

**Interlocal Cooperative Agreement
Establishing the Regional
Business License and Permits Program**



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**Interlocal Cooperative Agreement
Establishing the Regional Business License and Permits Program**

THIS INTERLOCAL COOPERATIVE AGREEMENT (the “**AGREEMENT**”), is dated the 17th day of June, 2014 (the “**EFFECTIVE DATE**”), and is by and between the County of Washoe, a political subdivision of the State of Nevada (hereinafter called “**COUNTY**”), the City of Reno, a municipal corporation in the State of Nevada (hereinafter called “**RENO**”), the City of Sparks, a municipal corporation in the State of Nevada (hereinafter called “**SPARKS**”), and the Washoe County Health District, a special local district government in the State of Nevada (hereinafter called “**HEALTH**”). These four “**PARTICIPATING ENTITIES**” shall also be referred to singularly as an “**ENTITY**”, or collectively as the “**ENTITIES**”.

Recitals

- A. NRS 277.180 provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and
- B. The ENTITIES share a common goal of a regional, electronic business license and permits platform (“**PLATFORM**”) among themselves and other interested agencies; and
- C. The ENTITIES have a history of cooperatively working on programs and projects of common benefit and interest.

NOW, THEREFORE, the PARTICIPATING ENTITIES agree as follows:

Article 1. Program Created; Fiscal Manager

- Section 1.1 The Business License and Permits Program” (the “**PROGRAM**”) is established and shall initially include COUNTY, HEALTH, RENO and SPARKS.
- Section 1.2 As platform capacity permits, the OVERSIGHT GROUP may approve other agencies joining the PROGRAM as participating entities on a case-by-case basis subsequent to the EFFECTIVE DATE of this AGREEMENT.
- Section 1.3 The one-time costs for implementation and initial licensing for the initial ENTITIES are identified in Article 9 of this AGREEMENT.
- Section 1.4 The on-going contribution structure for the PLATFORM for annual maintenance and operations is identified in Article 10 of this AGREEMENT.
- Section 1.5 The financing arrangements for ENTITIES opting into the COUNTY’s financing feature are identified in Article 12 of this AGREEMENT.
- Section 1.6 Additional new agency procedures and cost principles are identified in Article 13.
- Section 1.7 The COUNTY, hereby agrees to serve as FISCAL MANAGER for the PROGRAM, and agrees to assume contractual and financial responsibility for purposes of the requirements of the PROGRAM, subject to direction of the PROGRAM’s Management Oversight Group (the “**OVERSIGHT GROUP**”), as the case may be and as authorized

herein.

- Section 1.8 The FISCAL MANAGER shall provide all relevant books, records (written, electronic, computer related or otherwise), including, without limitation, financial statements and supporting documentation, and shall prepare all reports (including quarterly interim and final reports) regarding the PROGRAM for inspection, examination, review, audit and copying at any office or location of the FISCAL MANAGER when reasonably requested by the OVERSIGHT GROUP or by any ENTITY.
- Section 1.9 The FISCAL MANAGER shall establish and operate for the use of the PROGRAM a designated internal account or fund ("ACCOUNT") segregated on the FISCAL MANAGER's books. The FISCAL MANAGER shall establish and maintain the ACCOUNT until termination of this AGREEMENT, and the ACCOUNT shall constitute a dedicated fund held by the FISCAL MANAGER as agent for, and for the benefit of, the PROGRAM. All funds received by the FISCAL MANAGER from the ENTITIES providing funding for the PROGRAM shall be deposited into this ACCOUNT. All amounts deposited into this ACCOUNT shall be used solely to support the PROGRAM in a manner that is consistent with this AGREEMENT and the OVERSIGHT GROUP requirements as set herein.
- Section 1.10 The FISCAL MANAGER shall encumber and disburse funds from the ACCOUNT pursuant to the approved Annual Maintenance and Operations Budget and approved contracts' requirements as directed by the OVERSIGHT GROUP (see Articles 4 and 8). The proposed disbursement shall be used exclusively for PROGRAM purposes.
- Section 1.11 The FISCAL MANAGER shall maintain all financial records relating to the PROGRAM according to Generally Accepted Accounting Principles, retain records as long as required by law, and make records available to auditors as required by law.
- Section 1.12 To the extent permitted by law, each ENTITY hereby agrees to indemnify and hold harmless the FISCAL MANAGER, its directors, officers, employees, attorneys, and agents harmless from any and all costs, claims, losses, expenses (including attorneys' fees and expenses), and liabilities incurred by reason of any action taken by the FISCAL MANAGER at the direction of the OVERSIGHT GROUP or authorized agent pursuant to this AGREEMENT or arising out of or in connection with the FISCAL MANAGER's performance of its duties and obligations hereunder for any reason, excepting such losses, liabilities, demands, claims, expenses, and attorneys' fees which result solely from the willful misconduct of the FISCAL MANAGER. Each ENTITY's indemnification obligations under this Section shall be limited and satisfied by the ENTITIES in the proportions established during the initial PROGRAM set-up or through the Annual Maintenance and Operations Budget, whichever is later. Each ENTITY shall be permitted to participate with its legal counsel, if it chooses, in the defense of any action so long as the ENTITY remains subject to the court's jurisdiction in that case.
- Section 1.13 In the event this AGREEMENT is terminated, the FISCAL MANAGER will comply with any termination conditions imposed by this Agreement or the OVERSIGHT GROUP so long as the conditions are consistent with this AGREEMENT.

Article 2. Term

- Section 2.1 This AGREEMENT commences on the EFFECTIVE DATE for a term that expires on June 30, 2020, and shall automatically renew on July 1, 2020, and every six years

thereafter unless terminated earlier as provided herein.

Article 3. Functions of the Program

- Section 3.1 To undertake implementation, management and maintenance of all aspects of a regional business license and permits platform for the ENTITIES, the following functions are conferred to the PROGRAM:
- (a). The planning, designing, setting of standards, financing, implementation, operation, upgrading, and maintenance of the project to join the ENTITIES in the regional business license and permits platform ("PLATFORM").
 - (b). Directing the FISCAL MANAGER regarding vendor selection, contract requirements, costs, product delivery schedule, contract amendments, change orders, peripheral equipment purchase, system configuration, training, and related items.
 - (c) Directing the FISCAL MANAGER to enter into contracts for the planning, designing, financing, implementation, operation and maintenance of the PLATFORM, so long as each contract is for an amount less than \$50,000, save and except the vendor contract with Accela.

Article 4. Administration

- Section 4.1 The administration of the business and affairs of the PROGRAM shall be conducted and managed by the OVERSIGHT GROUP. As needed, this OVERSIGHT GROUP shall be supported by designated staff from each ENTITY for administrative and technical purposes. ENTITIES agree to respond and assist as requested by the OVERSIGHT GROUP.
- Section 4.2 The OVERSIGHT GROUP shall include the Reno City Manager, Sparks City Manager, Washoe County Manager and the District Health Officer. A new ENTITY shall be entitled to one representative on the OVERSIGHT GROUP. Each ENTITY's representative or his/hers designee shall have the authority to exercise all authority granted herein.
- Section 4.3 The OVERSIGHT GROUP's meetings must be open and public and conducted in compliance with the Nevada Open Meeting Law (NRS Chapter 241).
- Section 4.4 A majority of the OVERSIGHT GROUP must be present in order to conduct business at a meeting. A proposed action is approved by an affirmative vote of all of the ENTITIES of the OVERSIGHT GROUP who are present at the meeting where the action is considered. However, all ENTITIES must be present when action is to be considered on the Annual Maintenance and Operations Budget, additional ENTITIES, any termination matter under Article 15, and any amendment of this AGREEMENT.

Article 5. Responsibilities

- Section 5.1 In furtherance of the functions in Article 3, and subject to the limitations thereof, the

OVERSIGHT GROUP can undertake any of the following:

- (a). Prepare, review, approve, and implement PLATFORM standards, specifications, plans, and annual operating plans and procedures for all PROGRAM activities.
- (b). To request the FISCAL MANAGER to contract for the services of business and information technology consultants, so long as each contract is for an amount less than \$50,000, save and except the vendor contract with Accela, pursuant to all applicable state law requirements.
- (c). To request the FISCAL MANAGER to contract with any entity or other public agency for the provision of services to or by the PROGRAM, so long as each contract is for an amount less than \$50,000, save and except the vendor contract with Accela, pursuant to all applicable state law requirements.
- (d). To request the FISCAL MANAGER to enter into such contracts for the planning, designing, financing, implementation, operation, and maintenance of the PLATFORM and other work as necessary to carry out functions, so long as each contract is for an amount less than \$50,000, save and except the vendor contract with Accela, subject to limits in section 8.3.
- (e). To assess ENTITIES for their agreed on share of administrative, operation, maintenance, and capital costs of the PROGRAM.

Article 6. Fiscal Year

Section 6.1 The fiscal year of the PROGRAM shall be July 1 through June 30.

Article 7. Services and Facilities available to Program

Section 7.1 The PROGRAM shall have access to the services and facilities of the ENTITIES as required.

Article 8. Fiscal Matters

Section 8.1 Unless otherwise provided by law, a tentative Annual Maintenance and Operations Budget shall be prepared by the FISCAL MANAGER and be ultimately recommended by the OVERSIGHT GROUP for each ensuing fiscal year on or before February 28 or the preliminary budget submission deadline of the FISCAL MANAGER, whichever is earlier, with the final annual budget being adopted on or before June 1 or the budget adoption deadline of the FISCAL MANAGER, whichever is earlier. The Budget shall then be presented for adoption to each entity. The base Annual Maintenance and Operations Budget for any fiscal year shall consist of:

- (a). applicable system software subscription costs and fees (e.g., system licensing, maintenance, and support);
- (b). system hardware and associated peripheral equipment costs (e.g., database and web servers necessary to maintain or enhance the PLATFORM), and;
- (c). any other agreed upon operating support costs necessary to maintain the PLATFORM.

Each ENTITY, however, shall be solely responsible for its own desktop, tablet, or

personal device hardware, software, and related peripheral equipment costs (e.g., desktop and laptop computers; mobile devices; printers).

- Section 8.2 The OVERSIGHT GROUP may include any other shared costs in the Annual Maintenance and Operations Budget that it deems reasonable and appropriate.
- Section 8.3 The OVERSIGHT GROUP shall not, during any fiscal year, expend or contract to expend any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts appropriated in the annual budget for any category of expenditure, unless such expenditure is specifically approved by the ENTITIES.
- Section 8.4 Complete books and accounts shall be maintained for the PROGRAM by the FISCAL MANAGER in accordance with Generally Accepted Accounting Principles and standards, including compliance with all applicable statutes and regulations.
- Section 8.5 The FISCAL MANAGER shall provide for an annual audit of all funds and accounts pursuant to NRS 354.624, and distribute it to the OVERSIGHT GROUP.

Article 9. Contributions for Implementation and Initial Subscription Services

- Section 9.1 The initial contributions from the ENTITIES for the PLATFORM include payment for the PLATFORM's implementation and the first-year subscription service costs. Licensing of the software for the PLATFORM is based upon purchasing, or subscribing to, specific components of the software. These components and associated costs are outlined in Addendum "A", which is attached hereto and incorporated herein by this reference.
- Section 9.2 As its initial contribution to the PROGRAM for implementation and first-year subscription service costs, COUNTY agrees to pay, or cause to be paid, \$743,680.17 to the FISCAL MANAGER for this AGREEMENT. This amount includes the cost contribution of HEALTH, pursuant to the budget practices of HEALTH and the COUNTY as prescribed in their interlocal agreement and as authorized by NRS Chapters 277 and 354.
- Section 9.3 As their initial contributions to the PROGRAM for implementation and first-year subscription service costs, RENO agrees to pay, or cause to be paid, \$475,221.63, and SPARKS agrees to pay, or cause to be paid, \$448,542.52, to the FISCAL MANAGER for this AGREEMENT.
- Section 9.4 Each ENTITY's initial contribution to the PROGRAM is due and payable in accordance to the repayment schedule contained in Addendum "D" or within twenty (20) business days of the EFFECTIVE DATE of this AGREEMENT or acceptance as a new ENTITY, whichever is most applicable.

Article 10. Administration of Annual Maintenance and Operations Budget

- Section 10.1 Each ENTITY is responsible for a portion of and shall pay a portion of the financial obligations of the PROGRAM with respect to the Annual Maintenance and Operations Budget. These portions are determined according to and are set forth in Addendum "B," which is attached hereto and incorporated herein by this reference.

Initially, RENO's annual subscription service portion is estimated at \$115,441.15, SPARKS at \$37,030.87, WASHOE at \$71,411.37, and HEALTH at \$58,081.34.

- Section 10.2 These portions will change over time and the calculations to arrive at said changes are outlined in Addendum "B". Portions for each ENTITY shall be articulated during the Annual Maintenance and Operations Budget process coordinated by the FISCAL MANAGER and approved by the OVERSIGHT GROUP.
- Section 10.3 Each ENTITY shall pay in full, when due, its obligations herein agreed to be paid. Each ENTITY shall be liable to the PROGRAM and every other ENTITY to pay its respective share of the Annual Maintenance and Operations Budget and any other obligations assessed against the ENTITIES in accordance with this AGREEMENT.
- Section 10.4 The calculation of the user counts of the PLATFORM as used in Addendum "B" shall be performed annually by the FISCAL MANAGER and shall be approved by the OVERSIGHT GROUP, with the timing such that user counts will be used as part of the Annual Maintenance and Operations Budget planning and payments cycle. Each ENTITY's share of the Annual Maintenance and Operations Budget shall be set for the fiscal year.
- Section 10.5 The OVERSIGHT GROUP, in development of the Annual Maintenance and Operations Budget, may establish and maintain an appropriate level of PROGRAM reserves to assess each ENTITY for future system support and/or equipment requirements according to their respective prorated shares or an amount deemed appropriate by the OVERSIGHT GROUP consistent with law and generally accepted standards. The OVERSIGHT GROUP shall determine how to best apply such excess in support of the purposes of this AGREEMENT, consistent with both law and generally accepted standards.
- Section 10.6 As FISCAL MANAGER and contract administrator for the PROGRAM, COUNTY will perform some PLATFORM administrative support(e.g., budget preparation, technical work on behalf of the PROGRAM, billing and receivables, and financial accounting). COUNTY personnel and COUNTY contractors necessary to do so shall be under the direction of the COUNTY information technology central function (TECHNOLOGY SERVICES or TS) and shall be responsible on a day-to-day basis to the COUNTY's County Manager or his/her designee.
- Section 10.7 For this PLATFORM administrative support, the FISCAL MANAGER will request on a yearly basis reimbursement or cost recovery, and will submit, as part of the Annual Operating Budget to the OVERSIGHT GROUP, a request for reasonable direct cost recovery for staff time used. Such request shall be voted upon by the OVERSIGHT GROUP and if approved will become a part of the Annual Operating Budget. The FISCAL MANAGER shall document an itemized list of requested recovery to be apportioned to the ENTITIES. The request shall show tasks with staff titles, estimated hours per task and hourly rate per staff, where the hourly rate is the actual salary plus benefits rate of the specified staff resource.
- Section 10.8 Contributions or advances of public funds and of personnel, supplies, equipment, or property may be made to the PROGRAM by any ENTITY for any of the purposes of this AGREEMENT, with the consent of the OVERSIGHT GROUP and within the budget amount. Any such advance may be made subject to repayment as agreed to by the OVERSIGHT GROUP and ENTITIES as applicable.
- Section 10.9 No person, including the ENTITIES, may receive reimbursement from the PROGRAM for expenditures on behalf of the PROGRAM in excess of \$1,000, unless

the OVERSIGHT GROUP approves such reimbursement.

Article 11. Personnel for Platform Implementation and Maintenance

- Section 11.1 All ENTITIES shall commit the ENTITY's personnel to assist with the initial implementation and then on-going maintenance, operation, and repair of the PLATFORM. ENTITY personnel shall be under the direction of their respective management but shall also cooperate with assignments made by the OVERSIGHT GROUP as needed for PLATFORM stability, maintenance, and operation. The OVERSIGHT GROUP may adopt a personnel cost reimbursement policy for authorized ENTITY personnel work that benefits the overall PLATFORM within the budget amount.
- Section 11.2 Work performed by private contractors, each contract of which shall be in an amount less than \$50,000, save and except the vendor contract with Accela, unless otherwise approved by the ENTITIES, that is not established in the Annual Maintenance and Operations Budget and is authorized by the OVERSIGHT GROUP shall be paid out of reserves or otherwise assessed to the ENTITIES according to their proportions established for the Annual Maintenance and Operations Budget.

Article 12. Entity Payments and Financing Options

- Section 12.1 Each ENTITY's payment obligations hereunder shall be tendered as set forth herein. The COUNTY as FISCAL MANAGER shall provide an invoice to each ENTITY, at least twenty-eight (28) days prior to a due date of any ENTITY payment obligation, including a PLATFORM vendor payment, of the amount owed to the COUNTY to cover the ENTITY's payment obligations. Payment from an ENTITY will be due to the COUNTY within twenty-one (21) business days of billing.
- Section 12.2 A "regional technology fee" may be imposed by the initial ENTITIES upon their customers utilizing the PLATFORM for a minimum of one year, commencing upon go live of the PLATFORM. The "regional technology fee" shall be consistent among the ENTITIES and shall include the following: business permits - 4%; annual business license - \$4; quarterly business license - \$2.
- Section 12.3 The COUNTY offers a financing option for the initial ENTITIES of RENO and SPARKS for the amount of the initial implementation costs to set-up the PLATFORM plus the first year of subscription costs. Should RENO or SPARKS opt into this financing, COUNTY shall advance payment of these costs on behalf of the ENTITY, and said advance payments shall constitute a loan to the applicable initial ENTITIES to be repaid to the COUNTY on a five-year quarterly payment amortization schedule at an annual rate of 1.99% on the declining balance, according to the schedule attached hereto as Addendum "D", which is incorporated herein by this reference.
- Section 12.4 If any ENTITY fails to timely remit any payment obligations by the due date, the amount due shall accumulate late fees at the COUNTY'S standard published rate (based upon prime plus 2%) on the entire balance due. If the ENTITY's full payment is not received by the date the COUNTY's payment is due to the PLATFORM vendor, that ENTITY's amount will be deducted from that ENTITY's share of the Capital Facilities Property Tax collected pursuant to NRS 354.59815. ENTITIES hereby grant to COUNTY as FISCAL MANAGER hereunder full authority and right to

deduct and apply the ENTITY's portion of said Capital Facilities Property Tax to the extent of that referenced amount.

Article 13. Additional Participating Agencies

- Section 13.1 As PLATFORM capacity permits, the OVERSIGHT GROUP may approve other public agencies joining the PROGRAM on a case by case basis. An approved additional agency shall have all rights, privileges, obligations, and liabilities as current ENTITIES pursuant to this AGREEMENT.
- Section 13.2 An additional agency's immediate contribution for operating costs shall consist of its required number of automation and mobile seats together with its population related to the citizen access portal feature, as further described in Addendum "B". These seats shall be assessed to the agency according to the calculations in Addendum "C". Agencies joining within the first three (3) years of the vendor contract may receive a subscription cost benefit if their seat numbers fall within the cap identified in the vendor contract. This cap is set by the seat range to which the PROGRAM has contracted. The discount per seat shall be 50% of the per seat cost if within the three years and under the cap. All other seats shall cost 100% of the then current per seat cost according to the vendor contract.
- Section 13.3 The initial costs shall also include implementation fees, for which the additional agency is solely responsible. Should the additional agency seek consulting, technical and/or project management assistance from other, existing ENTITIES, such assistance shall be under the guidance, oversight, and financial reimbursement according to the powers and approval of the OVERSIGHT GROUP and the FISCAL MANAGER.
- Section 13.4 On-going new agency costs shall include apportionment of the Annual Maintenance and Operations Budget according to the calculations in Addendum "C".
- Section 13.5 The addition to the PROGRAM of a new agency shall not cause adjustments to the ENTITY contributions and apportionments for the then current Annual Maintenance and Operations Budget. Any such adjustments shall take effect in the next fiscal year.

Article 14. Rights and Obligations of Participating Entities

- Section 14.1 All ENTITIES shall have all rights as are set forth in this AGREEMENT. Specifically and subject to the terms of this AGREEMENT, all ENTITIES shall have the right to access and use the PLATFORM, and the information contained therein, to the extent permitted by law.
- Section 14.2 All ENTITIES are obligated to comply with the terms of this AGREEMENT and are bound by the provisions hereof. Each ENTITY has received a copy of the COUNTY'S contract with the vendor, Accela. The ENTITIES agree to cooperate in supporting the COUNTY'S duties and obligations under the Accela Contract.
- Section 14.3 Subject to the limitations of applicable laws, and without waiving any statutory protections, including the NRS Chapter 41 liability limits, each ENTITY shall indemnify, protect, defend, and hold harmless the other ENTITIES, their respective governing boards, officers, directors, employees, authorized agents, and their respective successors and assigns from and against any and all claims, expenses,

losses, or liability of any kind arising out of such ENTITY's respective performance pursuant to this AGREEMENT up to the amounts paid annually by each ENTITY. Each ENTITY shall rely on its own self-insurance or insurance for coverage and relief of any and all kinds regarding the purposes and operations under this AGREEMENT.

Article 15. Termination of Agreement

- Section 15.1 The PROGRAM shall continue in existence pursuant to the terms set forth in Section 2 of this AGREEMENT until dissolved in accordance with the terms of this Article.
- Section 15.2 This AGREEMENT may be rescinded and the PROGRAM terminated at any time by a written agreement of termination executed by all ENTITIES, provided that any obligations owed to the vendor, Accela, or to the COUNTY arising hereunder are paid in full prior to termination. On termination of the PROGRAM under this Article, all of the assets of the PROGRAM, if any, shall be distributed according to the ENTITIES' prorated share of the Annual Maintenance and Operations Budget.
- Section 15.3 An ENTITY may unilaterally terminate its membership under this AGREEMENT without cause, subject to certain conditions set forth in Section 15.4 below. However, COUNTY, RENO, SPARKS and HEALTH, as the initial ENTITIES, and in consideration of their respective contributions and service-level commitments, agree not to exercise this right, if at all, nor serve termination notice, until after expiration of the original term set forth in Section 2.1.
- Section 15.4 A ENTITY electing to terminate its membership must first:
- (a). Provide the PROGRAM a formal, written one (1) full fiscal year notice of intent to terminate;
 - (b). Be current on all payment obligations at the time of both service of termination notice and effective date of termination;
 - (c). Provide a payment to the FISCAL MANAGER on or before the effective date of termination in the amount of any outstanding prorated share of implementation costs and annual contribution costs for the terminating ENTITY, as well as full payment of any outstanding obligations owed to the COUNTY arising hereunder; and,
 - (d). Agree to reasonable amendments, modifications and/or assignments of existing PROGRAM contracts relating to the PLATFORM, sign all documents, make all approvals, and take all actions necessary and appropriate that: (i) minimize the operational and financial impact on the other ENTITIES of the PROGRAM; and, (ii) do not materially or substantially increase the terminating ENTITY's financial obligations set forth in subsection (b), above.
- Section 15.5 An ENTITY may be terminated and removed from the PROGRAM in the event of its default on any obligation hereunder that remains uncured for thirty (30) calendar days following delivery of notice of default approved by the OVERSIGHT GROUP (the "Defaulting ENTITY"). If such an event of default occurs, the Defaulting ENTITY shall:
- (a) Provide a payment to the PROGRAM within thirty (30) days following the effective date of termination of a sum equal to the Defaulting ENTITY's outstanding prorated share of implementation costs and annual contribution costs, as well as full payment of any outstanding obligations owed to the COUNTY arising hereunder; and,

(b) Agree to reasonable amendments, modifications and/or assignments of existing PROGRAM contracts relating to the PLATFORM; sign all documents; make all approvals; and take all actions necessary and appropriate that: (i) minimize the operational and financial impact on the other ENTITIES of the PROGRAM; and, (ii) do not materially or substantially increase the Defaulting ENTITY'S financial obligations set forth in subsection (a), above.

All remedies stated in this Agreement are cumulative with each other and with any remedy afforded in law or equity. The election of any remedy does not constitute a waiver of any other remedy.

Article 16. Notices

Section 16.1 All notices under this AGREEMENT shall be in writing and shall be deemed to be delivered on the earlier to occur of (i) the date of actual receipt of the notice (regardless of how it is delivered), and (ii) whether or not actually received, two (2) days after the notice has been deposited in the United States mail, postage paid, registered or certified mail, return receipt requested, addressed to the ENTITIES or PROGRAM, as the case may be, at the addresses set forth in Addendum "E".

Article 17. Miscellaneous Provisions

Section 17.1 Amendment. There are no oral agreements, understandings, warranties, or representations between the parties hereto with respect to the subject matter covered by this AGREEMENT. This AGREEMENT is not intended to have any legal effect, or to be a legally binding agreement, or any evidence thereof, until it has been signed by each of the initial four (4) parties hereto. Except as otherwise provided in Section 1.2 and Article 13 above, this AGREEMENT shall not be amended or modified in any way except by an instrument in writing executed by each of the ENTITIES in the PROGRAM.

Section 17.2 Successors and Assigns. This AGREEMENT is entered into for the exclusive benefit of the parties hereto and no other party shall derive any rights or benefits herefrom.

Section 17.3 Governing Law and Venue. This AGREEMENT shall be construed and enforced in accordance with the laws of the State of Nevada in the state court sitting in Washoe County.

Section 17.4 Counterparts. This AGREEMENT may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this AGREEMENT by signing any such counterpart.

Section 17.5 Captions and Interpretation. The captions and section headings appearing in this AGREEMENT are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this AGREEMENT.

Section 17.6 Severability. If any provision of this AGREEMENT is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, provided that the essential terms of this AGREEMENT remain valid, binding and enforceable; (i) the other provisions hereof shall remain in full force and effect in such jurisdiction; and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not

affect the validity or enforceability of such provision in any other jurisdiction.

Section 17.7 Advice from Independent Counsel. Each party hereto understands that this is a legally binding agreement that may affect such party's rights. Each party hereto represents to each other party hereto that it has obtained independent counsel and received legal advice about the meaning and legal significance of this AGREEMENT.

Section 17.8 Judicial Interpretation. Should any provision of this AGREEMENT require judicial interpretation, it is agreed that a court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against any party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that all parties hereto have participated in the preparation hereof.

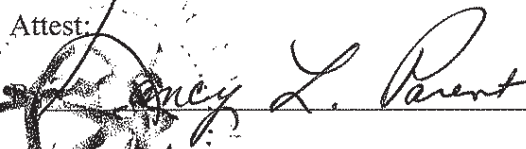
IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT as of the date first above written.

COUNTY OF WASHOE, NEVADA

By 
Chair, Board of County Commissioners

Date June 17, 2014

Attest:



Date June 17, 2014

APPROVED AS TO FORM:

By 
Deputy District Attorney

Date 6/4/14

CITY OF RENO, NEVADA

By _____
Robert A. Cashell, Sr., Mayor

Date _____

Attest:

By _____
Lynnette R. Jones, City Clerk

Date _____

APPROVED AS TO FORM:

By _____
Deputy City Attorney

Date _____

affect the validity or enforceability of such provision in any other jurisdiction.

Section 17.7 Advice from Independent Counsel. Each party hereto understands that this is a legally binding agreement that may affect such party's rights. Each party hereto represents to each other party hereto that it has obtained independent counsel and received legal advice about the meaning and legal significance of this AGREEMENT.

Section 17.8 Judicial Interpretation. Should any provision of this AGREEMENT require judicial interpretation, it is agreed that a court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against any party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that all parties hereto have participated in the preparation hereof.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT as of the date first above written.

COUNTY OF WASHOE, NEVADA

By _____ Date _____
Chair, Board of County Commissioners

Attest:

By _____ Date _____

APPROVED AS TO FORM:

By _____ Date _____
Deputy District Attorney

CITY OF RENO, NEVADA

By *Robert A. Cashell, Sr.* Date 6-27-14
Robert A. Cashell, Sr., Mayor

Attest:

By *Lynnette R. Jones* Date 6-27-14
Lynnette R. Jones, City Clerk DEPUTY

APPROVED AS TO FORM:

By *Julie Towler* Date 6/27/14
Deputy City Attorney JULIE TOWLER



CITY OF SPARKS, NEVADA

By Geno R. Martini Date 06/26/14
Geno R. Martini, Mayor

Attest:

By Teresa M. Gardner Date 6/26/14
Teresa M. Gardner, City Clerk

APPROVED AS TO FORM:

By Chester H. Adams Date 6/16/14
Chester H. Adams, City Attorney



WASHOE COUNTY HEALTH DISTRICT

By _____ Date _____
*****, Chair

Attest:

By _____ Date _____
Board Secretary

APPROVED AS TO FORM:

By _____ Date _____
Deputy District Attorney

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CITY OF SPARKS, NEVADA

By _____ Date _____
Geno Martini, Mayor

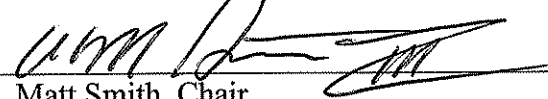
Attest:

By _____ Date _____
*****, City Clerk

APPROVED AS TO FORM:

By _____ Date _____
Deputy City Attorney

WASHOE COUNTY HEALTH DISTRICT

By  Date 6-26-14
Matt Smith, Chair

Attest:

By  Date 6/26/14
Board Secretary

APPROVED AS TO FORM:

By  Date 6/26-14
Deputy District Attorney

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Addendum A – Initial Financial Responsibility for Participating Entities

INITIAL ENTITIES BASE CONTRIBUTION, IMPLEMENTATION COST AND YEAR 1 SUBSCRIPTION COST

Entity	Contribution %	Estimated contribution amount with project contingency of 5% ¹
RENO	28.5%	\$ 475,221.63
COUNTY (includes HEALTH)	44.6%	\$ 743,680.17
SPARKS	26.9%	\$ 448,542.52
TOTAL PROJECT COST ==>		\$1,667,444.32

Details about Contribution % and Contribution Amount:

- Each ENTITY has three licensing subscriptions: Accela Automation (also called “Core”), Mobility, and Citizen Access.
- The above per ENTITY allocations were calculated based upon the number of seats per each subscription type, directly allocable implementation costs, and a percentage allocation for the regional implementation costs.
- The following spreadsheet details the summary percentages and amounts:

	All	Reno	Sparks	Washoe	Shared Base \$\$\$
	\$ 1,298,109.94				
Implementation - Direct	\$ 59,200.00	\$ 59,200.00	\$ 59,200.00		
Shared Implementation Allocation % (1)		24.5%	29.8%	45.7%	
Shared Cost = All Costs - Direct					\$ 1,120,509.94
Shared Costs x Allocation %	\$ 274,524.94	\$ 333,911.96	\$ 512,073.04		
Total Implementation (Direct + Shared)	\$ 333,724.94	\$ 393,111.96	\$ 571,273.04		
Licensing % - Core (2)		43.7%	12.5%	43.7%	\$ 215,978.40
Agency Cost - Core	\$ 94,451.20	\$ 27,076.01	\$ 94,451.20		
Licensing % - Mobile (2)		26.5%	13.6%	59.8%	\$ 53,155.20
Agency Cost - Mobile	\$ 14,094.18	\$ 7,248.44	\$ 31,812.58		
Licensing % - Citizen Access (2)		53.7%	21.1%	25.2%	\$ 12,831.12
Agency Cost - Citizen Access	\$ 6,895.77	\$ 2,706.42	\$ 3,228.93		
Total Licensing	\$ 115,441.15	\$ 37,030.87	\$ 129,492.71		
Grand Total	\$ 449,166.08	\$ 430,142.83	\$ 700,765.75		\$ 1,580,074.66
Percentage Allocation by Agency	28.5%	26.9%	44.6%		
Grand Total with 5% Contingency	\$ 475,221.63	\$ 448,542.52	\$ 743,680.17		\$ 1,667,444.32

(1) To get to Percentage by Agency - Used stand-alone implementation quotes for all agencies, added them up and then calculated percentage splits.

(2) Details of break down of license type (Core, Mobility and Citizen Access) by agency:

	Core Functions	%	Mobility	%	Internet/Citizen Access (based on population)	%
Reno	150	43.7%	35	26.5%	229,859	53.7%
Sparks	43	12.5%	18	13.6%	90,214	21.1%
Washoe	150	43.7%	79	59.8%	107,631	25.2%
TOTALS	343	100.0%	132	100.0%	427,704	100.0%

¹ This amount may change depending on final contract negotiations with the vendor (Accela) of the PLATFORM. Should the final contract price change, each ENTITY shall pay in accordance to the percentage obligation as listed above.

Addendum B – Annual Financial Responsibility for Participating Entities**ANNUAL CONTRIBUTION – OPERATION OF PLATFORM – YEARS 2-5**

Entity	Contribution % ²	Estimated Contribution Amount
RENO	40.9%	\$115,441.15
COUNTY	25.3%	\$ 71,411.37
HEALTH	20.6%	\$ 58,081.34
SPARKS	13.1%	\$ 37,030.87
	TOTAL ==>	\$281,964.73

Operational costs shall be re-evaluated annually and shared according to the following calculations:

$$\begin{aligned}
 &\text{Number of Accela Automation Seats} \quad \times \quad \text{Accela Automation Total Subscription Costs} + \\
 &\text{Number of Accela Mobile Seats} \quad \times \quad \text{Accela Mobile Total Costs} + \\
 &\text{Percent of Entities Population} \quad \times \quad \text{Accela Citizen Access Cost} = \\
 &\quad \quad \quad \underline{\text{Total ENTITY Operations Contribution}}
 \end{aligned}$$

Example: RENO Contribution

1. Accela Automation Seats = 150 (Total Automation Seats = 343)
2. Accela Mobile Seats = 35 (Total Mobile Seats = 132)
3. Population = 229,859 (Total Population = 427,704)
4. Total Contribution

	% Calculation	% Share	Accela Cost	RENO Cost
Automation	150/343	43.7%	\$215,978.41	\$94,451.20
Mobile	35/132	26.5%	\$53,155.20	\$14,094.18
Citizen Access	229,859/ 427,704	53.7%	\$12,831.12	\$6,895.77
				\$115,441.15

² The percentage contribution is the percentage of users that an ENTITY has, multiplied by the overall cost of that PLATFORM component. As an example: For Automation, 150/300 seats translates to 50%. That 50% is then multiplied by \$213,840 (the total cost for Automation seats). This yields an ENTITY cost of .50 x 213,840 = 106,920 for the Automation component.

			Reno	Sparks	Washoe	Health		
On-going Maintenance	\$	115,441.15	\$	37,030.87	\$	71,411.37	\$	58,081.34
On-going Maintenance %		40.9%		13.1%		25.3%		20.6%
Core Users		150		43		81		69
Annual Core Costs	\$	94,451.20	\$	27,076.01	\$	51,003.65	\$	43,447.55
Moblle Users		35		18		37		42
Annual Mobile Costs	\$	14,094.18	\$	7,248.44	\$	17,178.79	\$	14,633.79
Population		229,859		90,214		107,631		
Annual Population %		53.7%		21.1%		25.2%		
Annual Population Costs *	\$	6,895.77	\$	2,706.42	\$	3,228.93		
Grand Total Per Agency	\$	115,441.15	\$	37,030.87	\$	71,411.37	\$	58,081.34
					\$	129,492.71		
Grand Total All Agencies	\$	281,964.73						

Addendum C - New Participating Agency Contribution

After this AGREEMENT is effective, subsequent entities may be added in accordance with Article 13 of this AGREEMENT. Such subsequent entities shall incur several fees, including:

- (a). prorated initial seat costs for Accela Automation, Accela Mobile, and Accela Citizen Access;
- (b). apportioned fees for the Annual Maintenance and Operations Budget.

The initial seat costs shall be incurred by the new agency according to the following calculation:

$$\begin{aligned}
 &(\text{entity \# of Accela Automation Seats} \quad \times \quad 50\% \text{ or } 100\% \text{ of Per Seat Cost}^3) \times \text{Pro-ratio}^4 + \\
 &(\text{entity \# of Accela Mobile Seats} \quad \times \quad 50\% \text{ or } 100\% \text{ of Per Seat Cost}) \times \text{Pro-ratio} + \\
 &(\text{Increase in Accela Citizen Access Due to New entity Population}^5) \times \text{Pro-ratio} = \\
 &\qquad\qquad\qquad \underline{\text{Total Agency Buy-in Contribution}}
 \end{aligned}$$

Example: New entity Contribution

1. Accela Automation Seats = 20
2. Accela Mobile Seats = 8
3. Population = 100,520
4. Total New Agency Buy-in Contribution =

	Seats	Regular Per Seat Cost	At or Below Cap Per Seat Cost	New entity Buy-in (At or Below Cap)	New entity Buy-in (Above Cap)
Automation	20	\$59.40	\$29.70	\$7,128.00	\$14,256.00
Mobile	8	\$39.20	\$19.60	\$1,881.60	\$3,763.20
Citizen Access		N/A	N/A	\$3,000.00	\$3,000.00
				\$12,009.60	\$21,019.20
	Pro-rated for 8 months ==>			\$8,006.40	\$14,012.80

Thus, total initial new entity costs would be in the range of \$8,006.40 to 14,012.80 + Implementation costs. Any implementation costs shall be managed and incurred solely by the new entity.

Apportioned fees for the Annual Maintenance and Operations Budget shall be calculated in the new budget year as per the standard process.

³ Accela offers a varying cap based upon the number of subscription seats under contract. The PLATFORM will pass on a 50% discount to additional new entity if their seat count means that the overall PLATFORM is at or below the Accela cap for Automation or Mobile seats within the first three years of the Accela contract. After three years, all new seats will be at the 100% per seat cost at the time of joining. For the PLATFORMS's current range of 300-399 Automation seats, the cap is 549 users. For the PLATFORM's current range of 100-199 Mobile seats, the cap is 299.

⁴ Pro-ratio will be done to the nearest month for the remainder of the Fiscal Year.

⁵ Accela Citizen Access is based upon population. The new entity's population will be added to the existing population of other entity and the additional Citizen Access costs shall be allocated to the new member.

Addendum D – Initial Funding and Financing Schedule

The COUNTY financing option to the initial ENTITIES based on a Five (5) Year repayment schedule accruing interest at a rate of 1.99% annually, compounded monthly on the declining basis.

Loan Criteria: COUNTY will loan RENO up to \$475,221.63 (including a contingency allowance) for purposes of initial subscription service and implementation costs of the PLATFORM. This loan amount will occur on a drawdown (as spent) basis, concurrent with the COUNTY's payment obligations to the vendor, Accela, to include the first year subscription service costs. Interest on drawdowns and on loan repayment will be calculated at an annual rate of 1.99% and loan repayments will be quarterly.

Loan ProForma: RENO's portion of the payment schedule to the vendor, Accela, is set forth below. This schedule is provided on a proforma (as if) basis and actual drawdown amounts will be tracked as RENO requests loan amounts to meet payments. The actual resulting loan balance and payments due to COUNTY will be prepared for RENO by COUNTY when the drawdown period ends, and may include additional contingency amounts as requested by RENO.

Drawdown Period: Initial subscription service costs and implementation:

	Subscription	Consulting	Contingency	Total	Interest	Loan Balance
Jul-23-2014	\$115,441.15	\$ 33,372.49	\$ -	\$148,813.64	\$ -	\$ 148,813.64
Aug-23-2014	-	17,798.66	1,628.47	19,427.13	246.78	168,487.55
Sep-23-2014	-	17,798.66	1,628.47	19,427.13	279.41	188,194.09
Oct-23-2014	-	17,798.66	1,628.47	19,427.13	312.09	207,933.31
Nov-23-2014	-	17,798.66	1,628.47	19,427.13	344.82	227,705.26
Dec-23-2014	-	17,798.66	1,628.47	19,427.13	377.61	247,510.00
Jan-23-2015	-	17,798.66	1,628.47	19,427.13	410.45	267,347.58
Feb-21-2015	-	17,798.66	1,628.47	19,427.13	443.35	287,218.06
Mar-23-2015	-	17,798.66	1,628.47	19,427.13	476.30	307,121.49
Apr-23-2015	-	17,798.66	1,628.47	19,427.13	509.31	327,057.93
May-23-2015	-	17,798.66	1,628.47	19,427.13	542.37	347,027.43
Jun-23-2015	-	17,798.66	1,628.47	19,427.13	575.49	367,030.05
Jul-23-2015	-	17,798.66	1,628.47	19,427.13	608.66	387,065.84
Aug-23-2015	-	17,798.66	1,628.47	19,427.13	641.88	407,134.85
Sep-23-2015	-	17,798.66	1,628.47	19,427.13	675.17	427,237.15
Oct-23-2015	-	17,798.66	1,628.47	19,427.13	708.50	447,372.78
Nov-23-2015	-	33,372.55	1,628.49	35,001.04	741.89	483,115.71
Total	\$115,441.15	\$333,724.94	\$ 26,055.54	\$475,221.63	\$7,894.08	\$ 483,115.71

Loan Repayment:

The loan repayment schedule is set forth below. Changes for drawdown timing and/or additional contingency spending will be adjusted during the drawdown period with a final loan balance and debt service schedule issued by November-2015 which is the planned go-live month.

	Principal	Interest	Total Payment	Outstanding Balance
Beginning Balance				\$ 483,115.71
Jan-30-2016	\$ 24,155.79	\$ 2,403.50	\$ 26,559.29	\$ 458,959.92
Apr-30-2016	24,155.79	2,283.33	26,439.12	434,804.13
Jul-30-2016	24,155.79	2,163.15	26,318.94	410,648.34
Oct-30-2016	24,155.79	2,042.98	26,198.77	386,492.55
Jan-30-2017	24,155.79	1,922.80	26,078.59	362,336.76
Apr-30-2017	24,155.79	1,802.63	25,958.42	338,180.97
Jul-30-2017	24,155.79	1,682.45	25,838.24	314,025.18
Oct-30-2017	24,155.79	1,562.28	25,718.07	289,869.39
Jan-30-2018	24,155.79	1,442.10	25,597.89	265,713.60
Apr-30-2018	24,155.79	1,321.93	25,477.72	241,557.81
Jul-30-2018	24,155.79	1,201.75	25,357.54	217,402.02
Oct-30-2018	24,155.79	1,081.58	25,237.37	193,246.23
Jan-30-2019	24,155.79	961.40	25,117.19	169,090.44
Apr-30-2019	24,155.79	841.22	24,997.01	144,934.65
Jul-30-2019	24,155.79	721.05	24,876.84	120,778.86
Oct-30-2019	24,155.79	600.87	24,756.66	96,623.07
Jan-30-2020	24,155.79	480.70	24,636.49	72,467.28
Apr-30-2020	24,155.79	360.52	24,516.31	48,311.49
Jul-30-2020	24,155.79	240.35	24,396.14	24,155.70
Oct-30-2020	24,155.70	120.17	24,275.87	\$ -
Total	<u>\$483,115.71</u>	<u>\$ 25,236.76</u>	<u>\$508,352.47</u>	

Addendum E – Addresses for Participating Entities

To ENTITIES:

City of Reno
PO Box 1900
Reno, NV 89505
Attention: Community Development Director
Facsimile: (775) 334-1212
Telephone: (775) 334-2090

City of Sparks
[_____]
[_____]
Attention: [_____]
Facsimile: (775) [____]-[____]
Telephone: (775) [____]-[____]

Washoe County
[_____]
[_____]
Attention: [_____]
Facsimile: (775) [____]-[____]
Telephone: (775) [____]-[____]

Washoe County Health District
[_____]
[_____]
Attention: [_____]
Facsimile: (775) [____]-[____]
Telephone: (775) [____]-[____]

To PROGRAM:

[_____]
 [_____]
 Attention: [_____]
 Facsimile: (775) [____]-[____]
 Telephone: (775) [____]-[____]