

City of Carson City
Agenda Report

Item #9C

Date Submitted: June 27, 2007

Agenda Date Requested: July 5, 2007

Time Requested: 10 mins

To: Board of Supervisors

From: Linda Ritter, City Manager

Subject Title: Update on implementation of the Human Resource Information System purchased from High Line Corporation in April, 2005.

Staff Summary: Staff will give an update on the implementation of this new system and some of the issues and challenges this new product has presented. We are currently using the payroll module only and have delayed implementation of any further modules until it could be determined that the system, as a whole, would provide the streamlined system initially promised. Other options outside of the High Line product are also being examined and staff will update the Board on what those options are and how they may be advantageous to the City.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify) Status Report

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: No action - report only

Explanation for Recommended Board Action: n/a

Applicable Statute, Code, Policy, Rule or Regulation: n/a

Fiscal Impact: n/a

Explanation of Impact: n/a

Funding Source: n/a

Alternatives:

Supporting Material: Agenda Report from Apr 21, 2005, Minutes from Apr 21, 2005, Written status report.

Prepared By: Linda Ritter, City Manager

Reviewed By:

(Department Head)

(Finance Director)

Date: 6/27/07

Date: 6/27/07

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)

Item #4

**City of Carson City
Agenda Report**

Date Submitted: April 12, 2005

Agenda Date Requested: April 21, 2005

Time Requested: 10 minutes

To: Board of Supervisors

From: Lisa Roth, Human Resources Director

Subject Title: Action to approve contract with High Line Corporation for Human Resources Information Management System (HRIS).

Staff Summary: The Human Resources Department has intensively researched the benefits and return on investment of an HRIS system that will manage all aspects of recruiting, employee records, benefits and compensation, training and development, succession planning, safety and health, payroll and timekeeping as well as other employee services. This system will include applicant, employee and manager self-service. High Line provides the most robust and functional system for the money. This system will streamline processes, eliminate paperwork and gain efficiency.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to approve the contract with High Line Corporation to purchase the HRIS software as outlined in the contract.

Explanation for Recommended Board Action: On March 3, 2005 the Board of Supervisors approved the release of CQI funds for HRIS technology with the provision that the contract be approved by BOS.

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: One time costs not to exceed \$271,000
 Ongoing maintenance due after first year \$32,000

Explanation of Impact:

Funding Source: CQI Funds/Enterprise Funds

Alternatives: Do not approve

Supporting Material: Contract

Prepared By: Amy Charles, Human Resources Technician

City of Carson City
Agenda Report

Mem # 98

Date Submitted: 02/22/2005

Agenda Date Requested: 03/03/2005
Time Requested: 10 Minutes

To: Mayor and Supervisors

From: Linda Ritter, City Manager

Subject Title: Action to release funds currently in the CQI Fund for city-wide technology improvements and department specific technology improvements..

Staff Summary: The CQI program was suspended in 2003 due to an expected loss in sales tax revenues. Since then, we have lost sales taxes in the general merchandise sector of our economy, but have recovered by way of other sectors, and principally, the auto sales sector. Staff is proposing that the CQI Fund be made available to fund certain capital needs within this City. Specifically, those capital needs are in the area of technology. Technology related tools has been identified by all City departments as our principal way of gaining efficiency and improving service - a key principal in the past CQI Program. Under this proposal, one-half of the CQI Fund would be made available for city-wide technology to serve human resource management and document management needs. The other half would be made available to departments for technology improvements within their own department. The Budget Team, now working to develop a budget for 2005/2006, would review the departmental requests and make recommendation to the Board of Supervisors.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does this action require a Business Impact Statement: () Yes (X) No

Recommended Board Action: I move to release funds currently in the CQI Fund for city-wide technology improvements and department specific technology improvements.

Explanation for Recommended Board Action:

The fiscal effect of this recommendation is included in your agenda packet. After allocating one-half of the moneys in the CQI Fund for Human Resource Management and Document Management activities, the remaining funds would remain available to the specific departments. Requests for specific appropriation would be made by each department and reviewed by this years Budget Team. Their recommendations would be provided to the Board of Supervisors for final approval.

Applicable Statue, Code, Policy, Rule or Regulation: n/a

Fiscal Impact: \$325,073 for city-wide technology
\$325,074 for department specific technology

Explanation of Impact: Please see attached spreadsheet.

Funding Source: CQI Fund

Alternatives: None presented

Supporting Material: CQI Fund accumulations spreadsheet.

ANNUAL SERVICE AGREEMENT - US

FOR LICENSE AGREEMENT #050303

Between: **HIGH LINE CORPORATION**
145 Renfrew Drive
Suite 210
Markham, Ontario, Canada
L3R 9R6

(hereinafter referred to as **HIGH LINE**)

and **CITY OF CARSON CITY**
201 North Carson Street, Suite 1
Carson City, Nevada, USA
89701

(hereinafter referred to as **CUSTOMER**)

EFFECTIVE DATE: 365 days (1-Year) from 1st Initial Installation of Software
EXPIRATION DATE: 1-Year Thereafter

- 1. Subject Matter:** This Agreement constitutes a formal contract between **HIGH LINE** and **CUSTOMER** for Annual Service on the Licensed Software listed on Schedule "A" to this Agreement (the "Licensed Software"), and any additions or deletions therefrom agreed to by **HIGH LINE** and **CUSTOMER** in writing from time to time, in accordance with the terms of this Agreement.
- 2. Term:** This Agreement commences on the Effective Date stated above and will remain in full force and effect until the Expiration Date stated above. This Agreement shall automatically renew at the expiry of the then current term for the next ensuing twelve (12) months, unless terminated by either party by written notice delivered not less than thirty (30) days prior to the end of the then current term.
- 3. Annual Service Rates:** The Annual Service Rates and payment terms applicable throughout the term of this Agreement will be **HIGH LINE**'s then current service rates and payment terms for the Licensed Software. A schedule of Annual Service Rates and payment terms will be mailed by **HIGH LINE** to **CUSTOMER** not less than forty-five (45) days prior to the expiration of the then current term. If any part of the term of this Agreement is greater or less than twelve months, the Annual Service Rate for that part of the term of this Agreement will be adjusted pro rata for the period in question on a per diem basis.
- 4. Adjustment to Expiry Date:** **HIGH LINE** may, from time to time, adjust the Expiration Date for administrative purposes, in which case **HIGH LINE** will provide thirty (30) days prior written notice and any Service Rates paid or to be paid will be adjusted accordingly pro rata on a per diem basis.
- 5. Coverage:** **HIGH LINE** agrees to provide the following Licensed Software support and maintenance services to **CUSTOMER** during the Term of this Agreement, conditional upon a signed Annual

Service Agreement being in effect and all Annual Service Rates having been paid up to date at the time the service is to be provided:

- a) Corrections and fixes for any errors or inconsistencies in the programs in the Licensed Software due to HIGH LINE programming error, or failures of the programs or databases in the Licensed Software to perform in accordance with the manuals provided by HIGH LINE, which are notified in writing to HIGH LINE by CUSTOMER during the term of this Agreement. CUSTOMER shall assist HIGH LINE in identifying the circumstances in which such errors or inconsistencies were discovered and in providing documentary evidence of the same.
- b) Improvements, changes, upgrades and updates to the Licensed Software and related documentation as they become generally available.
- c) Support for Oracle Database and Oracle Tools software to the extent they have been incorporated into the Licensed Software, or they are required to make reasonable use of the Licensed Software.
- d) Support for the integration of the Vertex PAYROLLTAX™ System into the Licensed Software.
- e) Updated rates and database information for the production of reports required for Federal, State and Local Income Taxes, State Disability Insurance, Unemployment Insurance, and 401K ("Government Changes").
- f) Initial response to problems within four working hours of notification by CUSTOMER to the HIGH LINE SUPPORT LINE, Monday to Friday, 8 am to 8 pm Eastern Standard Time, except for statutory holidays.

In return for the services described in this paragraph 5, CUSTOMER will pay HIGH LINE the Annual Service Rates referred to in paragraph 3, failing which HIGH LINE may refuse to provide these services.

Notwithstanding anything herein to the contrary, HIGH LINE shall not be obligated to deliver Government Changes for any calendar year unless CUSTOMER has executed an Annual Services Agreement and paid Annual Service Rates for that calendar year, and installation or use of Government Changes for any calendar year shall be deemed to be a binding agreement between HIGH LINE and CUSTOMER for CUSTOMER to pay the then current Annual Service Rates for all of that calendar year.

6. **Exclusions:** Notwithstanding anything herein to the contrary, the following matters are not covered by this Agreement and HIGH LINE shall not provide corrections, fixes, updates, upgrades, support or maintenance under the terms of this Agreement for:
- a) New developments or modifications to the Licensed Software requested or made by CUSTOMER or someone on its behalf.
 - b) Software enhancements, programs or databases that have been custom written for CUSTOMER by HIGH LINE and do not form part of HIGH LINE's standard package for the Licensed Software.
 - c) CUSTOMER calculation programs, Discoverer reports, and customized CUSTOMER reports which do not form part of HIGH LINE's standard package for the Licensed Software.

- d) Training or retraining of new or existing personnel in the operations or understanding of the Licensed Software.
- e) Any problems, errors, omissions, deficiencies or inconsistencies caused by modifications, additions or tampering with the Licensed Software by persons other than HIGH LINE personnel.
- f) Any problems caused by CUSTOMER as a result of file or table manipulation. It is CUSTOMER'S responsibility to fully test all file or table changes prior to using them in production.
- g) Provision of, or support for, the Vertex PAYROLLTAX™ System (except as may be noted in paragraph 5). It is CUSTOMER's responsibility to arrange for its use and service through Vertex Systems Inc.
- h) Support of Third Party Software (except as may be noted in paragraph 5).
- i) Any problems, errors or inconsistencies not attributable to matters expressly set out in paragraph 5.

For any of these items, CUSTOMER shall pay HIGH LINE on a time and materials basis at HIGH LINE's then current professional services fees rates for its customers, all invoices to be paid on a net thirty days basis.

- 7. **Termination:** This Agreement shall automatically terminate on termination of CUSTOMER'S License Agreement for the Licensed Software. In addition, either party may terminate this Agreement at any time during the term of this Agreement if the other party is in default of their obligations hereunder and such default continues and is not rectified after seven days prior written notice in that regard. Provided that upon termination of this Agreement for any reason or cause CUSTOMER shall remain liable for, shall pay, and shall have no refund entitlements with respect to, the Annual Service Rates then in effect for the balance of the then current term, except as follows:
 - a) If this Agreement is terminated by CUSTOMER because of a default made by HIGH LINE under the terms of this Agreement or the License Agreement, then CUSTOMER shall be entitled to receive a per diem refund of the Annual Service Rates for the remaining unexpired term of the Agreement as of the effective date of such termination.
- 8. **Notice of Discontinuance:** HIGH LINE agrees to provide CUSTOMER with twelve months written notice if HIGH LINE decides to discontinue offering these support services for all or any part of the LICENSED SOFTWARE, in which case the Expiration Date will be adjusted accordingly and the Annual Service Rates will be adjusted on a pro rata per diem basis to the new Expiration Date.
- 9. **Warranty:** EXCEPT AS SET OUT IN WRITING IN THE RELEVANT LICENSE AGREEMENT, HIGH LINE GRANTS NO WARRANTIES OR CONDITIONS, EITHER EXPRESS OR IMPLIED, ON ANY LICENSED PROGRAM AND ITS PERFORMANCE, INCLUDING ALL IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR THOSE ARISING BY STATUTE, OPERATION OF LAW, USAGE OF TRADE, COURSE OF DEALING OR OTHERWISE, AND THE STATED EXPRESS WARRANTY IS IN LIEU OF ALL LIABILITIES OR OBLIGATIONS OF HIGH LINE FOR DAMAGES OCCURRING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF LICENSED PROGRAMS.

10. Limitation Of Liability: CUSTOMER agrees that HIGH LINE's liability hereunder for damages including but not limited to liability for any funds, mutual breach of this Agreement or patent and copyright infringement, and regardless of the form of action, shall not exceed the charges paid by CUSTOMER for the particular maintenance and support services in question.

No action, regardless of form, arising out of the transactions under this Agreement, may be brought by either party more than one year after the cause of action has occurred, except that an action for non-payment may be brought within one year after the date of last payment.

IN NO EVENT WILL HIGH LINE BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR LOSS OF REVENUES OR LOSS OF PROFITS OR ECONOMIC LOSSES, EVEN IF HIGH LINE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR IF SUCH DAMAGES WERE REASONABLY FORESEEABLE OR EVEN IF SUCH DAMAGES AROSE AS A RESULT OF THE NEGLIGENCE OF HIGH LINE, ITS AGENTS, REPRESENTATIVES OR EMPLOYEES, WHETHER IN AN ACTION BASED ON CONTRACT OR TORT.

11. Entire Agreement: This Agreement contains the entire agreement between HIGH LINE and CUSTOMER with respect to the subject matter thereof as of its date and supersedes all prior agreements, negotiations, representations and proposals, written or oral, relating to its subject matter.

12. Applicable Laws and Jurisdiction: This Agreement shall be governed by the laws of the State of Nevada, USA. The courts of competent jurisdiction in the City of Carson City, Nevada, shall have exclusive jurisdiction in the event of any litigation between the parties with respect to any matter or dispute arising out of this Agreement, and both parties agree to attorn to the exclusive jurisdiction of such courts.

IN WITNESS WHEREOF the parties have executed this Agreement as of the effective date stated herein.

HIGH LINE CORPORATION

CITY OF CARSON CITY

PER:

PER:

NAME: Karl Niemuller

NAME:

TITLE: President

TITLE:

DATED:

DATED:

SCHEDULE "A"

APPLICATION SOFTWARE**Annual Service Fees Tier 1 ^1,000 EE**

Personality Software	Maintenance Fees
Foundation	\$3,505
Benefits Administration	\$1,650
Attendance Control	\$1,650
Salary Administration	\$1,400
Recruitment	\$700
Training & Development	\$700
Recruiting Self Service	\$1,400
Workflow	\$1,400
Safety & Health	\$700
Employee & Manager Self Service	\$1,400
Payroll Module	\$4,945
Forecasting & Costing	\$2,475
Time Management Self Service	\$1,400
Time Scheduling	\$4,120
Total	\$27,445

Personality Maintenance fees are billed on an annual basis. Rates used for all Maintenance charges quoted are based on current rates at time of signing and are subject to change upon effective date, subject to the limitations set forth in this agreement.

LICENSE AGREEMENT #050303

THIS AGREEMENT made this ____ day of _____, 2005.

BETWEEN: **HIGH LINE CORPORATION**
145 Renfrew Drive, Suite 210
Markham, Ontario, Canada
L3R 9R6

(hereinafter referred to as **HIGH LINE**)

and

CITY OF CARSON CITY
201 North Carson Street, Suite 1
Carson City, Nevada, USA
89701

(hereinafter referred to as **CUSTOMER**)

1. DEFINITIONS:

The following terms are defined for the purposes of this Agreement:

- a) **"Annual Service Agreement"** means the separate agreement between the **CUSTOMER** and **HIGH LINE** for service, maintenance and support of the Licensed Software, to be executed contemporaneously with this License Agreement as set out in paragraph 6 below.
- b) **"Derivative Works"** means any software and copies thereof which are developed by any person and which are based on or incorporate any part or version of the Licensed Software, including without limitation any revision, modification, translation (including compilation or recapitulation by computer), abridgment, condensation, expansion, or any other form in which the License Software may be recast, transformed or adapted, and that if prepared without **HIGH LINE**'s authorization would constitute a copyright or trade secret infringement of the Licensed Software.
- c) **"License"** means the license herein granted to **CUSTOMER** to Use the Licensed Software with respect to the number of Active Employee Records set out in Part I to Schedule "A".
- d) **"License Fee"** means the license fee to be paid by the **CUSTOMER** to **HIGH LINE** as set out in paragraph 4 and Part II to Schedule "A" below.
- e) **"Licensed Software"** shall be the most recent version of the Software listed in Part I of Schedule "A" to this Agreement, including the database included therein and basic

documentation and related materials pertinent to said Software, and any update to the Licensed Software hereinafter furnished to CUSTOMER by HIGH LINE, and any Derivative Works developed by or on behalf of the CUSTOMER, but not including any Third Party Software set out in Part III of Schedule "A".

- f) "Planning Fees" means the professional service fees and expenses which are payable to HIGH LINE with respect to developing the Implementation Planning Report Document in accordance with the provisions of paragraph 8 and Schedule "B".
- g) "Implementation Planning Report Document" means a project plan agreed to between the CUSTOMER and HIGH LINE to install, implement and train the CUSTOMER with respect to the Licensed Software, to be jointly developed and agreed to following execution of this License Agreement in accordance with the provisions of Paragraph 9 below and made Schedule "C" to this Agreement.
- h) "Third Party Software" means the software products of third party as outlined in Part III to Schedule "A"; the CUSTOMER acknowledges and agrees that it is responsible for obtaining its own copies and licenses for all Third Party Software, unless otherwise agreed and set out in Part III to Schedule "A".
- i) "Use" means use by the CUSTOMER of all or any part of the Licensed Software for CUSTOMER's internal business purposes only with respect to the number of Employee Records set out in Part I of Schedule "A", and not for sub-licensing, rental, application service provider, outsourced consultant, time sharing or service provider or third party service bureau of any kind.

2. SCHEDULES and ADDENDUMS

This Agreement includes any Schedules or Addendums attached to this Agreement. In the event of a conflict between the terms of any Schedule or Addendum or the body of this Agreement, the terms of the Schedule or Addendum will prevail.

3. GRANT OF LICENSE

HIGH LINE hereby grants and CUSTOMER hereby accepts a perpetual, non-exclusive license to Use the Licensed Software on the following terms and conditions.

4. LICENSE FEE

CUSTOMER agrees to pay HIGH LINE a sum of \$128,000.00 U.S. DOLLARS for a non-exclusive and non-transferable perpetual license for the Use of the Licensed Software as per the schedule described in Part II of Schedule "A" to this Agreement ("License Fee").

5. TAXES

In addition to the foregoing, CUSTOMER shall pay and remit the full amount of any sales, use, excise, VAT, GST or similar taxes applicable to any fee or sum payable by CUSTOMER to HIGH LINE under the terms of this Agreement, if any; or in lieu thereof, CUSTOMER shall provide HIGH LINE with a certificate acceptable to the taxing authorities in question exempting CUSTOMER from payment or remittance of these taxes. CUSTOMER shall pay and remit the

full amount of any sales, use, excise, VAT, GST or similar taxes applicable to any fee or sum not payable by CUSTOMER to HIGH LINE under the terms of this Agreement to CUSTOMER's governing tax authority.

6. SUPPORT AND MAINTENANCE

This Agreement does not extend to or cover issues related to support for or maintenance of the Licensed Software, which is dealt with in a separate Annual Service Agreement which will be executed by HIGH LINE and the CUSTOMER contemporaneously with execution of this License Agreement.

7. INSTALLATION, IMPLEMENTATION and TRAINING

This Agreement does not extend to or cover issues related to installation, implementation or training, which shall be CUSTOMER's responsibility and obligation, and will be dealt with in the Implementation Planning Report Document between HIGH LINE and CUSTOMER as referred to in paragraph 9 below.

8. TERM and TERMINATION

- a) This License is effective from the date of execution of this Agreement by both parties. The License granted herein with regard to each Licensed Software shall remain in force until CUSTOMER permanently discontinues the Use of that Licensed Software or until HIGH LINE terminates this Agreement upon written notice to CUSTOMER by reason of CUSTOMER'S failure to comply with any of the terms and conditions of this Agreement. If the CUSTOMER inadvertently fails to comply with any of the terms of this Agreement, the CUSTOMER will be granted ten (10) days after written notification from HIGH LINE to comply with the terms of this Agreement prior to termination.
- b) Within thirty (30) days after CUSTOMER has permanently discontinued the Use of any Licensed Software or HIGH LINE has terminated any License by reason of CUSTOMER'S failure to comply with any of the terms of this Agreement, CUSTOMER will certify, in writing, to HIGH LINE, that through its best efforts, and to the best of its knowledge, the original and all copies, in whole or in part, in any form, including partial copies of the discontinued or terminated Licensed Software have been destroyed or, at HIGH LINE's option, returned to HIGH LINE.
- c) In addition to the foregoing, the Implementation Planning Report Document may contain additional provisions regarding termination of this Agreement and the License, in which case such provisions in the Implementation Planning Report Document and its Appendices will supersede anything to the contrary in this Agreement.

9. IMPLEMENTATION PLANNING REPORT DOCUMENT

- a) Immediately following execution of this Agreement and the corresponding Annual Service Agreement, the CUSTOMER and HIGH LINE shall begin developing the Implementation Planning Report Document.
- b) In the event of any conflict between the terms of the Implementation Planning Report Document and the terms of this Agreement, the terms of the Implementation Planning Report Document will prevail; provided that the Implementation Planning Report

Document will only deal with installation, implementation and training with respect to the Licensed Software, and will not deal with issues related to the License, the License Fee (other than the Payment Schedule for the License Fee), the Use, property rights or the other matters covered by the terms of this Agreement.

- c) The CUSTOMER agrees to pay HIGH LINE for HIGH LINE's professional services in working on the Implementation Planning Report Document at the rates set out in Schedule "B" ("Planning Fees"), such Planning Fees to be paid based upon invoices issued by HIGH LINE monthly in arrears.
- d) Notwithstanding anything in this Agreement to the contrary, this Agreement and License granted herein and the Annual Service Agreement are conditional upon HIGH LINE and the CUSTOMER agreeing upon a program and contract for the installation, implementation and training of the Licensed Software as set out in the Implementation Planning Report Document by _____, or such other date as may be agreed to between HIGH LINE and the CUSTOMER in writing, failing which:
 - i) either HIGH LINE or the CUSTOMER may terminate this Agreement and the related Annual Service Agreement on seven days prior written notice;
 - ii) HIGH LINE shall refund all License Fees paid by CUSTOMER to that date without interest; and
 - iii) HIGH LINE may setoff and deduct all or any part of the Planning Fees from the License Fees to be refunded under sub-paragraph (ii) above.

10. LICENSE and PROPERTY RIGHTS

- a) The License granted under this Agreement authorizes CUSTOMER on a personal, non-transferable and non-exclusive basis, to Use any Licensed Software without right to sub-license or rent.
- b) The Licensed Software and all copies thereof are the property of HIGH LINE and title thereto remains with HIGH LINE.
- c) All applicable rights in patents, copyrights, trade-marks and trade secrets in the Licensed Software are and will remain with HIGH LINE. The CUSTOMER shall not remove any HIGH LINE trademarks or ownership notices imbedded in any of the Licensed Software.
- d) The CUSTOMER shall not sell, transfer, publish, disclose, display, disseminate or otherwise make available any Licensed Software or copies thereof to others without HIGH LINE's prior written consent.
- e) The CUSTOMER agrees to secure and protect each Licensed Software and any copy thereof, from use by unauthorized persons and agrees to take appropriate action through instruction with its employees who are permitted access to each Licensed Software or copies thereof, to satisfy its obligations under this Agreement.
- f) CUSTOMER agrees that it will take appropriate action by instruction, agreement, or otherwise with its employees or other persons permitted access to Licensed Software to

satisfy its obligations under this Agreement with respect to use, copying, modification, and protection and security of Licensed Software.

- g) CUSTOMER agrees not to provide or otherwise make available any Licensed Software, in any form, to any person other than CUSTOMER'S or HIGH LINE'S employees without prior written consent from HIGH LINE, except during the period any such person is on CUSTOMER'S premises with CUSTOMER'S permission for purposes specifically related to CUSTOMER'S Use of the Licensed Software.
- h) The CUSTOMER may generate, develop and use Derivative Works, provided:
 - i) the CUSTOMER shall be deemed to have the right to Use the Derivative Works for the Term of the License herein granted;
 - ii) all such Derivative Works shall be owned by and shall be the exclusive property of HIGH LINE;
 - iii) HIGH LINE shall not have any obligation to maintain or support Derivative Works, unless otherwise agreed to in writing, or unless HIGH LINE incorporates such Derivative Works into its base Licensed Software and delivers same to CUSTOMER as part of an authorized fix, change or upgrade; and
 - iv) the CUSTOMER will notify HIGH LINE of the creation of any Derivative Works, and will immediately on request from HIGH LINE provide HIGH LINE with source code and supporting documentation for Derivative Works.
- i) CUSTOMER shall not disassemble, de-compile, translate or reverse engineer the Licensed Software without HIGH LINE'S prior written consent.

11. COPIES

The CUSTOMER shall be entitled to make copies of the Licensed Software for backup, training and system development purposes. The original and any copies of Licensed Software, in whole or in part, which are made by CUSTOMER shall be the property of HIGH LINE. CUSTOMER agrees to reproduce and include the applicable copyright notice on any copies, in whole or in part, in any form, including partial copies and modifications to Licensed Software. CUSTOMER shall maintain records specifically identifying the location of each copy of the Licensed Software and shall make such records available to HIGH LINE during regular business hours upon reasonable notice for purposes of enforcement of the terms and conditions of this Agreement.

12. ESCROW

By signing this Agreement the CUSTOMER becomes a beneficiary for the source code for the Licensed Software. HIGH LINE agrees to notify Lincoln-Parry Associates Inc., with whom HIGH LINE has a Software Escrow Agreement, that CUSTOMER has become an eligible beneficiary under this Agreement.

13. PATENT AND COPYRIGHT INDEMNIFICATION

HIGH LINE at its own expense shall defend any action brought against CUSTOMER to the extent that it is based on a claim that any Licensed Software used within the scope of the License hereunder infringes a patent or copyright, provided CUSTOMER notifies HIGH LINE promptly in writing of the action (and all prior claims relating to such action) after CUSTOMER becomes aware of same, and HIGH LINE has sole control of the defense and all negotiations for its settlement or compromise. In the event any Licensed Software become, or in HIGH LINE's opinion is likely to become, the subject of a claim of infringement of a patent or copyright, HIGH LINE may at its option either secure the CUSTOMER'S right to continue using the Licensed Software, replace or modify them to make them non-infringing, or if neither of the foregoing alternatives is reasonably available to HIGH LINE, discontinue the Licensed Software upon three month's written notice. If, however, the Licensed Software is the subject of a claim of patent or copyright infringement, CUSTOMER may notify HIGH LINE in writing during the one month after the HIGH LINE'S notice of discontinuance that CUSTOMER elects to continue to be licensed with respect to the Licensed Software until there has been an injunction or the claim has been withdrawn, and agrees to undertake at CUSTOMER'S expense the defense of any action against CUSTOMER and to indemnify HIGH LINE with respect to all costs, damages and legal fees attributable to such continued use after such notice is given to HIGH LINE: it being understood that HIGH LINE may participate at its expense in the defense of any such action if such claim is against HIGH LINE. HIGH LINE shall have no liability for any claim of copyright or patent infringement based on:

- a) Use of other than a current unaltered release of the Licensed Software available from HIGH LINE if such infringement would have been avoided by the use of a current unaltered release of the Licensed Software available from HIGH LINE; or
- b) Use or combination of the Licensed Software with modifications, improvements or other Software not supplied by HIGH LINE; or
- c) An intentional tortious act or negligence of CUSTOMER; or
- d) Use by CUSTOMER of the Licensed Software in an application or environment for which the Licensed Software was not designed or contemplated.

THE FOREGOING STATES THE ENTIRE LIABILITY OF HIGH LINE WITH RESPECT TO INFRINGEMENT OF ANY COPYRIGHTS OR PATENTS BY THE LICENSED SOFTWARE OR ANY PARTS THEREOF.

14. WARRANTY

Each Licensed Software will conform to HIGH LINE'S current published software specifications when it is shipped to CUSTOMER and for a period of **365 days (1-Year)** following the earlier of:

- a) first installation of HIGH LINE's then current version of the Licensed Software on the CUSTOMER's computer hardware for the purpose of commencing implementation of the Licensed Software (Train the Trainer Implementation) in accordance with the Implementation Planning Report Document; or
- b) first installation of HIGH LINE's then current version of the Licensed Software on HIGH LINE's computer hardware for the purpose of commencing implementation of the Licensed Software in accordance with the Implementation Agreement (Quickstart Implementation); or

- c) commencement of the implementation of the Licensed Software as set out in the Implementation Agreement (Quickstart Implementation).

EXCEPT FOR THE EXPRESS WARRANTY STATED ABOVE, HIGH LINE GRANTS NO WARRANTIES OR CONDITIONS, EITHER EXPRESS OR IMPLIED, ON ANY LICENSED SOFTWARE AND ITS PERFORMANCE, INCLUDING ALL IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR THOSE ARISING BY STATUTE, OPERATION OF LAW, USAGE OF TRADE, COURSE OF DEALING OR OTHERWISE, AND THE STATED EXPRESS WARRANTY IS IN LIEU OF ALL LIABILITIES OR OBLIGATIONS OF HIGH LINE FOR DAMAGES OCCURRING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF LICENSED SOFTWARE.

15. LIMITATION OF LIABILITY

CUSTOMER agrees that HIGH LINE'S liability hereunder for damages including but not limited to liability for any funds, mutual breach of this Agreement or patent and copyright infringement and regardless of the form of action, shall not exceed the charges paid by CUSTOMER for the particular Licensed Software or related materials involved.

No action, regardless of form, arising out of the transactions under this Agreement, may be brought by either party more than one year after the cause of action has occurred, except that an action for non-payment may be brought within one year after the date of last payment.

IN NO EVENT WILL HIGH LINE BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR LOSS OF REVENUES OR LOSS OF PROFITS OR ECONOMIC LOSSES, EVEN IF HIGH LINE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR IF SUCH DAMAGES WERE REASONABLY FORESEEABLE OR EVEN IF SUCH DAMAGES AROSE AS A RESULT OF THE NEGLIGENCE OF HIGH LINE, ITS AGENTS, REPRESENTATIVES OR EMPLOYEES, WHETHER IN AN ACTION BASED ON CONTRACT OR TORT.

16. EXTENDED APPLICATION

The provisions of this Agreement shall govern the terms of any present or future order from CUSTOMER. Acceptance by CUSTOMER of any Licensed Software or optional materials from HIGH LINE shall be deemed conclusive evidence of CUSTOMER'S agreement that the License for such Licensed Software or optional materials is governed by this Agreement.

17. SEVERABILITY

If any of the provisions of this Agreement are invalid under any applicable statute or rule of law, they are to that extent, deemed omitted, unless a court of competent jurisdiction determines otherwise.

18. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Nevada. The courts of competent jurisdiction in the City of Carson City, Nevada, shall have exclusive jurisdiction in the event of

any litigation between the parties with respect to any matter or dispute arising out of this Agreement, and both parties agree to attorn to the exclusive jurisdiction of such courts.

19. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the parties with respect to the subject matter of this Agreement, and there are no other representations, warranties, terms or conditions except as set out in this Agreement in writing; provided that in the event of any conflict between the terms of the Implementation Planning Report Document and the terms of this Agreement, the terms of the Implementation Planning Report Document will prevail.

20. INJUNCTION AND EQUITABLE REMEDIES

The CUSTOMER hereby recognizes that the Licensed Software is a valuable asset of the HIGH LINE and that any remedy contemplating, inter alia, the award of monetary damages in the event of a violation or impending violation of any of the terms and provisions of this Agreement shall be inadequate. As a result, HIGH LINE shall, in addition to any other relief available to it (including, without limitation, monetary damages to the extent that HIGH LINE proves such damages), be entitled to the remedy of an injunction and other equitable remedies without having to establish the inadequacy of any remedy available to it. The CUSTOMER hereby undertakes not to make any defense in proceedings regarding the granting of an injunction or specific performance which refer to the availability to HIGH LINE of other remedies.

IN WITNESS WHEREOF the parties have executed this Agreement as of the effective date stated herein.

HIGH LINE CORPORATION

CITY OF CARSON CITY

PER:

PER:

NAME: Karl Niemuller

NAME:

TITLE: President

TITLE:

DATE:

DATE:

SCHEDULE "A" TO SOFTWARE LICENSE AGREEMENT #050303

PART I - SOFTWARE COVERED BY THIS AGREEMENT

The **PERSONALITY** Application Software modules to process up to **1,000** active Employee/Retiree Records, Employee Records being defined as the highest number of employees administered by the system in any month during a twelve-month service period. The Software covered by this Schedule includes:

Personality Software	List	Discount	Net License Fees
Foundation	\$20,000	(\$2,000)	\$18,000
Benefits Administration	\$8,000	(\$800)	\$7,200
Attendance Control	\$8,000	(\$800)	\$7,200
Salary Administration	\$8,000	(\$800)	\$7,200
Recruitment	\$4,000	(\$400)	\$3,600
Training & Development	\$4,000	(\$400)	\$3,600
Recruiting Self Service	\$8,000	(\$800)	\$7,200
Workflow	\$8,000	(\$800)	\$7,200
Safety & Health	\$4,000	(\$400)	\$3,600
Employee & Manager Self Service	\$8,000	(\$800)	\$7,200
Payroll Module	\$24,000		\$24,000
Forecasting & Costing	\$12,000		\$12,000
Time Management Self Service	\$8,000		\$8,000
Time Scheduling	\$20,000		\$20,000
Less - Generic Service Bureau Interface value trade in from original proposal		(\$8,000)	(\$8,000)
Total	\$144,000	(\$16,000)	\$128,000

As additional Software is purchased, an Addendum to this Schedule shall be issued.

HIGH LINE guarantees Software Application License fees for one (1) year from the date of Agreement execution.

PART II - PAYMENT SCHEDULE: LICENSE FEE

50% Due upon signing of the Agreement.

50% Due upon 1st installation of software.

In the event of any conflict between the Payment Schedule set out under this Part II and the Schedule set out in the Implementation Planning Report Document, the Payment Schedule shall be governed by the Implementation Planning Report Document.

PART III – THIRD PARTY SOFTWARE

1. ORACLE APPLICATION SPECIFIC LICENSING

Additional Third Party Software may be referred to in the Implementation Planning Report Document, in which case the terms of the Implementation Planning Report Document will supersede anything to the contrary in this Agreement. For the right to use Third Party Application Software programs, CUSTOMER agrees to execute the applicable Sub-License Agreement herein.

Oracle Licensing	List	Discount	Net License Fees
Internet Developer Suite (1 named user)	\$3,000	(\$1,000)	\$2,000
Database License - Standard Edition (1 processor)	\$9,000	(\$3,000)	\$6,000
Application Server License - Java Edition (1 processor)	\$3,000	(\$1,000)	\$2,000
Oracle Maintenance 50% discount (for licenses listed above):			\$0
<i>Internet Developer Suite (1 named user)</i>	<i>\$1,250</i>	<i>(\$625)</i>	<i>\$625</i>
<i>Database License - Standard Edition (1 processor)</i>	<i>\$3,300</i>	<i>(\$1,650)</i>	<i>\$1,650</i>
<i>Application Server License - Java Edition (1 processor)</i>	<i>\$1,100</i>	<i>(\$550)</i>	<i>\$550</i>
Total	\$20,650	(\$7,825)	\$12,825

All Oracle costs are due N30 upon installation of software, or use of the software on the client's behalf and are subject to change according to the published Oracle Price List. Oracle Year 2 Maintenance fees are pro-rated to that of the Annual Service term of the P2K Maintenance.

2. TIMEVISION – ORGPUBLISHER LICENSING

OrgPublisher – Organization chart	License Fee	Maintenance Fee
For up to 3,000 Employees – License	\$10,000	\$1,700

Additional Third Party Software may be referred to in the Implementation Planning Report, in which case the terms of the Implementation Planning Report will supersede anything to the contrary in this Agreement. For the right to use TimeVision Application Software programs, CUSTOMER agrees to execute TimeVision’s own License and Maintenance Agreements.

All TimeVision costs are due N30 upon installation of software, or use of the software on the client’s behalf.

3. VERTEX PAYROLL TAX TABLES

The Vertex Payroll Tax Tables are required in the Personality²⁰⁰⁰ Payroll Calculation. It is the CUSTOMER’S responsibility to purchase this software subscription directly from Vertex.

First Year Fee **\$7,500**
 Renewal Fee **\$3,750**

All Vertex fees are subject to change according to the published Vertex Price List.

SCHEDULE "B" TO SOFTWARE LICENSE AGREEMENT #050303

Professional Service Fees Schedule - Train the Trainer Methodology

TYPE/MODULE	Course/Days	List Cost	Discount	Net Fees
Project Planning + Report	10 Days	\$13,400	(\$4,400)	\$9,000
Software Installation	5 Days	\$5,000	(\$1,000)	\$4,000
Foundation, Basic Salary Administration and Position Control Training	Course	\$5,000	(\$1,000)	\$4,000
Attendance Training	Course	\$5,000	(\$1,000)	\$4,000
Benefits Training	Course	\$5,000	(\$1,000)	\$4,000
Recruitment and Training & Development Training	Course	\$5,000	(\$1,000)	\$4,000
Recruiting Self Service	Course	\$5,000	(\$1,000)	\$4,000
Employee & Manager Self Service	Course	\$5,000	(\$1,000)	\$4,000
Workflow	Course	\$5,000	(\$1,000)	\$4,000
Safety & Health and Generic Service Bureau Interface	Course	\$5,000	(\$1,000)	\$4,000
Conversion Training & Consulting	5 Days	\$5,000	(\$1,000)	\$4,000
Troubleshooting Assistance	25 Days	\$25,000	(\$2,000)	\$23,000
Project Account Management Assistance	150 Hrs	\$15,000	(\$2,000)	\$13,000
Basic Payroll	Course	\$5,000		\$5,000
Advanced Payroll	Course	\$5,000		\$5,000
Forecasting & Costing	Course	\$5,000		\$5,000
Time Management Self Service	Course	\$5,000		\$5,000

Time Scheduling	Course	\$5,000		\$5,000
Total		\$128,400	(\$18,400)	\$110,000

The Fee Schedule outlines an estimate of the *Train the Trainer* method Implementation costs, based on our experience in similar environments. A detailed project plan will be jointly developed during the Planning Session held at the start of the project; actual costs are determined at that session.

Payment Terms:

All Professional Services are billed monthly on a time-spent basis: payment due N30 days.

All travel and reasonable out of pocket expenses necessarily and actually incurred by HIGH LINE will be passed through as incurred.

ORACLE CORPORATION SUB-LICENSE AGREEMENT

between: **HIGH LINE CORPORATION**
145 Renfrew Drive, Suite 210
Markham, Ontario Canada
L3R 9R6
("Sub-licensor")

and: **CITY OF CARSON CITY**
201 North Carson Street, Suite 1
Carson City, Nevada, USA
89701
("Sub-licensee")

This Sub-Licensee Agreement when fully executed forms an integral part of the "Program License Agreement" #050303 between Sub-licensor and Sub-licensee.

Sub-licensor has entered into a Value Added Relicensor Agreement to allow Sub-licensor the right to market and grant sublicenses, at discounted rates, to Sub-licensee. In accordance with the terms and conditions of the Value Added Relicensor Agreement entered into by Sub-licensor, Sub-licensee must agree to the terms and conditions of this Sub-license Agreement for the right to use the Application Programs noted in Exhibit A, Oracle Corporation Application Programs, of this Agreement.

Terms and Conditions

Sub-licensee agrees to the following terms and conditions:

- (i) use of the Application Programs are restricted to object code form only on a single Designated System, as described in Exhibit A, by a maximum number of Users for Sub-licensee's own internal data processing;
- (ii) transfer or duplication of the Programs is prohibited except for temporary transfer in the event of computer malfunctions and a single backup or archival copy;
- (iii) assignment, timesharing or rental of the Programs is prohibited;
- (iv) use of the Programs for any purpose outside the scope of the Program License Agreement #050303 between the Sub-licensor and Sub-licensee is prohibited except as otherwise specified;
- (v) the reverse engineering, disassembly or decompilation of the Programs is prohibited except where Sub-licensor has not provided Sub-licensee, within a reasonable time and after written request, such information as is available to Sub-licensor and is necessary by Sub-licensee to create software programs which are interoperable with the Programs but do not infringe the intellectual property rights;
- (vi) title of the Programs shall not pass to Sub-licensee;
- (vii) Sub-licensee shall, at termination of this Sub-license, discontinue use and shall destroy or return to Sub-licensor the Programs, documentation and all archival or other copies of the Programs;
- (viii) publication or disclosure to third parties of any results of benchmark tests run on the Programs is prohibited;
- (ix) Sub-licensee must comply fully with all relevant export laws and regulations of Canada and the United States to assure that neither the Programs nor any direct product thereof are exported, directly or indirectly, in violation of Canadian or United States laws;

- (x) the Programs are not specifically developed or licensed for use in any nuclear, aviation, mass transit, or medical application or in any other inherently dangerous applications. Any claims or damages arising from use of the Programs for such applications by Sub-licensee are prohibited;
- (xi) Sub-licensee, while covered under an Annual Support Agreement with Sub-licensor as per Program License Agreement #050303 between Sub-licensor and Sub-licensee, shall direct any technical support issues directly to Sub-licensor.

Entire Agreement

This Sub-license Agreement, include Exhibit A attached hereto, constitute the entire understanding between the parties as it relate to sublicenses and supercedes all prior oral or written agreements or understandings between them. It may not be changed orally, but only by an Agreement in writing executed as provided herein.

The undersigned hereby acknowledges that they have read and that they fully understand the terms of the above Sub-license Agreement, the terms and conditions of which are hereby incorporated and acknowledged by this reference. The undersigned hereby agree that by signing this document they become parties to said Agreement and agree to be bound by all terms, conditions and obligations contained therein.

HIGH LINE CORPORATION

Sign: _____
Name: Karl Niemuller
Title: President
Date: _____

CITY OF CARSON CITY

Sign: _____
Name: _____
Title: _____
Date: _____

THIS AGREEMENT IS FOLLOWED BY EXHIBIT A.

EXHIBIT "A"

ORACLE CORPORATION APPLICATION PROGRAMS

In accordance with the Business Alliance Programme Agreement number 3285 dated June 7, 1997 and the "Addendum" bearing an effective date June 1, 1999 in effect between the Sub-licensor and Oracle Corporation Canada Inc. ("Oracle"), Sub-licensor hereby grants to the Sub-licensee a non-exclusive, non-transferable sublicense of the Programs set forth:

ORACLE APPLICATION PROGRAMS and LICENSE TYPE as applicable:

List below:

- Internet Developer Suite – 1 Named User
- Database Standard Edition, Processor License – 1 x Processor
- Internet Application Server, Java Edition, Processor License – 1 Processor

Hardware / Operating System: Indicate System in use:

Microsoft Windows NT
 IBM RS6000 AIX
 HP-UX
 SUN SOLARIS

Designated Computer System: List Serial Numbers and Model):

-
-

If Sub- Licensee does not purchase Oracle Licenses from Sub-Licensor or owns a current license of the above, Sub-Licensee agrees to provide Sub-Licensor with their CID/CSI account numbers for those Oracle products not Sub-Licensed through Sub-Licensor.

Oracle Product Name & applicable CID/CSI
 # _____
 Oracle Product Name & applicable CID/CSI
 # _____
 Oracle Product Name & applicable CID/CSI
 # _____
 Oracle Product Name & applicable CID/CSI
 # _____

Oracle shall not be held liable for any damages, whether direct or indirect, incidental or consequential arising from the use of the Programs. This Sub-license does not include warranties, express or implied, on behalf of Oracle.

CARSON CITY BOARD OF SUPERVISORS
Minutes of the April 21, 2005, Meeting
Page 5

PROPERLY RELATED THERETO (1-0442) - Mr. Sullivan indicated that he had received two telephone calls, one office visit, and the letter from Mr. Yanuck about the ordinance. Discussion indicated that Section 08.09.050 Subsection 2 does not restrict loading or unloading less than 72 hours. Board comments supported revising the Subsection to include this restriction. Deputy District Attorney Bruketta indicated that the revision could be made. Supervisor Staub moved to adopt Ordinance No. 2005-8, Bill No. 106 on second reading, AN ORDINANCE AMENDING TITLE 8 PUBLIC PEACE, SAFETY AND MORALS BY ADDING CHAPTER 8.09 RECREATIONAL VEHICLE PARKING, WHICH IS A NEW CHAPTER THAT ESTABLISHES RULES RELATING TO THE PARKING OF RECREATIONAL VEHICLES IN RESIDENTIAL NEIGHBORHOODS AND ON COMMERCIAL PARKING LOTS AND OTHER MATTERS PROPERLY RELATED THERETO with the addition of one change to Section 8.09.050 by adding language to the end of Subsection 2 to "not exceed 72 hours". Supervisor Livermore seconded the motion. Motion carried 5-0.

6. HUMAN RESOURCES - Director Lisa Roth - ACTION TO APPROVE CONTRACT WITH HIGH LINE CORPORATION FOR HUMAN RESOURCES INFORMATION MANAGEMENT SYSTEM (1-0542) - Information Services Director Kevin Haggarty - Discussion pointed out that the maintenance costs were not capped. Mr. Haggarty gave a brief description of his background and support for the program. Discussion explained the research that had been performed regarding the Human Resource program and the request to add payroll and timekeeping. The proposal is to have one large vendor for the program rather than a conglomeration of vendors. Benefits of having one vendor were noted. Ms. Roth described a function of the program which will allow the employee to make changes to his personal information without requiring several different Departments to input the information. Board comments complimented Mr. Haggarty on his ability to reduce long term operating costs. Funding for the software will be taken from the CQI funds. Board comments welcomed Mr. Haggarty to the City. Supervisor Williamson moved to approve the contract with High Line Corporation to purchase the HRIS software as outlined in the contract; fiscal impact is a one time cost not to exceed \$271,000 and ongoing maintenance due after the first year of \$32,000; and the funding source is CQI Funds and Enterprise Funds. Supervisor Aldean seconded the motion. Motion carried 5-0.

7. PARKS AND RECREATION - ACTION TO ADOPT A RESOLUTION PURSUANT TO NRS 277.050 DECLARING THE BOARD OF SUPERVISORS' INTENT TO SELL THE FORMER BERNHARD PROPERTY TO THE BUREAU OF LAND MANAGEMENT LOCATED AT CARSON RIVER ROAD, APN 10-072-09 AND ALL OF BOOK 10, PAGE 63, AND FIXING A TIME LINE FOR A SUBSEQUENT PUBLIC MEETING IN ORDER TO RECEIVE ANY OBJECTIONS TO THE SALE (1-0719) - Open Space Manager Juan Guzman - Discussion noted the purchase price of \$1 million and the appraised value of \$2.5 million. BLM has tentatively agreed to purchase the property for this price. The value of having a knowledgeable lobbyist in Washington, D.C., was pointed out. Mr. Guzman indicated that the environmental study will cost approximately \$1,500. He was uncertain about the total escrow cost. City policy has been to split this cost. The survey will be updated. The closing costs should be nominal. Supervisor Aldean moved to adopt Resolution 2005-R-18, A RESOLUTION PURSUANT TO NRS 277.050 DECLARING THE BOARD OF SUPERVISORS INTENTION TO SELL THE FORMER BERNHARD PROPERTY TO THE BUREAU OF LAND MANAGEMENT LOCATED AT CARSON RIVER ROAD, APN 10-072-09 AND ALL OF BOOK 10, PAGE 63, AND FIXING A TIME LINE FOR A SUBSEQUENT PUBLIC MEETING IN ORDER TO RECEIVE ANY OBJECTIONS TO THE SALE; fiscal impact is the Open Space Program will receive \$2.5 million dollars minus closing costs. Supervisor Williamson seconded