2020. Mahalo for your consideration of Pacific Islands Institute, Ltd (PII) as a partner to provide logistical coordination and support for the leaders of the 27 official delegations.

PII has attended the Festival of Pacific Arts and Culture since 1992 when it was held in Rarotonga, Cook Islands, and it is an honor to be able to assist with the Festival when it is held here in Hawai‘i in 2020.

* * * * *

List of Services

- Coordinate the ground transportation and accommodations in Hawai‘i hosted by the Commission on the 13th Festival of Pacific Arts and Culture for the leaders of the 27 official guest delegations (2 delegates per country = total 54 delegates) – hereafter “Official Guest Delegations” - immediately prior to and during the event
- Assist with the selection and negotiation of terms for Official Guest Delegation hotel and transportation contracts on behalf of the FestPac Committee, including pre-selection site inspections
 - Maximum 2 hosted rooms for the leader of the delegation – total 54 rooms
 - Additional delegation entourage rooms paid by the delegation
 - Transportation for the leader of the delegation immediately prior to and during the event – 2 cars per delegation = 54 cars (including one car with driver and one car rental-only with no driver)

- Serve as primary liaison between the FestPac Committee and Official Guest Delegations in all communications regarding accommodations and ground transportation during the event
- Assist with set up of any hotel site inspections requested by the FestPac Committee and/or the Official Guest Delegations and accompany as necessary
- Serve as primary point of contact for hotels with regards to rooming lists, room selection and any requests related to hosted hotel arrangements for Official Guest Delegations
- Serve as primary point of contact for transportation companies with regards to scheduling of ground transportation for the leaders of the Official Guest Delegations immediately prior to and during FestPac
- Provide on-site coordination and dispatch for Honolulu International Airport (HNL) arrivals and hotel departures for Official Guest Delegations during the FestPac dates
- Provide a call-in center for Official Guest Delegations during FestPac dates for issues related to hosted accommodations and ground transportation, before and during FestPac
- Review all invoices for hosted hotels and transportation and forward for processing to FestPac Committee/Pa'i Foundation
- Attend FestPac planning and committee meetings as necessary in support of the above objectives

Primary PII staff assigned to FestPac for above services will be:
LorMona Meredith, Director of Operations.

Pricing

| | |
|--|-------------------|
| 2019 – First Quarter (Jan – March) | \$22,500 |
| 2019 – Second Quarter (April-June) | \$15,000 |
| 2019 – Third Quarter (July-September) | \$18,000 |
| 2019 - Fourth Quarter (October-December) | \$15,000 |
| 2020 – First Quarter (January – March) | \$19,500 |
| 2020 – Second Quarter (April-June) | <u>\$30,000</u> |
| Total | \$120,000* |

*Amount covers cost of coordination fees only. Any additional direct costs for accommodations, transportation etc. will be submitted for approval and directly invoiced to the FestPac Committee by the respective companies.

Payment

PII will invoice prior to the beginning of each period for 50% of the amount for each period. The remaining 50% for period will be invoiced at the end of the period along with a report of activities and progress report. Payments will be due prior to the beginning of each period and within 30 days of the end of each period.

Payments can be made by check or by wire transfer to:

Beneficiary or Payee: PACIFIC ISLANDS INSTITUTE, LTD
Beneficiary Account # - 0091193094
Beneficiary Bank – BANK OF HAWAII
City – Honolulu; State – Hawaii
Route # - 1213 01028
SWIFT CODE: BOHIUS7

Agreement

By accepting our proposal, the Festival of Pacific Arts and Culture – Hawai'i 2020/PA'I Foundation agrees that Pacific Islands Institute, Ltd ("PII") acts only as agent for the various independent hotels, exhibit/decorator companies, and other suppliers of event and travel services who will be providing services to you during this program.

Furthermore, Festival of Pacific Arts and Culture – Hawai'i 2020/PA'I Foundation agrees that PII, since it has no control over the employees or agents of the various suppliers of travel services, and does not direct the activities of such employees and agents, cannot accept and shall not be or become liable for loss, injury, or damage to person or property caused by the action or inaction of the suppliers of services or their employees or agents, whether wrongful, negligent or arbitrary, in connection with any accommodation, transportation or other service, or resulting directly or indirectly from acts of God, danger incident to the sea, fire, breakdown of machinery or equipment, acts of government or other authorities, wars whether declared or not, hostilities, civil disturbances, strikes, riots, thefts, pilferage, epidemics, insect bites, acts of terrorism, quarantines, medical or customs regulations, defaults, delays, or cancellations or changes in itinerary or schedules, or from any causes beyond PII's full control. Festival of Pacific Arts and Culture – Hawai'i 2020/PA'I Foundation therefore releases PII (including all of their personnel, agents, affiliates, staff and directors) from any and all liabilities to it and its participants/delegates with respect to injury, sickness, disease, death, loss or damage. This release does not apply to liabilities arising from gross negligence or wanton or reckless conduct by PII. Apart from that exception, this release applies to any and all liabilities to Festival of Pacific Arts and Culture – Hawai'i 2020/PA'I Foundation, its participants/delegates, or its participants'/delegates' estates of any type or description, whether arising from ordinary negligence or otherwise, and whether involving fees and expenses of any kind. In the event that some other person or entity seeks compensation for these released liabilities, Festival of Pacific Arts and Culture – Hawai'i 2020/PA'I Foundation will defend, indemnify and hold harmless PII (including all of their personnel, agents, affiliates, staff and directors) for all costs and expenses incurred in response to that claim, including attorneys' fees. This release is to be interpreted and enforced under the laws of the State of Hawai'i.

Proprietary Materials – All materials provided by Pacific Islands Institute, Ltd. (PII), including those provided by resource people employed by PII, and are proprietary products of PII, whether or not so noted by use of the copyright symbol. As proprietary products, they are provided to Festival of Pacific

Arts and Culture – Hawai'i 2020/PA'I Foundation and its clients and agents for use exclusively for the marketing and operation of the program described in this proposal. These materials are not to be used for any other purpose without the express written consent of PII. Festival of Pacific Arts and Culture – Hawai'i 2020/PA'I Foundation and their agents agree to take reasonable care in ensuring these materials are distributed only to those needing them for marketing and operational purposes as noted.

If at any time during the term of this Agreement a cause or causes beyond the reasonable control of the parties hereto (including but not limited to force majeure, government regulations, labor trouble, strikes, fire, casualty or inability to obtain suitable facilities or transportation), makes PII or Festival of Pacific Arts and Culture – Hawai'i 2020/PA'I Foundation unable to carry out any of its material obligations hereunder, then either party may, upon written notice to the other, terminate this Agreement, and such termination shall not constitute a breach of this Agreement. The failure of either party hereto to perform any of its agreements shall not be deemed to be a breach or violation of the terms of this Agreement if such failure is due to a cause or causes described in this section.

If all is in order, please sign below and return the by the option date of Friday, February 22, 2019 either by mail or fax at the address/number noted below, or via email to info@pac-island.com.

Authorized Signature for Festival of Pacific Arts and Culture – Hawai'i 2020/PA'I Foundation:

Signed: _____ Title: _____

Print Name: _____ Date: _____

Authorized Signature for Pacific Islands Institute, Ltd.:

Signed: _____ Title: President

Andrew A. Lockwood Date: _____



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1042 Fort Street Mall
Suite 200
Honolulu, HI 96813
Ph: (808) 537-3356
Toll Free (877) 535-5767
Fax: (808) 537-2686
E-mail: info@smshawaii.com
Website: www.smshawaii.com

Beyond Information. Intelligence.

February 12, 2019

Vicky Holt Takamine
Executive Director
PA'I Foundation
PO Box 17483
Honolulu HI 96817

Re: Festival of Pacific Arts Hawai'i 2020

Aloha Vicky,

We understand the goal of the project is to evaluate the Festival of Pacific Arts 2020, including its multiple events, in order to quantify the impacts and the level of synergy it provides to the overall strategic goals of its funders and the State of Hawai'i. The SMS team has extensive experience in evaluation, field data collection and economic impact modelling. Our full-time staff of 22 professionals and 60 plus part-time personnel provide ample resources to ensure successful completion of this project.

SMS has successfully completed a similar project for the Hawai'i Tourism Authority in 2003 and is currently supporting the evaluation of the 2018-2019 HTA Festivals and Events program. SMS has undertaken multiple other similar evaluations for organizations such as the Hawai'i Community Foundation, Lantern Festivals Hawai'i, Department of Education, and others. SMS's long-term relationship with HTA, including supporting development of the HTA Brand Marketing operational plans, provides SMS with a strong understanding of the agency's strategic goals, and will thus help ensure a more comprehensive evaluation.

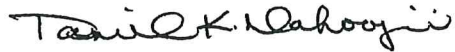
Most visitor impact models only focus on the economic value of the event. However, the SMS approach is unique because it is a multi-domain model that looks at how these HTA sponsored events impacts the sustainability of the visitor industry through the lens of the guest (visitors), host (community) and place (destination).

Furthermore, SMS recognizes the importance of working with event and festival organizers to successfully gather many of the needed measurement data sets. SMS is a local company and has working existing relationships and local networks to ensure cooperation of the event organizers to maximize success.

In this Phase I Proposal we address only Phase 1 of the overall evaluation and research project. SMS feels these activities can be conducted by the end of the fiscal year with a report to follow by July - August 2019

SMS Research & Marketing Services, Inc. (SMS) is a registered Hawai'i corporation that performs full-service research and evaluations services for clients in Hawai'i and the Pacific Basin.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Nahoopii". The signature is fluid and cursive, with the first name "Daniel" and last name "Nahoopii" clearly distinguishable.

Daniel Nahoopii
Executive Vice President
Phone: 808-440-0711
E-mail: dnahoopii@smshawaii.com

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SITUATION ANALYSIS

BACKGROUND

The Festival of Pacific Arts, Pacific Arts Festival, or FESTPAC is a traveling festival hosted every four years by a different country. The 13th Festival of Pacific Arts (FESTPAC) will take place in Hawai'i from June 11-27, 2020. FESTPAC was conceived as a means to stem erosion of traditional cultural practices by sharing and exchanging culture at each festival. The major theme of the festival is traditional song and dance.

The Pacific Cultural Council (former "*Pacific Arts Council*" or "*Council of Pacific Arts*," originally "*South Pacific Arts Festival Council*") selects the host country and recognizes that each participating country desires the opportunity to showcase its unique indigenous culture by hosting the festival. Host selection is based on principles of equity and preference is given to countries which have not yet hosted. The festival host country pays participants' costs of local travel, accommodation, meals, and other forms of hospitality. Entry to all artistic events is free to the public thereby maximizing cultural outreach and inclusion.

The Hawai'i State legislature passed Act 204, SLH 2017 which created a temporary commission to oversee the planning of the 13th Festival of Pacific Arts (FESTPAC) in 2020. The legislation also appropriated funds for the Commission to plan for the Festival. Twenty-eight participating island nations will be represented in Hawai'i including American Samoa, Aotearoa, Australia, Cook Islands, Federated States of Micronesia, Fiji, Guam, Hawai'i, Kiribati, Marshall Islands, Nauru, New Caledonia, Niue, Norfolk, Northern Mariana Islands, Palau, Papua New Guinea, Pitcairn, Rapa Nui, Samoa, Solomon Islands, Tahiti Nui, Tokelau, Tonga, Tuvalu, Vanuatu, and Wallis/Futuna Taiwan. For more details on commission members and budget projections please see Act 204, SLH 2017.

The PA'I Foundation has been selected as the coordinator for the 2020 FESTPAC festival led by its executive Director, Vicky Holt Takamine. This proposal has been prepared to aid the PA'I Foundation in its planning and evaluation of the festival's impact to Hawai'i's social and economic climate.

Besides the cultural contributions and political statement, major festivals, such as FestPac are intended to provide opportunities for visitor activity, generate direct and indirect visitor revenue, providing an opportunity for local residents to participate in our cultures and in tourism, and generating media exposure for Hawai'i as an iconic cultural center and unique visitor destination.

To develop and constantly improve the festival strategy, funders must have a consistent process for gathering outcomes data and evaluating the impact of these efforts. Event organizers are required to provide targets for their major outcomes, and to measure performance against those targets. This evaluation study will integrate the performance data from the event organizer with independently collected data to produce an evaluation report that is creditable, defensible and actionable.

PRIMARY OBJECTIVES

The primary objectives of this proposal are to:

1. Identify desired benefits to funders and stakeholders and develop evaluation measures and metrics
2. Assist PA'I Foundation in fundraising efforts and outreach by creating materials that show the economic and social benefits of FestPac

Most visitor impact models only focus on the economic value of the event. However, the SMS approach is unique because it is a multi-domain model that looks at how event impacts the sustainability of the community culture and visitor industry through the lens of the guest (visitors), host (community) and place (destination).

Another critical purpose of the Evaluation is to support telling the story about how Festivals are a necessary part of the economy of Hawai'i. PA'I will be able to present hard and creditable data to the state legislature and other stakeholder its progress in the effective use of public funds. The Evaluation will also allow the local community organizations to tell their story to their funders and to support their endeavors to seek future funding sources.

SCOPE OF SERVICES

To achieve the PA'I Foundation goals for this project, SMS will undertake the following work plan.

EVALUATION PLAN

Evaluation is valuable to any organization that has a need to clearly understand how well it has achieved its program objectives (in this case FESTPAC). It is set up to learn from its experience and apply that intelligence to improving the product or service to be delivered to its clients and constituents in the future. The valuation will also confirm to the program sponsors the social, cultural and economic benefits of FESTPAC. Successful long-term programs undergo a variety of implementation phases. They develop plans, then execute those plans, observing how things went, then evaluate the information and develop an improved plan based on those findings.

SMS utilizes the following evaluation processes:

1. Design an appropriate logic model for the program. As will be noted later in the proposal, this is developed by development of a comprehensive quantitative list of objectives or success metrics.
2. Develop tools to measure outputs and outcomes.
3. Develop and implement the process of data collection
4. Compile and analyze the results.
5. Develop and present periodic reports on the progress of the program toward meeting its stated outcomes.

SMS intends to implement the approach stated above in five phases:

- Phase I:
 - Identify evaluation measures and metrics
 - Support PA'I Foundation in presentations to new funders, legislatures, and other stakeholders demonstrating the festival's benefits
- Phase II: Develop survey instruments and other intelligence gathering
- Phase III: Undertake and manage data collection
 - Event on-site data collection of attendance, expenditure, and satisfaction
 - Conduct Resident Online Panel
 - Quantify coverage and impact of TV media, other media, social media, and public relations
- Phase IV: Social and economic impact analysis
- Phase V: Report and presentation

This proposal presents the costs and efforts to conduct Phase I.

The first payment will be issued upon receiving a signed agreement and notice to proceed. The final payment is tied to the completion of all reports, the final comprehensive report and any presentations.

CONFIDENTIALITY

SMS Research & Marketing Services and its affiliates guarantee the confidentiality of all work conducted on this project. Standard procedures are in place to assure that all data and correspondence are kept secure.

MEDIATION

If a dispute arises out of or relates to this contract, or the breach thereof, and if this dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation under the Mediation Rules of Dispute Prevention and Resolution, Inc. If, after mediation, the dispute is not resolved, then the following Arbitration clause applies.

ARBITRATION

Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be resolved by arbitration in Honolulu, Hawai'i in accordance with the Arbitration Rules of Dispute Prevention and Resolution, Inc. and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

AGREEMENT

This proposal if agreed upon, shall be the binding agreement and will be interpreted under the laws of the State of Hawai'i. The undersigned persons, being duly authorized to bind their respective organizations to legal contract, hereby enter into this agreement.