STAFF REPORT

Report To:	Board of Supervisors	**Meeting Date:**	December 1, 2022

Staff Contact: Carol Akers, Purchasing & Contracts Administrator, Kimberly Adams, Chief Deputy Assessor and Andrew Rasor, Treasurer

Agenda Title: For Possible Action: Discussion and possible action regarding a five-year renewal of the existing contract with DEVNET, Inc ("DEVNET") for Property Tax and Computer Aided Mass Appraisal ("CAMA") software development and licensing, through March 1, 2028, for an additional $565,604.80, resulting in a new total not to exceed amount of $1,240,169.80. (Carol Akers, cakers@carson.org, Kimberly Adams, kaddams@carson.org and Andrew Rasor, arasor@carson.org)

Staff Summary: The original agreement was for a five-year term, ending on March 1, 2023, and will automatically renew for an additional five-year term unless a written intent to terminate the contract is provided to DEVNET by December 1, 2022. The Carson City Assessor and Treasurer would like to renew the agreement for the additional five-year term, concluding on March 1, 2028, for $565,604.80. Renewal pricing is listed on page 17 of the original contract (page 19 of the supporting material).

Agenda Action: Formal Action / Motion   **Time Requested:** Consent

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Proposed Motion
I move to approve the renewal as presented.

Board's Strategic Goal
Efficient Government

Previous Action
March 1, 2018 (Item 12B): The Board of Supervisors ("Board") approved Contract No. 1718-011 with DEVNET, Inc. for Property Tax and CAMA software development and licensing for a five-year period for a not to exceed amount of $674,565.00.

Background/Issues & Analysis
On December 2, 2016, the Carson City Assessor and Treasurer were notified by the owner of Advanced Data Systems ("ADS") that the company would cease operations effective December 31, 2019. ADS was the developer and service provider of the Property Tax and CAMA data systems for the Offices of the Assessors and Treasurers in the 15 rural counties of Nevada. A committee formed by these 15 counties researched the vendors that had the ability to develop and to meet the timeline for a replacement system. After much evaluation, Carson City staff determined that DEVNET was the best option for Carson City to replace ADS. The Assessor's Office went live in July 2019 and the Treasurer went live in May of 2020.

The original agreement was a five-year contract that automatically renews for an additional five-years at the end of the first contract term. The automatic renewal will occur unless the City gives DEVNET 90-days' notice prior to March 1, 2023, of the City's intent to terminate the agreement. December 1, 2022 is the deadline to provide the notice. The Carson City Assessor and Treasurer both support renewal of the agreement.

If the Board approves the renewal, the $565,604.80 owed to DEVNET will be paid in annual installments as follows: $37,373.65 in Fiscal Year ("FY") 2023, $112,287.63 in FY 2024, $112,787.63 in FY 2025, $113,287.62 in FY 2026, $113,787.63 in FY 2027 and $76,080.64 in FY 2028.

Applicable Statute, Code, Policy, Rule or Regulation
NRS Chapter 332

Financial Information
Is there a fiscal impact? Yes

If yes, account name/number: General Fund Software Maintenance Account / 1010710-500433

Is it currently budgeted? Yes

Explanation of Fiscal Impact: If approved, Account 1010710-500433 will be reduced by a not to exceed amount of $565,604.80, in the amounts of $37,373.65 in FY 2023, $112,287.63 in FY 2024, $112,787.63 in FY 2025, $113,287.62 in FY 2026, $113,787.63 in FY 2027 and $76,080.64 in FY 2028. The Carson City Information Technology Department will adjust the budget as necessary annually during the budget process for contract increases. For FY 2023 a total of $1,228,755 was budgeted for Software Maintenance, of which $827,528 has been spent, leaving a remaining $401,227.

Alternatives
Do not approve the renewal of the contract and direct staff to submit written notice of termination of the contract and/or provide alternative direction.

Attachments:
1718-011 Executed Contract.pdf

Board Action Taken:
Motion: _____   1) _____   Aye/Nay
                               2) _____   _____
                                                       _____
                                                       _____
                                                       _____
                                                       _____

_____
        (Vote Recorded By)

STAFF REPORT

Report To: Board of Supervisors   **Meeting Date:** March 1, 2018

Staff Contact: Laura Rader, Dave Dawley, and Gayle Robertson

Agenda Title: For Possible Action: To approve Contract No. 1718-011 with DEVNET, Inc. for Property Tax and CAMA software development and licensing for a five (5) year period with a not to exceed total amount of $674,565.00 to be funded from the Capital Projects Fund/Software Replacement account, the Assessors' Technology account, and IT software maintenance account. (Laura Rader, lrader@carson.org; Dave Dawley, ddawley@carson.org; Gayle Robertson, grobertson@carson.org).

Staff Summary: Advanced Data Systems (ADS), the vendor that provides the Property Tax and Computer Aided Mass Appraisal (CAMA) system used by the Carson City Assessor and Carson City Treasurer, is ceasing operations in December 2019. Carson City evaluated the companies interested in developing a software program capable of calculating the property assessments and tax calculations per our Nevada Revised Statutes and determined that DEVNET, Inc. (DEVNET) is the best option to replace ADS. The proposed agreement is a five (5) year contract with the option to automatically renew for an additional five (5) years at the end of the first contract term.

Agenda Action: Formal Action/Motion   **Time Requested:** 10 minutes

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Proposed Motion
I move to approve Contract No. 1718-011 with DEVNET, Inc. for Property Tax and CAMA software development and licensing for a five (5) year period with a not to exceed total amount of $674,565.00 to be funded from the Capital Projects Fund/Software Replacement account, the Assessors' Technology account and IT software maintenance account.

Board's Strategic Goal
Sustainable Infrastructure

Previous Action
N/A

Background/Issues & Analysis
On December 2, 2016, the Carson City Assessor and Treasurer were notified by the owner of Advanced Data Systems that the company would cease operations effective December 31, 2019. ADS is the developer and service provider of the Property Tax and CAMA data systems for the offices of the Assessors and Treasurers in the 15 rural counties of Nevada. A committee formed by these 15 counties researched the vendors that had the ability to develop and to meet the timeline for a replacement system. Additionally, 3 of these 15 counties (Carson City, Douglas County, and Lyon County) went through the Request for Proposal process to expand our search for a replacement company. After much evaluation, Carson City staff has determined that DEVNET is the best option for Carson City to replace ADS. Currently, 13 of the 15 rural counties have contracted with DEVNET

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and DEVNET has made significant advances in the development of the software program. It is anticipated that DEVNET will have the new system completed and installed by August 2019.

The proposed agreement is a five (5) year contract with the option to automatically renew for an additional five (5) years at the end of the first contract term. The pricing negotiated for the potential five (5) year renewal is set at an increase of only $500 per year, which is excellent. The automatic renewal would take place unless the City gave DevNet 90 days notice of its intent to terminate. However, the renewal will be brought before the Board of Supervisors for consideration well before the 90 day notice period required to terminate the agreement expires.

Applicable Statute, Code, Policy, Rule or Regulation
NRS 332.195

Financial Information
Is there a fiscal impact? ☒ Yes ☐ No

If yes, account name/number: Capital Projects Fund/Software Replacement 210-0000-415-65.08;

Assessors' Technology 101-0400-413.06-46/77-46; IT software maintenance 101-0710-419.04-33

Is it currently budgeted? ☒ Yes ☐ No

Explanation of Fiscal Impact: $100,000.00 is available in account #101-0400-413.06-46/77-46, the Assessor Technology Fund; $65,411 is available in account 210-0000-415.65-08; and approximately $111,000 to $120,000 will need to be added to the IT software maintenance budget 101-0710-419.04-33 beginning FY19. There will be offset in part by a reduction in maintenance fees paid to ADS of approximately $30,000. The 5 year renewal pricing is not included in these numbers because the decision to renew the contract will be brought before the Board of Supervisors for consideration of approval.

Alternatives
Do not approve the contract and provide alternative direction to staff.

Board Action Taken:
Motion: _____APP_____   1) _____LB_____   Aye/Nay 5/0
                             2) _____CA_____

_____JVM_____
(Vote Recorded By)

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DEVNET

Contract

For

Property Tax and CAMA
License, Maintenance, and Support

In

Carson City, Nevada

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Maintenance, Licensing, and Support Services Agreement

This "Agreement" dated March 1, 2018 ("Effective Date") is between DEVNET, INC., (DEVNET), an Illinois Corporation, having its principal offices at 1709 Afton Road, Sycamore, Illinois 60178, and CARSON CITY, Nevada (the City), a consolidated municipality, having its principal offices at 201 N. Carson Street, Carson City, NV 89701.

Recitals

WHEREAS, DEVNET is in the business of licensing software and providing software development services to units of local government and others; and

WHEREAS, the City desires to update and modernize its property tax software;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, DEVNET and the City (each a "Party" and collectively the "Parties") hereby agree as follows:

Article 1: Definitions

1.1 **Acceptance**
The term "Acceptance" shall have the meaning given it in Section 2.7 of this Agreement.

1.2 **Application Error**
The term "Application Error" means an error in an Application Program that causes it to fail and terminate abnormally.

1.3 **Application Program**
The term "Application Program" means any of the software programs developed by DEVNET and licensed to the City hereunder for use in the operation by the City of its property tax database.

1.4 **City Databases**
The term "City Databases" means the property tax data prepared and managed by the City that are stored in electronic format and that are accessible by the City's computer system.

1.5 **City Equipment**
The term "City Equipment" means the equipment owned (or leased), operated, and maintained by the City at any given time. By way of illustration, but not limitation, the City Equipment includes any mainframe, minicomputer, and LAN server platforms where the City Databases reside, and the communications equipment required to provide a connection between the City Databases and any remote or satellite locations of the City.

1.6 **City Software**
The term "City Software" means application software, database management software, and operating system software that runs on the City Equipment, that is used to operate, access, and use the City Databases or for other purposes, and that is owned (or licensed from third parties) by the City, and maintained by the City (or the City's third-party vendors), not DEVNET.

1.7 **DEVNET Property Tax Software System**
The term "DEVNET Property Tax Software System" means all of the Application Programs, source code, database definitions, and Documentation provided and licensed by DEVNET to the City hereunder, including, but not limited to, any software provided by DEVNET hereunder for the processing of property taxes, extensions, billings and collections.

1.8 **Documentation**

The term "Documentation" means user manuals, systems administration manuals, training literature, other written materials that DEVNET normally provides to its customers or that DEVNET otherwise provides to the City with the services to be provided hereunder.

1.9 **Software Maintenance**

The term "Software Maintenance" means the ongoing maintenance and support to be provided by DEVNET hereunder for the usage, repairing, and enhancing of the DEVNET Property Tax Software System, all as described in Section 2.5

1.10 **Windows Software**

The term "Windows Software" means, at any given time, the versions of Microsoft Windows, Microsoft Server, and Microsoft SQL Server that are then in general release and generally available from, and supported by, Microsoft Corporation.

1.11 **Design Committee**

The term "Design Committee" means the group of participants, approved by each participating Nevada municipality or County, which has authority to make decisions regarding the Scope of Work and design for the DEVNET software systems.

Article 2: Description of Software and Services

2.1 **General**. DEVNET shall provide the City with the DEVNET Property Tax Software System as described in this Agreement, for the fees indicated in this Agreement. The DEVNET Property Tax Software System that shall be provided to the City hereunder is further described in the attached Appendix A. DEVNET shall also supply the City with the third-party software identified in the attached Appendix B (the "Third Party Software"), along with services regarding the configuration, on-site setup, and installation of the Third Party Software. The Third Party Software, and the City's use thereof, is subject to separate terms and conditions, which shall be provided or included with the Third Party Software.

2.2 **Scope of Work**. Notwithstanding anything to the contrary set forth elsewhere in this Agreement, DEVNET and the Design Committee shall confer, cooperate, and reasonably work together to develop and mutually agree upon, in a writing signed by both DEVNET and the Design Committee or their respective authorized representatives, a document that sets forth the scope of work to be performed by DEVNET in developing, customizing and implementing the DEVNET Property Tax Software System to be provided to the City hereunder and that includes a project plan that provides the dates and schedule for performance hereunder (such document, the "Scope of Work"). Once so mutually agreed upon and signed, the Scope of Work shall be deemed incorporated herein by reference. If DEVNET and the Design Committee fail to mutually agree in writing, as described above, on a Scope of Work, then DEVNET or the Design Committee may terminate this Agreement by providing written notice by registered mail of its intent to terminate. The Agreement will be considered terminated within thirty (30) days of the date of the notice unless DEVNET and the Design Committee are able to mutually agree upon a Scope of Work within that time. Upon termination under this provision, neither Party is liable for any damages, judgments, or costs for future losses of any nature. Among other things, the Scope of Work shall specify and describe:

    a. The functionality to be included or contained in the DEVNET Property Tax Software System to be provided to the City hereunder, which functionality, as set forth in the Scope of Work, shall constitute the "Acceptance Testing Criteria" which will be used by the City in performing Acceptance testing, and in determining whether to issue its Acceptance, in accordance with Section 2.7, of the DEVNET Property Tax Software System; and

    b. A training program that will be used to instruct the City's applicable personnel in: (i) the use of the DEVNET Property Tax Software System; (ii) product design of the DEVNET Property Tax Software System, for consistency of any interfacing to, and operation of, the City Databases; (iii) technology planning regarding the DEVNET Property Tax Software System, so that the City obtains and provides a technology infrastructure adequate for the use and operation of the DEVNET Property Tax Software System and any services to be provided by DEVNET hereunder; and (iv) change control planning regarding the DEVNET Property Tax Software System and the implementation project to be undertaken pursuant to this Agreement.

2.3 **Development; Compatibility**. DEVNET shall provide its own development tools for the development of the DEVNET Property Tax Software System as described herein. DEVNET will also be responsible for setting up a testing and development environment within its own offices for such purposes. DEVNET will from time to time, as new versions of Windows Software are made generally available by Microsoft Corporation, use commercially reasonable efforts to make the DEVNET Property Tax Software System compatible with such new versions of Windows Software.

2.4 **Data Conversion**. In accordance with the mutually agreed upon Scope of Work DEVNET will attempt to convert the data from the City Databases for use with the DEVNET Property Tax Software System (unless otherwise provided in the Scope of Work, DEVNET will convert the current year's, and all previous years', real and personal property data that are stored in the City Databases, as well as any associated CAMA attributes along with tax calculation data). DEVNET will make all reasonable efforts to coordinate the data conversion with the City and all various vendors who hold City data. However, if

such conversion cannot be completed by DEVNET through the exercise of commercially reasonable efforts (e.g., if data are corrupted, stored in a proprietary format that cannot be read, etc.), then: (i) DEVNET will notify the City thereof in writing; (ii) the City shall be required to, at its expense, perform manual data entry of any information from the City Databases that the City desires to be loaded into the DEVNET Property Tax Software System; and (iii) shall extend all due dates for DEVNET's performance that are set forth herein (or in the Scope of Work) by a like amount of time.

2.5   **Software Maintenance**. DEVNET shall provide Software Maintenance that includes the following:

a. ***Regulatory Changes***. As part of Software Maintenance, DEVNET will provide all updates and changes to the Application Programs that form the DEVNET Property Tax Software System, as described in this Agreement, that are mandated or required by the property tax-related statutes and regulations of the State of Nevada, any changes thereto, or any related reporting requirements, from time to time during the term of this Agreement. DEVNET will make all reasonable efforts to stay informed of regulatory changes within the State of Nevada that affect this Agreement. DEVNET will make any such updates and changes to the Application Programs available to the City by the date that is the latest of the following: (i) the date that is thirty (30) days after when the applicable governmental body officially publishes notice of the enactment, promulgation, or issuance of the relevant statute, regulation, change, or requirement; (ii) the date specified in the applicable statute, regulation, change, or requirement as to when such statute, regulation, change, or requirement is to officially take effect; and (iii) the date that the City specifies to DEVNET in writing, in good faith, and at least thirty (30) days in advance, as being thirty (30) days before when the City property tax systems will actually be required to have been updated for such statute, regulation, change, or requirement, taking into appropriate consideration the City's normal property tax cycle.

Software Maintenance also includes all system upgrades of the DEVNET Property Tax Software System that are from time to time made generally available by DEVNET. Software Maintenance does not include any upgrades or changes to the Third Party Software or to any other third-party software or any software owned by the City. The City is not required to upgrade the Third Party Software or any other third-party software, such as operating systems or database software, unless failing to perform any such upgrade results, or would result, in an Application Error in the DEVNET Property Tax Software System. As part of Software Maintenance, DEVNET will also provide Documentation in an electronic format for the DEVNET Property Tax Software System; as such documentation is made generally available by DEVNET to its licensees. Software Maintenance also includes the correction of any material deficiencies of the DEVNET Property Tax Software System that result in Application Errors. As part of Software Maintenance, DEVNET will, from time to time, certify the DEVNET Property Tax Software System's compatibility with additional operating systems other than those described in this Agreement, as DEVNET determines these operating systems are acceptable platforms for the use of the DEVNET Property Tax Software System.

b. ***Technical Support***. As part of Software Maintenance, DEVNET will provide telephone technical support to the City during DEVNET's normal business hours (i.e., from 7:00 a.m. until 5:00 p.m., Pacific Time, Mondays through Fridays, excluding nationally-observed holidays), for major processes of the DEVNET Property Tax Software System. Software Maintenance will also include telephone support during DEVNET's normal business hours for any "how to" questions that any member of the City's staff may have. If any technical support is required during weekends or after DEVNET's normal business hours, or onsite at a location of the City's, the City shall provide DEVNET with written notice thereof at least forty-eight (48) hours in advance, so that DEVNET may have staff available. Nevertheless, DEVNET understands that advance notice may not always be possible, and, for use in emergencies, DEVNET will provide the person or persons designated by the City with cell phone numbers by which to contact DEVNET for Software Maintenance outside of DEVNET's normal business hours. Maintenance requests outside of normal business hours are incorporated as part of the Software Maintenance Agreement.

c. ***Other Enhancements***. Other than as expressly described above as being included within Software Maintenance, DEVNET shall not be required to make enhancements to the DEVNET Property Tax Software System, and any such enhancements requested by the City shall be as mutually agreed upon by the Parties in writing from time to time, which may result in additional cost or fees as mutually agreed to by the Parties in writing.

d. ***Problem Response***. DEVNET shall respond (by return telephone call) as soon as reasonably possible to the City's telephone calls requesting Software Maintenance. However, there may be times when an appropriate DEVNET programmer is not immediately available. In these cases, DEVNET will use all commercially reasonable efforts to cause an appropriately qualified programmer to place a return telephone call to the City within not more than two (2) hours, during DEVNET's normal business hours, after the time of the initial call by the City for the applicable support. In the event that the City reasonably believes that the individual assigned by DEVNET with respect to any given problem or issue is not appropriately qualified or is not making appropriate progress on problem resolution, the City shall have the option to contact DEVNET's project manager, or the head of DEVNET'S support division, to have the problem reassigned.

e. ***Retraining***. As part of Software Maintenance, DEVNET shall provide, upon the City's reasonable request from time to time, any refresher courses or other retraining of the City's personnel with respect to the DEVNET Property Tax Software System, or any procedures relating thereto. Retraining shall begin one (1) year after initial training has occurred. First year training shall not be classified as "retraining".

2.6 **Functionality**. Subject to Section 2.5.a and the timeframes described therein, the DEVNET Property Tax Software System licensed to the City hereunder will, (i) include all of the functionality required by the statutes and regulations of the State of Nevada for the processing of property taxes by a governmental entity and (ii) automate property tax processing functions as required by the statutes and regulations of the State of Nevada that pertain to the processing of property taxes by a governmental entity.

2.7 **Acceptance Testing**. With respect to any Application Programs developed and provided by DEVNET to the City under this Agreement ("Software Components"), the City shall be entitled, during the first sixty (60) calendar days after the date on which DEVNET delivers such Software Components to the City (such period, the "Acceptance Period"), perform whatever acceptance testing on the Software Components that the City may wish to perform to confirm that the Software Components conform in all material respects to the Acceptance Testing Criteria set forth in the Scope of Work mutually agreed upon by the Parties pursuant to Section 2.2 (i.e., to confirm that the Software Components provide and conform in all material respects to the applicable functionality specified and described in the Scope of Work).

If, during the Acceptance Period, the Software Components conform in all material respects to such Acceptance Testing Criteria, the City shall notify DEVNET in writing of its "Acceptance" of such Software Components by no later than five (5) business days after the expiration of the Acceptance Period. If, during the Acceptance Period, the Software Components do not conform in all material respects to such Acceptance Testing Criteria, the City shall notify DEVNET of the deficiencies in writing by no later than five (5) business days after the expiration of the Acceptance Period. If the City fails to notify DEVNET in writing of any failures of the Software Components to conform in all material respects to such Acceptance Testing Criteria by the end of such five (5) business day period after any given Acceptance Period, then the City shall be deemed to have issued its "Acceptance" of such Software Components as of the expiration of the applicable Acceptance Period. Within fifteen (15) calendar days after the date of receiving any notice of any failures of the Software Components to conform in all material respects to the mutually agreed upon Acceptance Testing Criteria (or such longer period of time as mutually agreed upon and as may reasonably be required to cure such failures), DEVNET, at its sole expense, shall (except as expressly provided below in this Section) promptly modify, repair, adjust, or replace the Software Components to cure such failures so that the Software Components conform in all material respects to such Acceptance Testing Criteria, promptly providing the City with

written notice and revised copies of the applicable Software Components when such modifications, repairs, adjustments, or replacements have been completed.

The City may then perform such additional acceptance testing as it may deem appropriate, during an additional Acceptance Period that shall commence upon receipt of such a written notice, and revised copies of the applicable Software Components, by the City from DEVNET, to confirm that the applicable failures of the Software Components to conform in all material respects to the Acceptance Testing Criteria have been cured, and with the notification process described above being repeated. This additional Acceptance Period shall have a duration equal to that of the initial Acceptance Period, unless the City issues its "Acceptance" of the applicable Software Components earlier in writing. If the Software Components, at the end of the additional Acceptance Period, still fail to conform in all material respects to the mutually agreed upon Acceptance Testing Criteria, then the City may: (i) reject such Software Components and, in the event of any such rejection, the City's license to such Software Components, shall be terminated and the City's use of such Software Components shall immediately cease. In such a case, upon written mutual agreement of both parties, the agreement may be terminated should the rejected Software Components constitute a material portion of the Application Programs to be provided to the City hereunder; or (ii) if DEVNET agrees in writing, cause the procedure set forth above in this paragraph to be repeated an additional time. If, with respect to any given Acceptance Period, the Software Components conform to the Acceptance Testing Criteria in all material respects, the City shall not unreasonably withhold issuance of its Acceptance with regard to such Software Components.

2.8 **Training**. DEVNET will provide any training of the City's personnel that is described in the Scope of Work with respect to the use, operation, and administration of the DEVNET Property Tax Software System. All training will be provided during DEVNET's normal business hours.

2.9 **Additional Services**. DEVNET will have no obligation to provide the City with any services that are not expressly described in this Agreement or in the Scope of Work mutually agreed to by the Parties pursuant to Section 2.2. The Parties may, however, from time to time enter into an "Extended Statement of Work" that references this Agreement and describes specific additional services that DEVNET will provide to the City, and the fees to be paid to DEVNET therefor (which fees, unless otherwise provided in the applicable Extended Statement of Work, shall be charged at DEVNET's then-current standard hourly rates). Any Extended Statement of Work shall be subject to, and shall be deemed to incorporate, the terms of this Agreement, unless otherwise agreed to in writing by the parties. DEVNET'S current rate is $125.00 per hour.

2.10 **Software Date** DEVNET will have the software available to the City for use on or before August 1, 2019.

Article 3: City Responsibilities

3.1 **General**. The City shall take the steps necessary (including, but not limited to, by performing any activities described below in this Article 3) to enable DEVNET to, in accordance with this Agreement and the mutually agreed upon schedule set forth in the Scope of Work, develop, install, and test (using the data in the City Databases), and provide Software Maintenance with respect to, the DEVNET Property Tax Software System.

3.2 **Access**. Upon reasonable notification, the City shall allow DEVNET reasonable access to the City Databases, City Equipment, and City Software (seven (7) days a week, twenty-four (24) hours a day, when DEVNET determines that such access is required) as necessary and appropriate for DEVNET to, in accordance with this Agreement and the mutually agreed upon schedule set forth in the Scope of Work, develop, install, and test (using the data in the City Databases), and provide Software Maintenance with respect to the DEVNET Property Tax Software System. Without limiting the foregoing, the City shall provide DEVNET with remote access (via either a modem or an Internet connection) to the City Databases, City Equipment, and City Software on a seven days a week, twenty-four (24) hours a day basis.

3.3 **Guidelines**. Promptly after the Effective Date, the City shall provide guidelines to DEVNET regarding use of information contained in the City Databases and such other information as DEVNET may require to perform its work as described in this Agreement.

3.4 **Promotions; Demonstrations**. The City agrees that DEVNET may use the City's name in promoting DEVNET to prospective DEVNET customers and that DEVNET may use copies of the City Databases, obtained at DEVNET's expense at a time convenient to the City, for demonstration of the DEVNET Property Tax Software System to prospective DEVNET customers. In the case of any such demonstration, DEVNET will give attribution to the City with regard to City data. Any confidential information will be removed by DEVNET prior to using the information for promotions or demonstrations.

3.5 **Design Committee**. The design committee was formed by July 1, 2017. It is understood that the committee participants may change by subject matter expert(s) and as needed per the committee.

3.6 **City Resources**. By the time that the parties have reached written mutual agreement on a Scope of Work, as described in Section 2.2, the City shall have obtained, installed, and have in full operation, as City Equipment and City Software, the hardware and software described in 3.7, for the installation and operation of the DEVNET Property Tax Software System. If the City makes (or causes or permits to be made by any third party) any modifications to the City Equipment, City Software, or City Databases that are incompatible with the DEVNET Property Tax Software System, efforts by DEVNET to make necessary revisions to the DEVNET Property Tax Software System due to such modifications will be billable to the City, on a time-and-materials basis, at DEVNET's then-current rates. As necessary for DEVNET to fulfill its obligations hereunder, the City shall provide DEVNET with any reasonably required or requested information regarding any such modifications.

3.7 **Hardware Requirements**. On or before the commencement of work to be performed by DEVNET pursuant to this Agreement, the City shall obtain and have in full operation the following hardware for installation and operation of the DEVNET Property Tax Software System and the DEVNET wEdge™ Online Property Inquiry System. The City understands that wEdge™ is only supported on certain web browsers, and that wEdge™ will not function for the City or its users unless they are using a supported web browser. Supported web browsers are identified in the wEdge™ Hardware Requirements below.

Hardware Requirements for DEVNET Products

> **Note**: Hardware may be purchased from any third-party vendor of the City's choice. The City or third-party vendor is responsible for setting up the file server and all required third-party software, including the Active Directory/domain and SQL Server.

The following specifications assume a single SQL and File server environment. In an environment in which the DEVNET applications do not reside on the SQL server, these specifications apply to the SQL server.

If the Application and Image/Document and Sketch files are stored on a separate server or NAS, the file I/O performance of this alternative must be equivalent to the following server specifications.

These specifications are for a physical server to support the DEVNET solution.

Server Specifications
Minimum: Less than 30,000 parcels and less than 20 users
2.00+ GHz quad-core Processor.
16-32 GB RAM.
150+ GB hard drive space in a RAID-1 (mirroring) or RAID-5 array using 10K 6G SAS drives for Windows OS, SQL Server Application, and Virtual Memory file.[1,2]
600+ GB available hard drive space in a RAID-1 (mirroring) or RAID-5 array using 10K 6G SAS drives for SQL Data, Application, and Image/Document and Sketch files.[1,2] □
Video adapter capable of 1280 x 1024 resolution.
Monitor capable of 1280 x 1024 resolution.
Tape/disk or other backup solution.
High-speed Internet access.
VPN remote access.
1 Gb Ethernet adapter.
N+1 redundant cooling.[3]
N+1 redundant power.[3]
Uninterruptible power supply.[4]
Windows Server 2008-2012 R2 Standard Edition.
Microsoft SQL Server 2008-2012 Standard Edition.
MS SQL Native Client.
.NET Framework 4.5.

[1]The storage space required may vary depending on the number of parcels, images, sketches, and documents. Additionally, the amount of historical information added will impact the storage requirements.

[2]Clients may substitute the recommended RAID levels for alternative RAID levels or storage methods such as a SAN as long as they provide the comparable redundancy and performance. The lowest server specifications provided above will provide sustained disk I/O of 250MB/s based on Windows file read/write testing. The highest specifications will provide sustained disk I/O of 450MB/s based on Windows file read/write testing.

[3]The client can substitute an alternative as long as they provide the same level of redundancy.

[4] The client does not need a UPS specific to this server as long as the solution utilized can provide sufficient runtime and graceful shutdown of the server.

Server Virtualization

DEVNET does not recommend a virtual Microsoft SQL server.

If a virtual environment is utilized, the virtual server must provide the same sustained performance as the recommended physical hardware.

The most critical performance component is disk I/O. The virtual SQL server must provide sustained performance equivalent to the recommended physical server while other guest virtual servers on the same physical server are under load. Note that unlike other applications, SQL is not very tolerant of latency.

The lowest server specifications provided above will provide sustained disk I/O of 250MB/s based on Windows file read/write testing. The highest specifications will provide sustained disk I/O of 450MB/s based on Windows file read/write testing.

Workstation Specifications	
Minimum Requirements	2.0+ GHz single core processor.
	4 GB RAM.
	20 GB+ hard drive.
	Video adapter capable of 1280 x 1024 resolution.
	19" standard width or 22" widescreen monitor capable of 1280 x 1024 resolution.
	Windows XP Pro SP3/Vista Business/7 Pro-Ent/8.1 Pro/Ent.
	100/1000 Mb Ethernet adapter.
	Mouse.
	MS SQL Native Client.
	.NET Framework 4.0.
Preferred Requirements	2.0+ GHz dual core processor.
	8 GB RAM.
	40GB+ hard drive.

	Video adapter capable of 1280 x 1024 resolution.
	19" standard width or 22" widescreen monitor capable of 1280 x 1024 resolution.
	Windows 7 Pro-Ent/8.1 Pro/Ent.
	100/1000 Mb Ethernet adapter.
	Mouse.
	MS SQL Native Client.
	.NET Framework 4.0.

Printers
DEVNET applications are compatible with most laser printers.

Receipt/Slip Printer
DEVNET applications can print receipts with either a laser printer or receipt printer. Receipt/slip printers compatible with the DEVNET applications must have a Windows driver that supports the printer's functions and paper type. If slip/check endorsement printing and/or cash drawers will be used, the receipt/slip printer driver will need to support slip wait and cash drawer open via settings in the driver. The DEVNET applications are compatible with Epson TM-U675 Receipt/Slip/Validation Printer. We also have worked successfully with other Epson printers that use the EPSON Advanced Print Driver.

Barcode Reader
The barcode reader must read Code 39 and have the ability to add a prefix and suffix character (depending on the City's barcode configuration). Additionally, the barcode reader must be configured to omit carriage return and line feed. DEVNET recommends the Honeywell Voyager Series barcode reader:

Document Scanning
The DEVNET application can interface with scanners that provide a fully TWAIN-compliant driver.

DEVNET recommends Fujitsu scanners for use with its imaging applications. When imaging is used within DEVNET applications, one or more licenses of Lead Tools imaging toolkit are required. The Lead Tools software can be provided with the installation of DEVNET software applications.

Check Scanning
The DEVNET application can interface with scanners that provide a fully TWAIN-compliant driver. We recommend the Epson Capture One and Epson TM-S2000 scanners.

Recommended MVP Web Server Specifications
Minimum 1 Intel® Xeon® E5-2620 v3 6 core, 2.4 GHz processors.
Minimum 16 GB RAM.
300 GB hard drive space (boot array) in a RAID-1 array utilizing SAS 6GB 10K drives (SSD preferred) for Windows OS, and virtual memory file.
Hot-Spare drives for each drive type.
Minimum 1 Gb Ethernet adapter, preferred 2 balancing/failover teamed.
N+1 redundant cooling.
N+1 redundant power.
Windows Server 2012 R2 Standard Edition - server license and user CALs.
IIS 8.5.
MS SQL Native Client.
.NET Framework 4.0.

DEVNET EdgeMaps™ – Esri Requirements

EdgeMaps™ provides real-time GIS integration with authoritative CAMA and tax data. Powered by Esri's ArcGIS Platform, easy-to-configure web maps are embedded throughout the Edge™ software suite offering highly value interactive thematic maps.
- Extend search capabilities with interactive map parcel selection tools.
- Consume a multitude of web maps, each uniquely designed for visualizing property characteristics, reports, and analytics.

Each map references an ArcGIS Online web map. The following are the minimum Esri software licenses that are required to operate EdgeMaps™.

Option 1
- On premises map services that display DEVNET data in real-time.
- All map visualizations linked to live data. More control over performance and the number of shapes that may render.
  - ArcGIS Server Standard Enterprise 10.3 or higher (1).
  - ArcGIS Desktop Standard 10.3 or higher (1).
  - ArcGIS Online Identities (1 per user).

Option 2
- Cloud-Hosted Map Services, require synchronization of DEVNET data.
- All DEVNET data that is associated with the map's visualizations must be synchronized to ArcGIS Online. Limited control over map rendering properties or performance.
  - ArcGIS Online Identities (1 per user).
  - ArcGIS Online Hosted Feature Services (Service Credits).

* Hosted feature services cost 2.4 credits per 10 MB stored per month. A single service credit is $0.10, sold in batches of 100.

3.8 **Delays**. Any delay by the City in performing any of its obligations under this Agreement shall extend all due dates and times for performance of DEVNET's obligations under this Agreement by a like amount of time. DEVNET shall be excused for failing to perform, or for any delay in performing, in accordance with this Agreement to the extent that such failure or delay is caused by the City, any third parties, or by problems or issues with City Equipment, City Software, or City Databases. The City shall be excused for failing to perform or for any delay in performing in accordance with this Agreement to the extent that such failure or delay is caused by any third parties or situations outside of the City's control.

Article 4: Term and Termination

4.1 **Term**. The initial term of this Agreement shall commence on the Effective Date and, unless earlier terminated in accordance with Section 4.2, shall continue in force and effect until 12:01 a.m. on the fifth anniversary of the Effective Date. Included in this contract is pricing for a renewal term of five (5) years. This contract will automatically renew for a five (5) year term unless the City provides DEVNET written notification of intent to terminate ninety (90) days prior to March 1, 2023. Any written notice under this Article shall conform to the requirements of Paragraph 10.4.

4.2 **Termination for Non-Appropriation**

In accordance with NRS 354.626(2)(j): All payments and services provided under this Agreement are contingent upon the availability of the necessary public funding, which may include various internal and external sources. In the event that the City does not acquire and appropriate the funding necessary to perform in accordance with the terms of the Agreement, the Agreement shall automatically terminate upon the City's notice to DEVNET of such nonappropriation, and no claim or cause of action may be based upon any such nonappropriation.

4.3 **Termination for Breach or Default**.

a. If either Party (hereinafter "Defaulting Party") at any time neglects, fails, or refuses to perform under any of the material provisions of this Agreement, then the other Party may serve upon the Defaulting Party a Notice to Cure said neglect, failure or refusal to perform. The notice to cure shall specify the alleged neglect, failure, or refusal and shall be served as provided for service of notices in paragraph 10.4 herein. If, within fifteen (15) days of the date of service of such notice, the Defaulting Party has not fully cured all the items indicated therein, or presented a plan acceptable to the other Party to cure such items, then upon expiration of said fifteen (15) days, the other Party may, at its option, elect to serve a Notice of Termination as provided in paragraph 4.2(b) herein below.

b. In addition to termination pursuant to Article 4, if either Party (hereinafter "Defaulting Party") at any time neglects, fails, or refuses to perform under any of the material provisions of this Agreement within thirty (30) days of service of the Notice to Cure provided in paragraph 4.2(a) hereinabove, then the other Party may serve upon the Defaulting Party notice of its intention to terminate this Agreement. The notice of termination shall specify the alleged neglect, failure, or refusal and shall be served by registered mail. If, within thirty (30) days of the date of service of such notice, the Defaulting Party has not fully cured all the Defaults indicated therein, or presented a plan acceptable to the other Party to cure such Defaults, then upon expiration of said thirty (30) days, the other Party may, at its option, elect to terminate this Agreement by providing the Defaulting Party a second written notice. This paragraph is subject to Paragraph 10.4 – Notices.

c. The right of either Party to terminate this Agreement shall not be affected by its failure to take action with respect to any previous Default.

d. Any action for damages or to enforce this Agreement shall be filed, tried, and resolved in the First Judicial District Court, Carson City, Nevada, or if the case is removed to Federal Court, DEVNET Agrees that Reno, Nevada is a convenient venue and the case will only be removed to the United States District Court District of Nevada. Further, DEVNET agrees that it will not bring a motion to transfer venue outside of these two agreed upon venues. Should the case proceed to appeal, however, the appeal may be filed in any appropriate venue. In the event that either party hereto shall be required to resort to legal action seeking damages for breach of this Agreement, or to enforce the same, the prevailing party shall be entitled to the reasonable costs of the suit including attorney's fees.

4.4 **Effects of Termination**. Upon any expiration or termination of this Agreement: (i) the City shall have up to one-hundred (180) days to cease using the DEVNET Property Tax Software System (the City shall pay for any use of software beyond termination, which will be billed on a prorated basis according to the payment schedules in this Agreement); and (ii) each Party shall promptly return or destroy all Confidential Information of the other Party then in such Party's possession or control, and an officer of each Party shall certify in writing to the other Party that all such return or destruction has been completed.

Article 5: Fees and Payment

5.1 The payment schedule set forth herein is priced over the following five years, payable quarterly and upon milestone as detailed in appendix E, effective from the date of execution of this Agreement. The payment schedule includes the renewal term. All invoices submitted by DEVNET pursuant to this Agreement shall be due and paid by the City within thirty (30) days after receipt thereof.

Year 01 (March 1, 2018-February 28, 2019): For services received by Carson City under this Agreement during Year 01, Carson City shall pay to DEVNET the sum of $212,768.52, payable as follows:

a. The sum of $93,491.24 due upon milestones accepted per Appendix E.
b. The sum of $48,240.88 on or before March 1, 2018; and,
c. The sum of $23,678.80 on or before June 1, 2018; and,
d. The sum of $23,678.80 on or before September 1, 2018; and,
e. The sum of $23,678.80 on or before December 1, 2018.

5.2 **Year 02 (March 1, 2019-February 29, 2020)**: For services received by Carson City under this Agreement during Year 02, Carson City shall pay to DEVNET the sum of $119,277.28 , payable as follows:

a. The sum of $48,240.88 on or before March 1, 2019; and,
b. The sum of $23,678.80 on or before June 1, 2019; and,
c. The sum of $23,678.80 on or before September 1, 2019; and,
d. The sum of $23,678.80 on or before December 1, 2019.

5.3 **Year 03 (March 1, 2020-February 28, 2021)**: For services received by Carson City under this Agreement during Year 03, Carson City shall pay to DEVNET the sum of $119,641.84, payable as follows:

a. The sum of $48,605.44 on or before March 1, 2020; and,
b. The sum of $23,678.80 on or before June 1, 2020; and,
c. The sum of $23,678.80 on or before September 1, 2020; and,
d. The sum of $23,678.80 on or before December 1, 2020.

5.4 **Year 04 (March 1, 2021-February 28, 2022)**: For services received by Carson City under this Agreement during Year 04, Carson City shall pay to DEVNET the sum of $111,256.40, payable as follows:

a. The sum of $40,220.00 on or before March 1, 2021; and,
b. The sum of $23,678.80 on or before June 1, 2021; and,
c. The sum of $23,678.80 on or before September 1, 2021; and,
d. The sum of $23,678.80 on or before December 1, 2021.

5.5 **Year 05 (March 1, 2022-February 28, 2023)**: For services received by Carson City under this Agreement during Year 05, Carson City shall pay to DEVNET the sum of $111,620.96, payable as follows:

a. The sum of $40,584.56 on or before March 1, 2022; and,
b. The sum of $23,678.80 on or before June 1, 2022; and,
c. The sum of $23,678.80 on or before September 1, 2022; and,
d. The sum of $23,678.80 on or before December 1, 2022.

5.6 **Year 01 Renewal (March 1, 2023-February 29, 2024)**: For services received by Carson City under this Agreement during Year 01, Carson City shall pay to DEVNET the sum of $112,120.96, payable as follows:

a. The sum of $41,084.56 on or before March 1, 2023; and,
b. The sum of $23,678.80 on or before June 1, 2023; and,
c. The sum of $23,678.80 on or before September 1, 2023; and,
d. The sum of $23,678.80 on or before December 1, 2023.

5.7 **Year 02 Renewal (March 1, 2024-February 28, 2025)**: For services received by Carson City under this Agreement during Year 02, Carson City shall pay to DEVNET the sum of $112,620.96, payable as follows:

a. The sum of $41,584.56 on or before March 1, 2024; and,
b. The sum of $23,678.80 on or before June 1, 2024; and,
c. The sum of $23,678.80 on or before September 1, 2024; and,
d. The sum of $23,678.80 on or before December 1, 2024.

5.8 **Year 03 Renewal (March 1, 2025-February 28, 2026)**: For services received by Carson City under this Agreement during Year 03, Carson City shall pay to DEVNET the sum of $113,120.96, payable as follows:

a. The sum of $42,084.56 on or before March 1, 2025; and,
b. The sum of $23,678.80 on or before June 1, 2025; and,
c. The sum of $23,678.80 on or before September 1, 2025; and,
d. The sum of $23,678.80 on or before December 1, 2025.

5.9 **Year 04 Renewal (March 1, 2026-February 28, 2027)**: For services received by Carson City under this Agreement during Year 04, Carson City shall pay to DEVNET the sum of $113,620.96, payable as follows:

a. The sum of $42,584.56 on or before March 1, 2026; and,
b. The sum of $23,678.80 on or before June 1, 2026; and,
c. The sum of $23,678.80 on or before September 1, 2026; and,
d. The sum of $23,678.80 on or before December 1, 2026.

5.10 **Year 05 Renewal (March 1, 2027-February 28, 2028)**: For services received by Carson City under this Agreement during Year 05, Carson City shall pay to DEVNET the sum of $114,120.96, payable as follows:

a. The sum of $43,084.56 on or before March 1, 2027; and,
b. The sum of $23,678.80 on or before June 1, 2027; and,
c. The sum of $23,678.80 on or before September 1, 2027; and,
d. The sum of $23,678.80 on or before December 1, 2027.

5.11 **Fees for Additional Services**. Unless otherwise mutually agreed by the Parties in writing, the fees to be paid by the City to DEVNET for any additional services provided by DEVNET pursuant to Section 2.9 (or any other relevant provision of this Agreement) shall be charged on a time-and-materials basis, at DEVNET's then-current standard hourly rate.

Article 6: Proprietary Rights

6.1 **Reservation of Rights.** Except as expressly provided in this Article 6, no licenses are granted hereunder. In no event shall title to any software, equipment, or asset pass from DEVNET to the City, nor shall title of any City Equipment, the City Software, or other asset (including data) of the City pass from the City to DEVNET, by reason of this Agreement. As between the Parties, DEVNET shall exclusively own all right, title, and interest (including, but not limited to, all copyrights and all renewals and extensions thereof, all other intellectual property and proprietary rights (and all applications therefor), recognized by any country in the world) in and to the DEVNET Property Tax Software System and all related Documentation, Application Programs, demonstration programs, training programs and materials, data screens, interfaces, and marketing literature and other materials, as well as any other software developed by DEVNET pursuant to this Agreement and all improvements, enhancements, customizations, modifications, derivative works, and the like of any of the foregoing.

6.2 **License by DEVNET.** DEVNET hereby grants to the City, effective upon the written mutual agreement by the Parties upon a Scope of Work pursuant to Section 2.2, a limited, non-exclusive, non-transferable license to use, only for the City's internal business purposes and only during the term of this Agreement (as the term of this Agreement may be renewed and extended, as provided for herein), the compiled Application Programs of the DEVNET Property Tax Software System that DEVNET provides to the City hereunder and that at any given time reside on the City Equipment. Except as set forth herein, the City may not use, sublicense, distribute, sell, rent, or otherwise transfer or dispose of, or modify, decompile, disassemble, or reverse engineer, in whole or in part, the DEVNET Property Tax Software System or any Application Programs, or any modified forms of any of the foregoing, in any manner whatsoever. The City will protect against the disclosure of the DEVNET Property Tax Software System in accordance with Article 7 below. The license granted under this Article 6.2 will be immediately revoked in the event that the City breaches any of these provisions. The City shall be allowed to make a reasonable number of copies of the DEVNET Property Tax Software System for the purpose of routine system backup and archival.

6.3 **License by the City.** The City hereby grants to DEVNET, effective as of the Effective Date, a limited, non-exclusive, non-transferable (except in the event of an assignment of this Agreement by DEVNET in accordance with Section 10.3), fully-paid, royalty-free license and right to access and use the City Equipment, and City Software, and the City Databases, as necessary and appropriate for DEVNET to fulfill its obligations under this Agreement and as otherwise contemplated by this Agreement.

Article 7: Confidentiality

7.1 **Definition**. DEVNET and the City may disclose to each other certain Confidential Information in connection with this Agreement. The term "Confidential Information" shall mean any information or data (including, but not limited to, software (in either source code or object code form), documentation, product designs and plans, pricing schedules, customer and supplier lists, trade secrets, know-how, processes, techniques, inventions (whether or not patentable), and other technical, business, and financial information that is not generally known or available to the public) that is disclosed by either Party to the other Party under or in connection with this Agreement and that: (a) if in tangible form or other media that can be converted to readable form, is marked as "proprietary," "confidential," "private," or the like when disclosed or otherwise would reasonably under the circumstances be expected or considered to be confidential or proprietary by a prudent person with no special knowledge of the applicable industry; or (b) if disclosed orally or in visual form, is identified as proprietary, confidential, private, or the like at the time of disclosure and is summarized and indicated as being confidential in a writing delivered by the disclosing Party to the other Party within ten (10) days after such disclosure. Confidential Information of a Party may be the property of, or otherwise relate to, either the disclosing Party itself or an Affiliate of the disclosing Party. As used in this Agreement, an "Affiliate" means: (i) with respect to the City, any governmental agency or body associated with, and subordinate to, the City; and (ii) with respect to DEVNET, any person or entity that, at any given time, directly or indirectly, controls, is controlled by, or is under common control with DEVNET, whether through ownership of voting securities, by contract, or otherwise (with, for this purpose, and without limiting the foregoing, any person or entity that owns more than fifty percent (50%) of the outstanding voting securities (or other equity interests) of any other entity shall be deemed to control such other entity).

7.2 **Obligations**. Each Party acknowledges the value to the other Party of the Confidential Information of the other Party. In addition, each Party shall:

- Use the Confidential Information of the other Party only as required for this Agreement;
- Use at least the same level of care to protect and prevent the unauthorized disclosure of the Confidential Information of the other Party as such Party uses to protect its own information of a similar nature (but not less than reasonable care);
- Restrict disclosure of the Confidential Information of the other Party solely to those employees of such Party and its Affiliates and third-party contractors with a reasonable need to know such Confidential Information (i.e., who reasonably require access to the Confidential Information in order to perform their respective assigned duties or responsibilities) and who are subject to legally binding obligations of confidentiality substantially similar to those set forth herein, and not disclose any Confidential Information of the other Party to any other person or entity without the prior written consent of such other Party;
- Make only such number of copies of the Confidential Information of the other Party as is necessary for performance under this Agreement; and
- Reproduce and include on all copies made by such Party of any Confidential Information of the other Party any confidentiality notices that are contained on the Confidential Information, as received from the other Party hereunder.

7.3 **Exceptions**. The obligations of Section 7.2 above shall not apply to any Confidential Information that the receiving Party can demonstrate:

- Is or becomes available to the public through no breach of this Agreement;
- Was previously known by the receiving Party without any obligation to hold it in confidence;
- Is received from a third party free to disclose such information without restriction;
- Is independently developed by the receiving Party without reference to or use of Confidential Information of the disclosing Party;
- Is approved for release by written authorization of the disclosing Party, but only to the extent of, and subject to such conditions as may be imposed in, such written authorization;
- Is required by law or regulation (including, but not limited to, by any applicable "freedom of information," "sunshine," or "right-to-know" law or act) to be disclosed, but only to the extent and for the purposes of such required disclosure; or
- Is disclosed in response to a valid order of a court and other governmental body of the United States or any political subdivisions thereof, but only to the extent of and for the purposes of such order; provided, however, that, in such a case, the Party subject to such an order shall first notify the other Party of the order and permit such other Party to seek an appropriate protective order.

7.4 **Return or Destruction**. Except for any rights expressly granted in this Agreement, any Confidential Information (including, but not limited to, any permitted copies thereof) of either Party shall be deemed and shall remain the property of such Party. Upon any expiration or termination of this Agreement, and upon the written request of the other Party, each Party shall, within twenty (20) days after such expiration or termination or receipt of such written request, return all Confidential Information, including all copies thereof, of the other Party to the other Party or, if so directed by the other Party, destroy all such Confidential Information.

7.5 **Equitable Relief**. Each Party agrees that any breach or violation by it of any provision of this Article 7 would cause the other Party irreparable injury for which it would have no adequate remedy at law, and that, in such a case, the other Party shall be entitled to seek immediate injunctive relief prohibiting such violation, in addition to any other rights and remedies available to such Party.

7.6 **Survival**. All obligations undertaken respecting Confidential Information provided hereunder shall survive any expiration or termination of this Agreement.

Article 8: Warranty

8.1 The warranties provided in this Agreement do not cover malfunctions or failure caused by:
   a. The City's modification or relocation of the City equipment or software, unless mutually agreed upon in writing prior to each such modification or relocation.
   b. The City's or any third party's abuse, misuse or negligence;
   c. Power failure or surges, lightning, fire, flood, accident, and other events outside DEVNET's reasonable control;
   d. The City's failure to fulfill its contractual obligations set forth in this Agreement; and
   e. Hardware, network or operating system failure.

8.2 Except for the warranties expressly set forth in this contract, DEVNET makes no other warranties of any kind, express or implied, regarding the DEVNET Property Tax Software System, any component thereof, any work to be performed by DEVNET hereunder, or otherwise with respect to this Agreement, and all other warranties (including, but not limited to, any warranties of merchantability or fitness for a particular purpose) are expressly disclaimed and excluded, to the maximum extent permissible by applicable law.

8.3 The City expressly acknowledges that systems made available or accessible on or through the Internet or other public networks cannot be guaranteed to be totally secure and that no security measures are impenetrable. If, pursuant to this Agreement, the City is licensing or otherwise being provided by DEVNET with any program, product, or component that will be made available or accessible on or through the internet or any other public network (e.g., DEVNET'S "wEdge" product), the City acknowledges that, as between the parties, the City (and not DEVNET) is solely and exclusively responsible for deploying, monitoring, and maintaining appropriate security measures, systems, and infrastructure (e.g., firewalls) that reasonably and appropriately protect, and prevent unauthorized access to, the City's systems, data, and other resources. Without limiting the provisions of this Article, DEVNET expressly does not represent, warrant, or covenant that any such DEVNET-provided program, product, or component shall be available or accessible on a completely uninterrupted or error-free basis. DEVNET shall not have any obligation or liability with respect to: (I) inaccuracies, errors, or omissions in data or information provided by third parties or that arise in the transmission of any data or information over the internet or other public networks; or (II) security breaches or incidents that result from causes not under the control of DEVNET.

Article 9: Indemnification

9.1 **By the City**. The City shall defend, indemnify and hold DEVNET and its Affiliates, and their respective employees, officers, directors, agents, representatives, and shareholders, harmless from and against any third-party claim or suit against DEVNET or any of the foregoing, to the extent such claim or suit arises out of or in connection with an assertion that any City Equipment or City Software, the City Database (or any data contained therein), or any other data, software, documentation, or materials provided or made available by the City to DEVNET in connection with performance under this Agreement, or any use of any of the foregoing in accordance with this Agreement, infringes any copyright, trademark, patent, or other intellectual property or proprietary right, or constitutes a misappropriation of any trade secret. In the event of any such claim or suit: (a) DEVNET shall promptly notify the City in writing of such claim or suit (except that the failure of DEVNET to promptly notify the City shall reduce the City's obligations of indemnification hereunder only to the extent that the City is prejudiced thereby); (b) the City shall have the sole control of the defense and settlement thereof; and (c) DEVNET shall reasonably cooperate with the City regarding such defense and shall furnish to the City, on request, information reasonably available to DEVNET for such defense. Notwithstanding the foregoing provisions of this Section, the City is in no way authorized to agree to any settlement, compromise, or the like that would require DEVNET to make any payment or that does not fully release DEVNET.

9.2 **By DEVNET**. DEVNET shall defend, indemnify and hold the City and its Affiliates, employees, officials, agents, and representatives harmless from and against, any third-party claim or suit against the City or any of the foregoing, to the extent such claim or suit arises out of or in connection with an assertion that the DEVNET Property Tax Software System, or any other deliverables or services provided by DEVNET to the City hereunder, or any use of any of the foregoing in accordance with applicable Documentation and this Agreement, infringes any copyright, trademark, patent, or other intellectual property or proprietary right, or constitutes a misappropriation of any trade secret. In the event of any such claim or suit: (a) the City shall promptly notify DEVNET in writing of such claim or suit (except that the failure of the City to promptly notify DEVNET shall reduce DEVNET' obligations of indemnification hereunder only to the extent that DEVNET is prejudiced thereby); (b) DEVNET shall have the sole control of the defense and settlement thereof; and (c) the City shall reasonably cooperate with DEVNET regarding such defense and shall furnish to DEVNET, on request, information reasonably available to the City for such defense.

Notwithstanding the foregoing provisions of this Section, DEVNET is in no way authorized to agree to any settlement, compromise, or the like that would require that the City make any payment. In the event that the use of any portion of the DEVNET Property Tax Software System, or any other deliverables or services provided by DEVNET to the City hereunder, is enjoined, or is likely to be enjoined, on account of any claim or suit referred to above, DEVNET shall promptly: (1) procure, at its sole expense, the right for the City to continue using the applicable materials in accordance with this Agreement; or (2) replace or modify the applicable materials to be outside the scope of the injunction and no longer infringing, but still substantially equivalent in functionality and performance to the materials at the time such claim or suit was brought. If neither of these actions is reasonably feasible through DEVNET's exercise of commercially reasonable efforts, DEVNET may terminate this Agreement upon notifying the City thereof in writing, without liability or penalty, refunding to the City, on an appropriately prorated basis, any fees prepaid by the City for the use of the DEVNET Property Tax Software System, or for Software Maintenance, for periods of time not yet expired as of the effective date of the termination.

Notwithstanding any provision to the contrary set forth in this Section or elsewhere in this Agreement, DEVNET shall have no obligation of indemnification under this Section to the extent that the given claim or suit (and the alleged infringement or misappropriation) arises from: modification of the DEVNET Property Tax Software System, or modification of any other deliverables or services provided by DEVNET to the City hereunder, by other than DEVNET or any party under the direction or control of DEVNET; the combination of the DEVNET Property Tax Software System, or of any other deliverables

or services provided by DEVNET to the City hereunder, with hardware or software other than those supplied, approved, or recommended by DEVNET or any party under the direction or control of DEVNET or specified in the applicable Documentation as being suitable or appropriate for use with the DEVNET Property Tax Software System or the applicable deliverables or services provided by DEVNET to the City hereunder; or, any specifications or requirements provided by the City with respect to any portions of the DEVNET Property Tax Software System, or of any deliverables or services provided by DEVNET hereunder, that were developed or created hereunder (or the DEVNET Property Tax Software Systems, or any such deliverables' or services', adherence or conformance to any such specifications or requirements).

Article 10: Miscellaneous

10.1 **Entire Agreement**. This Agreement, including any amendments hereto, if any, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous proposals, negotiations, representations, commitments, documents and all other communications between the Parties, both oral and written. It may not be released, discharged or modified except by an instrument in writing signed by a duly authorized representative of each of the Parties. The terms of this Agreement shall prevail notwithstanding any variance with the terms and conditions of any form document, such as a purchase order, submitted by either Party to the other Party.

10.2 **Force Majeure**. A party is not liable for failure to perform the party's obligations if such failure is as a result of Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption or failure of electricity or telephone service. No party is entitled to terminate this Agreement under Article 4 (Termination) in such circumstances.

10.3 **Assignment**. This Agreement shall not be assigned by either Party without the written consent of the other, which consent shall not be unreasonably withheld.

10.4 **Notices**. Except as otherwise provided for herein, any notice, communication or demand which under the terms of this Agreement or under any statute must or may be given or made by either Party to the other shall be in writing and shall reference this Agreement. Such notice shall be conveyed by personal delivery, facsimile during business hours with hard copy to follow within 24 hours, or certified, express, overnight or other mail service which provides proof of receipt, addressed to the respective Parties at the following addresses, as each Party updates its address from time to time by notice delivered in accordance herewith:

      To DEVNET: DEVNET, Inc.
                              1709 Afton Road
                              Sycamore, Illinois 60178
                              Facsimile (815) 899-0020

      To the City: Laura Rader
                              Carson City Purchasing and Contracts
                              201 N. Carson Street, Suite 2
                              Carson City, NV 89701

The date upon which such notice is so personally delivered, or, if the notice is given by said mail service or facsimile, the date that it is received by the addressee, shall be deemed to be the date of such notice, irrespective of the date appearing thereon.

10.5 **Independent Contractor**. DEVNET and the City are acting hereunder as independent contractors, and under no circumstances shall any of the employees of one Party be deemed the employees of the other for any purpose. This Agreement shall not be construed so as to constitute DEVNET and the City as partners or joint ventures, or as authority for either Party to act for the other Party in any agency or other capacity, or to make commitments of any kind for the account of or on behalf of the other except to the extent and for the purposes provided for herein.

10.6 **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Nevada.

10.7 **Severability**. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of this Agreement.

10.8 **Non-Waiver**. Failure of either Party to insist in any instance upon strict performance by the other Party of any of the provisions of this Agreement shall not be construed or deemed to be a waiver of such provision, or any other provision hereof.

10.9 **Non-Exclusive Remedies**. Unless expressly otherwise provided in this Agreement, the remedies under this Agreement shall be cumulative and are not exclusive or mutually exclusive. Election of one remedy shall not preclude pursuit of other remedies available under this Agreement or at law or in equity. In any equitable action or arbitration conducted in connection with this Agreement, each Party may seek any remedy generally available under the governing law.

10.10 **Compliance with Laws**. Each Party shall comply with all applicable laws and regulations that pertain to its performance of its obligations and exercise of its rights under this Agreement. Both parties shall conduct their respective actions under this Agreement in such manner as to comply in all respects with the laws of the United States of America, the State of Nevada, and any other state, federal or local agency or unit of government that may legally control or direct the actions of either Party. In the event any provision of this Agreement shall now or at any time in the future be in conflict with any such law, rule, ordinance, decision or other writing of any such governmental agency or unit of government, then said provision shall be null and void and of no force and effect, and the remainder of this Agreement shall continue in full force and effect as if said provision had not been included herein.

10.11 **Binding Effect**. This Agreement shall be binding on each of the Parties and their respective successors and assigns.

10.12 **Approvals**. This Agreement shall not be binding upon DEVNET until it is approved and signed by DEVNET's duly authorized representative and all officials and officers of the City that are required by statute or ordinance to execute it.

10.13 **Survival**. Any provision of this Agreement that imposes or contemplates continuing obligations on a Party or that, by its nature or terms, would be reasonably understood to have been intended to survive and continue in force and effect after expiration or termination of this Agreement shall so survive for as long as intended, including, but not limited to, the provisions of Section 4.3, Article 6, Article 7, Article 8, Article 9 and Article 10.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

Carson City, Nevada

By: _____

Printed Name: _Laura Rader_

Title: _Purchasing + Contract Administrator_

By: _____

Printed Name: _Jason Link_

Title: _Chief Financial Officer_

By: _____

Printed Name: _Iris Yowell_

Title: _Deputy District Attorney_
* Approve as to legal form *

DEVNET Inc.

By: _____

Michael J. Gentry, President

Appendix A: Software Description

Proposal Deliverables:

Property Tax Assessment

a. Parcel Maintenance, includes:
- i. Name and Address Maintenance
- ii. Legal Description Maintenance
- iii. Site Address Maintenance
- iv. Parcel Split and Combinations
- v. Time Memo Maintenance

b. Farmland Processing
- i. Soils Maintenance
- ii. Farmland Reporting
- iii. Farmland Calculations

c. Notices and Reporting

d. State Abstracts

e. Parcel Inquiry

f. Assessor functions for Corrections

g. Vacant Land Maintenance

h. TIF Maintenance

Property Tax Calculation

a. Tax District maintenance

b. State Reporting

c. Calculate Taxes

d. Notices and Reporting

e. Rollover to City Treasurer

Property Tax Collection / Distribution

a.   Tax Billing

b.   Tax Collection and Distribution

c.   Treasurer functions for Corrections

d.   Delinquent Notices

e.   Reports and inquiry

f.   State Reporting of Tax Collections

Delinquent Tax Module

a.   Tax Sale Maintenance and Processing

b.   Postponement of taxes Maintenance

c.   Bankruptcy Handling

d.   Reports and Inquiry

Personal Property Processing

a.   Maintenance of Personal Property Accounts.

b.   Calculation of Personal Property Tax.

c.   Billing of Personal Property Tax.

d.   Collection of Personal Property Tax.

e.   Distribution of Personal Property Tax.

f.   Reporting of Personal Property Tax.

g.   State Reporting of Personal Property Tax.

Mass Appraisal

a.   Replacement Cost Module for Residential, Agricultural, Commercial and Industrial Structures

b.   Cost Table Maintenance

c.   Sales Maintenance including Land Sales

d.   Sales Ratio / Study Module

e.   Land Appraisal Module

f.   Multiple Regression Analysis

g.   Comparable Property Analysis

Mobile Home Module

a.   Mobile Home Maintenance includes:
        i.   Name and Address Maintenance

        ii.   Vehicle information Maintenance

        ii.   Calculate/print Mobile Home Tax Bills

b.   Mobile Home Collection. This will be made part of the Real Estate Collection Module.

c.   Mobile Home Distribution.

d.   Notices and Reporting.

DEVNET Hosted wEdge E-Government Solution

Industry leading e-government and property search platform that integrates property information, GIS, and other government services through a single application.

wEdge is a customizable inquiry solution that integrates with the Edge® applications providing City and public users access to important taxpayer information.

wEdge Features
- Highly-customizable user interface
- Search properties by parcel number (PIN), property address, owner name and address, sale date, taxing body, property class, neighborhood, building attributes, and more
- Sort results by property/account number, property address, or name.
- Parcel detail view can show any and all information associated with a property
- Unlimited number of images, sketches, and scanned documents
- Integrates with Google Maps, Bing Maps, City GIS, and Pictometry
- Section 508 and WAI-AAA accessibility standards compliant
- Captures the full history for each property for all years
- Online Collection – A DEVNET approved Partner should be selected for shopping cart integration

GIS Map Option
wEdge supports embedding ArcGIS Online webmaps when configured using Esri's Web AppBuilder. This is included at no additional cost, if the following requirements are met and in place.

Minimum requirements:
ArcGIS Online
- ArcGIS Online Organization for publishing content and optionally hosting GIS data.
- Single named user for publishing.
- Publically accessible web map with parcel polygon layer, parcel number field, and pop-ups enabled.
- Publically accessible web app published with Web AppBuilder.

GIS data hosting options:
1. Parcel data and other GIS layers can be published to ArcGIS Online as hosted feature services.
2. Parcel data can be served from ArcGIS Server as feature services
    1. Services can be hosted on premises. DEVNET data can be joined to parcel polygons producing near real-time information
    2. Services can be hosted by a GIS vendor.

DEVNET Hosted wEdge Deliverables

There are many benefits that come with DEVNET hosting the wEdge solution:

- DEVNET maintains the server and infrastructure
- Hosting is offered for FREE with the purchase of wEdge
- All updates, bug fixes, database fixes and phone support for City staff

Not Included: Software support for wEdge online inquiry shall not include:

Phone Support for the public or subscribers. This is chargeable at $125.00 per hour. The City also has the option of buying support in blocks of hours for the public or subscribers at $110.00 per hour for a minimum of 20 hours. Any time spent by DEVNET supporting the public or subscribers with issues pertaining to wEdge that are not already covered under this agreement will be tracked in fifteen minute increments and billed to the City monthly at the above hourly rate. Support for the public or subscribers will not be performed without obtaining the prior authorization of the City.

Support due to infrastructure problems at the City site is not covered. Support for this instance is billable at $125.00 per hour with a minimum of one hour per incident. Any time spent by DEVNET providing support due to infrastructure problems not already covered under this agreement will be tracked in fifteen minute increments and billed to the City monthly at the above hourly rate.

EdgeMaps™ GIS Solution
DEVNET has recently developed a new product line integrating GIS into our entire Edge™ system allowing users to visualize the property tax data. EdgeMaps™ is a valuable tool that can be integrated within the CAMA solution to visualize the analytics and correlations between subject neighborhoods and properties, as well as to visualize delinquent parcels, further analyzing neighborhood trends and conditions. We have provided more information within this section.

EdgeMaps™ provides real-time GIS integration with authoritative CAMA and Tax Data. Powered by Esri's ArcGIS Platform, easy-to-configure web maps are embedded throughout the Edge™ software suite, offering highly valuable interactive thematic maps.

- Extend search capabilities with interactive parcel selection tools.
- Consume a multitude of web maps, each uniquely designed for visualizing property characteristics, reports and analytics.
- Support ArcGIS Land Records solutions by serving real-time Local Government Information Model data.
- Property Characteristics – CAMA attributes such as land and building characteristics can be symbolized in web map viewed through an embedded map in the Edge™ CAMA toolset.
- Studies and Reports – In addition to data entry, Edge™ is a reporting tool. DEVENT's Edge™ applications provide a comprehensive set of tools for the analysis of sales, property attributes, and valuation data. Most studies and reports return a subset of parcels. Embedded web maps allow a user to view a thematic map of report and study results.

Support for the City and Training are included as part of the contract and is available for an unlimited number of hours. On-site training is scheduled and provided as reasonably needed. Training can also be conducted over the telephone and via internet. Telephone support is available through our toll free number from 8:00 a.m. to 5:00 p.m. Central Time Monday through Friday. After-hours and weekend support is available with at least 48 hours advance notice.

Appendix B: Third Party License and Maintenance Fees

Third Party License and Maintenance	License Fees				
	Year 1	Year 2	Year 3	Year 4	Year 5
Marshall and Swift	$6,697.52	$7,062.08	$7,426.64	$7,791.20	$8,155.76
Lead Tools	$600.00	$0.00	$0.00	$0.00	$0.00
Total License, Maintenance and Third Party Cost	$7,297.52	$7,062.08	$7,426.64	$7,791.20	$8,155.76

Third Party License and Maintenance	License Fees				
	Year 6	Year 7	Year 8	Year 9	Year 10
Marshall and Swift	$8,575.29	$8,994.57	$9,432.09	$9,887.83	$10,361.81
Total License, Maintenance and Third Party Cost	$8,575.29	$8,994.57	$9,432.09	$9,887.83	$10,361.81

The fees in Appendix B are included in the pricing under Article 5: Fees and Payment.

Appendix C: Software Requirements from Carson City

Below is a list of software requirements of the City. The Scope of Work referenced in section 2.2 will take precedence with regard to this list.

ASSESSOR

Property and Assessment Administration

- Variable length parcel identification numbers
- Fractional Assessment Value (assessed value = 35% of taxable/market)
- Parcel Transfer system (splits, combination and sale entry)
- Exemption Processing (Real Property, Personal Property, State Veterans Homes) NRS 361.080, 361.085, 361.090, 361.0905, 361.091
- Integration of Exemptions with Nevada DMV
- Must include barcodes for exemption vouchers
- Document Imaging system
- Tax Abatements
- Special Assessment Maintenance (NHIDS, LMD, Water basins, etc.)
- Customized Notifications (OOC, Rental Affidavits, Exemptions)
- Customized Publications (Top ten taxpayers)
- State Required Reporting (segregation NRS 361.390, Statistical Analysis NRS 361.390, sub districts totals, log entry changes)
- Track exemptions by statute and report to the Department NRS
- Query Builder
- Redevelopment Districts (TIFS)-Must be able to calculate on individual parcel basis, as well as district wide (%)
- History of Ownership, parcel genealogy and Recorded Documents
- Track Address changes
- Track all correspondence sent out
- Mass data entry and import/export ability
- Ability to build/print a property record card
- Process online declarations from taxpayers
- Ability to make certain property confidential in nature and make it very noticeable for staff NRS 250.120
- Data conversion (who pays for and write the conversion code)
- Document scanning (able to interface with document provider)

Computer Assisted Mass Appraisal (CAMA)

- Replacement cost module for residential, agricultural, commercial, industrial structures (include improvements in mobile home parks)
- Be able to re-cost using all Marshall & Swift components (ie, siding, roof covering, heating, , basements, porches, garages, etc.)
- Be able to add additional improvements (ie. Fencing, cfw, sprinklers, etc)
- Be able to print M&S reports (for multiple years)
- Be able to re-cost all structures/improvements at one time
- Cost table maintenance (preferably with import capabilities)
- Sales maintenance including snapshot of parcel characteristics at time of sale
- APEX sketch tool integration (preferably with Marshall & Swift cost integration)
- Marshall & Swift integration
- Sales ratio study module
- Land appraisal module
- Multiple regression analysis
- Comparable property analysis
- Need the ability to calculate the assessed values for properties destroyed by a natural disaster (SB 352 of NV 77th legislature)
- Ability to adjust the actual age of improvements for additions (weighted age)NRS 361.229
- Ability to split common area improvements to between all parcels in a development NRS 361.233
- Map tab
- Public internet accessible information including GIS and map information (includes previous assessment info)
- Administrative and user level security
- Ability to make corrections or changes to prior years (due to BOE decisions)
- Photograph and document management
- GIS Integration
- Ability to apply factors
- Ability to apply and report obsolescence
- Agricultural values, deferments (seven year deferment calculations)
- Historic Deferment (seven year deferment calculations)
- Re-cost all improvements years. (include those parcels that have minor improvements)
- Ability to integrate or import building permit information
- Ability to add notes to a record and share them with the Treasurer
- Field appraisal capabilities

Unsecured/secured (possessory interest, supplemental) and Personal Property Processing

- Maintenance of unsecured and personal property accounts (Aircraft, Commercial Business, Commercial Offices, Farm Equipment, Mobile Homes, Porta Hangar, Supplemental, Telecommunication, Possessory Interest)
- Secured and Unsecured property maintenance
- Calculation of unsecured property taxes
- Billing of unsecured property taxes
- One time bills and four installments. NRS 361.483(5)
- Be able to bill different PP (CB accounts) at different times throughout the year, with interest/penalties being added on only accounts 30 days (plus grace period) delinquent.
- Amendments (Katrinka)-helps with month end balancing.
- Calculate AV for GOED properties (50% abatements) NRS 361.0687
- Collection of unsecured property taxes
- Distribution of unsecured property taxes
- Reporting of unsecured property taxes NRS 361.265
- State reporting of unsecured property taxes
- Personal Property online declaration processing
- Be able to import/export items
- Collection and Seizure notices
- Must include barcodes on personal property forms
- Personal property queries

Property Tax Calculation

- Tax rate entry
- Tax cap calculations
- Tax district maintenance
- State reporting
- Parcel maintenance
- Notices and reporting
- Recapture

Property Tax Collection & Distribution

- Tax billing (ability to add penalties and interest and amend tax bills)
- In-house tax bill printing OR file export to 3rd party printer
- Tax collection and distribution
- Tax Payment Authority file collection (text file collections)
- Internet/Online collection ability
- Automated Clearing House Collection
- On demand tax bill printing (re-print)

- Daily collection summary reporting
- Collector functions for corrections/amended tax bills
- Delinquent notices
- Tax sale processing
- Forfeiture maintenance
- Penalty & Interest application process
- Be able to select tax bills under a certain AV (tax amount) and not bill. NRS 361.068 sub 2
- Custom notices
- Custom publications
- Estimated tax calculation & revenue projections
- State reporting
- Reporting

Delinquent Tax Processing

- Tax sale maintenance and processing
- Forfeiture maintenance
- Redemption processing
- Bankruptcy handling
- Reporting

PERSONAL PROPERTY SOFTWARE

Must be able to perform proforma reports for budgeting purposes

Must be able to apply the property cap (3% or 8%) on all accounts

Must be able to pull up scanned documents (Exemption, OOC Cards, Rental Affidavits)

Do not bill for those accounts deemed to be under the de minimus

Track NRS exemptions for State report

Track changes or correspondence for each change

Create accounts for personal property

- Commercial Business (CB, CL)
- Aircraft (AB, AC)
- Mobile Homes (MH)
- Commercial Coaches (CO)
- Farm Equipment (FE)
- Mine equipment (ME)
- Porta Hangars (PH)

- Billboards

Depreciation Tables (200% declining balance)
- Three (3) year
- Five (5) year
- Seven (7) year
- Ten (10) year
- Fifteen (15) year
- Twenty (20) year
- Thirty (30) year
- Mobile Home sold on or after July 1, 1982 (16 year straight line)
- Billboard (Fifty (50) year)

Must have assessed owner and legal owner (for mobile homes)

Mobile home accounts must list:

- Manufactured year
- Make
- Model
- Serial Number
- Size (length/width) (feet or inches)
- Location address
- Base value
- Accessories value
- Date installed
- Source of Bale value (SRP/DRS)
- Ability to apply personal exemptions
- Lien holder information (name/mailing address)
- Notes
- Calculate the Assessed Value (Cost X cost index X % good X 35%=AV)

Commercial business must list:

- Business name
- Mailing address
- Business type
- Current location
- Description of equipment
- Year of acquisition
- Cost of item
- Ability to deactivate the item
- Calculate the Assessed Value (Cost X cost index X % good X 35%=AV)

- Ability to identify new to the roll (taxed outside the property tax cap the first year)
- Ability to process commercial business declarations online.
- Notes
- Subject to secondary property tax cap
- Ability to flag an account that may need additional work/waiting for additional info (wishlist)
- Ability to reprint an individual declaration/tax bill
- Adding attachments (documents added via efiled declarations (wishlist)

Aircraft

- Owner name
- Owners address
- Tail number ("N" number)
- Manufactured YR
- Make
- Model
- Serial Number
- YR of acquisition
- Current location
- Base Value
- Notes
- Subject to secondary property tax cap
- Calculate the Assessed Value (Cost X cost index X % good X 35%=AV)

Collection/billing

- Calculation of unsecured property taxes
- Billing of unsecured property taxes
- One time bills and four installments. NRS 361.483(5)
- Be able to bill different PP (CB accounts) at different times throughout the year, with interest/penalties being added on only accounts 30 days (plus grace period) delinquent.
- Amendments (Katrinka)-helps with month end balancing.
- Calculate AV for GOED properties (50% abatements) NRS 361.0687
- Distribution of unsecured property taxes
- Reporting of unsecured property taxes NRS 361.265
- State reporting of unsecured property taxes
- Personal Property online declaration processing
- Be able to import/export items
- Collection and Seizure notices
- Must include barcodes on personal property forms
- Personal property queries

Able to enter email address and telephone numbers

Ability to enter NAICS Codes

Ability to secure the personal property taxes to real property tax roll

Ability to tie real property parcel and unsecured account. (example, if both RP and PP are owned by the same person, only send one Owner Occupancy Card)

Record when declarations where sent out, returned and processed

Confidentiality NRS 250.130

Moving permits (include reports to Manufactured Housing)

TREASURER

The Year-begin Process
- Applying tax service codes to the Assessor's file to identify the tax service company that will be paying the taxes

    o Automatically

    o Parcel by Parcel

        ▪ Tax service codes must first be cleared from all parcels before applying the current year codes.

        ▪ Ability to print Tax Service Code List

        ▪ Ability to print Tax Service Parcels

- Defining taxes and rates for the coming year

    o Ad valorem taxes

        ▪ Carryforward each year so only changes need to be re-entered

        ▪ Define with a number and a description that will be printed on bills, apportionment printouts, and other system output.

        ▪ Tax Rate per $100 - up to 4 decimal places

        ▪ Need the ability to group several ad valorem taxes into a single "family" if they all belong to the same taxing entity using a Parent Tax Number.

        ▪ Need to enter optional tax type - such as Nevada State tax or School related taxes (for abatements)

- Need to be able to define tax as being exempt or non-exempt from the Tax Increase Cap

- Need to be able to enter the amount of the tax that is exempt from Redevelopment

- Need to be able to input the revenue account number that receipts will be credited to

- Ability to print Ad Valorem Tax Definitions

o Special assessments

- Carryforward each year so only changes need to be re-entered

- Define with a number and a description that will be printed on bills, apportionment printouts, and other system output.

- Need the option to have the special assessment split into the 4 quarterly installments or billed on the 1st installment

- Need to define whether the special assessment is subject to penalties/interest or is exempt from penalties/interest

- Need to be able to input the revenue account number that receipts will be credited to

- Ability to print a list of all defined Special Assessments for a given year

o Delinquent Water and Sewer amounts

- Nevada Revised Statutes and our Carson City Municipal Code allow delinquent water/sewer charges to be placed on the tax roll.

- The system must be able to accept an import file from our Utility software to add the delinquencies to each applicable parcel.

- The system must be able to export the current property owner name and addresses for each parcel with delinquent water and sewer to our Utility software so that letters can be prepared and sent to the delinquent property owners.

· Setting up Districts

- Carryforward each year so only changes need to be re-entered

- Define with a number and a description that will be printed on bills, apportionment printouts, and other system output.

- Ability to enter which Ad Valorem Taxes (by number) are to be billed within each district

- The Base Amount for Secured Taxes must be converted from our ADS data into the new system

- The Base Amount for Unsecured Taxes must be converted from our ADS data into the new system

- The program must be able to calculate the percentage of each ad valorem tax that will go to the Redevelopment Fund

- Ability to print list of defined districts and the applicable ad valorem taxes and rates

- Entering/calculating Special Assessments

  - Need the option to clear all prior amounts for each Special Assessment

  - Ability to enter Special Assessments manually parcel by parcel

  - Ability to enter Special Assessments on a range of parcels

  - Ability to import Special Assessments from an Excel File to multiple parcels

  - Need to have other selection criteria for when to add an assessment - such as: districts, land use codes, and zoning codes.

  - Ability to define if the special assessment should be applied to "exempt" parcels or not

  - Need to be able to calculate the special assessment as an amount or as a percentage of the net assessed value.

  - Ability to print a list of Special Assessments ready to be billed by parcel number

  - Ability to print a list of Special Assessments ready to be billed by Special Assessment number

- Resolving orphaned parcels

  - Ability to access Assessor data files that show a history of Changed Parcel #s in order to determine what the new parcel # should be

- The program must have the capability to update this new parcel # in all records

- Ability to print a list of orphaned parcels and the new parcel #

· Changing parcel numbers

- Ability to change the parcel # for an existing tax receivable

- All billing and payment history (including prior years) should change to the new parcel #

- Original parcel number should be reflected where applicable

· Setting the tax increase Alternative cap %

- Ability to enter the %s as determined by the Nevada Department of Taxation each year prior to extending the new year roll

- Applies to both secured and unsecured taxes

- Ability to use the Nevada Department of Taxation preliminary tax cap factors (usually available in early March) in order to create the Revenue Forecast required from each County for the State

The Billing Process
· Extending the roll

- The program must be able to calculate the taxes on each parcel per our Nevada Revised Statutes.

- To do so, the system must be able to use data from the Assessor module such as: the prior year assessed value, prior year tax rate, prior year abatement, new improvements, exempt values, new assessed value, recapture value, exempt taxes, and tax cap %s in order to calculate the Partial Abatement of property taxes and any Recapture Amounts.

- The program must also be able to calculate the other abatements available for qualifying parcels.

- The system must be able to calculate the amount of taxes to go to our Redevelopment Fund. Carson City handles its Redevelopment at the parcel level (as opposed to the district level) such that each parcel in a Redevelopment district has its own Redevelopment Base Amount and has its own Redevelopment Percent calculated when the roll is extended.

- Special assessments must be calculated as defined

- The system must combine parcels containing summery parcel numbers into consolidated records.

- Prior year delinquencies must be automatically added to the bill and shown as such. They should be added specifically to the 1st installment.

- Our tax is billed in 4 equal installments - with the exception that Special Assessments can be defined as being split in 4 or all billed on the 1st installment.

- For Carson City, when calculating the 4 equal installments - the second, third, and fourth installments are rounded down to a whole dollar amount and the cents are added to the first installment.

- The Roll Extension program must be able to print summaries by sub district and county-wide of the total taxes and special assessments calculated, tax by tax, including pre-abatement totals, abatement totals, recapture amount totals, and abated totals.

· Printing the bills or Creating a Bill File to be sent to an external vendor to print tax bills

- The system must allow for printing the bills "in-house" and for creating a file to be sent to a third party vendor for printing the bills

- The program must allow for not printing bills if flagged accordingly.

- The program must allow for emailing bills.

- The program must allow for identifying additional names and addresses that are to receive a copy of a bill.

- Carson City currently uses a third party vendor. We would like to be able to have the front page of our bills imported into the system and saved as pdfs so that a bill can be viewed or re-printed.

- The program must allow for re-printing bills at a later date - showing either the original bill or reflecting payments made to date.

· Establish the New Year collection File

- The system must allow for Extending the Roll and Creating a Bill File to be re-done multiple times if necessary or desired before finalizing and establishing the New Year Collection file

The Payment Process

· Batching and balancing

- Daily by user ID or workstation

· Payment entry

o Searching for an account

- Ability to search by parcel number, current year roll number, assessed owner name

o Payment entry screen

- The system should pre-fill the amount due as of the current date and indicate the payment type as "check"

- If there are no taxes outstanding, the screen should state something like "no taxes owing"

- The system should pre-fill the payer name with the assessed owner's name or Tax Service Company if applicable

- The system should pre-fill the payment date with the current date.

- The system should reflect if there are any notes present regarding the parcel and enable the user to access the notes from this screen

- The screen should reflect the assessed owner's name and the current owner if different

- If a parcel is marked as Confidential, this should be indicated on this screen so that the user is reminded to treat all information as confidential

o Entering the payment

- The system must allow for partial payments

- The system must not allow for a payment that is more than the amount due as of the 4th installment due date

- Payments are to be applied to the oldest quarterly installment with an amount due and progress forward, paying each off until it gets to the quarterly installment for which only a partial amount can be applied.

- Payments are applied to each ad valorem tax, special assessment, and penalty/interest amount on a percentage basis when not being paid in full.

- The program must have the ability to apply payments received on a parcel that is part of a bankruptcy to be either applied to the post-bankruptcy outstanding taxes or to the outstanding amounts marked as being protected by bankruptcy.

- The program must allow us to decide which fields are mandatory when entering a payment amount. For example, we may decide to only enter the check amount, without requiring the bank number or check number.

o Printing a receipt

- The program must allow for us to design our receipts

o Entering a refund amount

- Since we cannot accept a payment for more than the parcel's total balance, the program must allow for entering the amount to be refunded in a separate field and then apply the balance to the outstanding amount.

- The system must track the refund amounts until we mark them as having actually been refunded.

o Inquiring into account history

- The program needs to show all of the billing history and payment history associated with each parcel. It should show the type of payment/adjustment/penalty, the billed owner's name, the payer's name, transaction dates, amounts, and a running balance.

- This history should also reflect any parcel number changes, tax cap percentages, tax rates, all special assessments, the abatement amounts, any recapture amount, the user ID, and the workstation where the activity was entered.

- If a parcel is marked as Confidential, this should be indicated on this screen so that the user is reminded to treat all information as confidential

- The program needs to show the Correspondence History for letters, bills, and notices sent to taxpayers.

o Printing an account summary

- The program must allow for printing an account summary by date range

o Notes

- The program must allow for notes to be entered on an individual parcel or on multiple parcels at once.

- The program must allow for trigger dates to be entered that will then be used to alert a user that some sort of action is required.

  o Single payment for multiple accounts

    - The program must allow for pre-selecting a range of parcels or entering the parcels one by one.

    - The rules regarding partial payments, payments greater than the amount due, and the order in which to apply payments that are above under "entering the payment" will still apply.

- Process payments from input file (e.g. from Tax Service companies)

    - The program must allow us to set options regarding: what installment to apply payments to, whether to accept overpayments and set up the refund amount, whether to accept partial payments, and whether to reject payments with no balance due on a particular installment.

    - The program must allow for the option to see a report of the payments or to allow for the option to both report and process the payments.

- Internet payments

  o The program must allow for payments received via the internet to be processed electronically.

- Payments and adjustments proof lists

    - Must have the option to show all payments and adjustments since the last daily activity was closed out - sorted by entry date and time and sorted by user or workstation.

    - The program must allow for re-printing these lists as of a past date.

- Closing out daily activity

    - Must be able to close activity by user or workstation.

    - Must be able to close activity multiple times during a day.

Adjustments to Payments
- Change payer name

- Change the payment type

- Back out a payment

- Need a drop down menu that lists most common reasons for an adjustment

- Ability to re-print a receipt

    - Re-printed receipt should indicate it is a "duplicate" and/or "not an original"

Amendments to Bills
- Change the ad valorem taxes billed

    - Ability to change any of the fields used in the tax calculation

    - Need a Drop down menu for NRS section associated with each type of exemption

    - Any change to ad valorem taxes or abatement must update the appropriate records in the Assessor module so that the next year's tax and abatements are calculated based on these changes

- Add/change/delete special assessments

- Add/change/delete penalties and interest

- Put outstanding taxes under bankruptcy protection

Applying Penalties and Interest
- Quarterly penalties

    - Program must calculate penalties as per our Nevada Revised Statutes and then advance to the next quarter.

    - Allow for printing a report listing all penalties applied to delinquent accounts showing grand total and the parcel count.

- Monthly interest

    - Program must calculate interest using the rate per our Nevada Revised Statutes.

    - For Carson City, monthly interest is applied against current year's unpaid taxes beginning in June.

    - Allow for printing a report listing all interest applied to delinquent accounts showing both the grand total and the parcel count.

Year-end Process

- Program must have the ability to perform all tasks as required by our Nevada Revised Statutes - currently NRS 361.5648 through NRS 361.577

- Print delinquent parcel lists

    ▪ Ability to print by type of delinquencies - 1st year, 2nd year, and/or 3rd year.

    ▪ Ability to sort by parcel number or owner name.

    ▪ The program must use the "current owner" name from the Assessor module.

- Print delinquent parcel letters

    ▪ Ability to print by type of delinquencies - 1st year, 2nd year, and/or 3rd year.

    ▪ The program must use the "current owner" name and address from the Assessor module.

    ▪ Allow for printing a list of the parcels that are sent a letter.

    ▪ Ability to pull additional names and addresses that are to receive a letter other than current owner.

    ▪ The program must add these letters to the Correspondence history.

- Add publication costs to penalties

    ▪ Ability to add an amount by type of delinquencies - 1st year, 2nd year, and/or 3rd year.

    ▪ Ability to add additional costs to individual parcels.

- Print newspaper list

    ▪ Ability to print a list and/or create a file by type of delinquencies - 1st year, 2nd year, and/or 3rd year.

    ▪ Program must exclude amounts protected by bankruptcy.

    ▪ List should be in alphabetical order with a break before the start of each change in the first letter.

    ▪ The program must add that a parcel was included in this delinquent listing to the Correspondence history of each such parcel.

    ▪ The program must use the "assessed owner" name from the Assessor module.

    ▪ The program must exclude the owner's name for parcels marked as "confidential".

- Print Trustee Certificates

  - The program must be able to print a Trustee Certificate for each 1st year delinquent parcel

  - The program must be able to print an updated Trustee Certificate for each 2nd year delinquent parcel

  - The program must be able to print a list of the parcels generating a trustee certificate

  - The program must add these certificates to the Correspondence history.

  - The program must use the "assessed owner" name from the Assessor module.

- Print delinquent parcel lists for District Attorneys (NRS 361.635)

  - The program must be able to print a list of all delinquent parcels with the delinquent amount, exclusive of penalties and interest, greater than a certain amount or within a certain range and include a signature line at the bottom of the listing.

  - The list must also reflect how much, if any, of the delinquent amount is protected under bankruptcy.

  - The program must use the "assessed owner" name from the Assessor module.

  - The program must reflect these parcels as being on the D.A. list in the Correspondence history.

- Print delinquent parcel letters for District Attorneys

  - The program must be able to print a Warning letter from the D.A. for each delinquent parcel on the lists described above.

  - The program must be able to print a list of the parcels receiving a letter and include such in the Correspondence history.

  - The program must use the "assessed owner" name from the Assessor module.

  - The program must also allow for identifying additional names and addresses to also receive a letter.

  - The program must be able to store a copy of the letters.

· Print Tax Deed Listing

- The program must be able to print a Tax Deed listing for all 3rd year delinquent parcels that can be sorted by Current Owner Name within each Taxing District or by Parcel #.

- The list must include the outstanding taxes and penalties/interest and the Legal Description which will come from the Assessor module.

Reports and Letters/Print:
· Payment Apportionment

- The program must be able to generate a report showing the apportionment of payments collected since the last time it was run.

- The program must also be able to produce a corresponding Payment Apportionment Summary will shall show totals by year and by district.

- If the apportionment is for personal property taxes collected, the collection fees (as allowed by NRS 361.530) must be shown for each ad valorem tax along with a net amount column which is the total amount less the collection fees.

- The program must be able to export the amounts to interface with our accounting software.

· Re-print Prior Payment Apportionment(s)

- The program must allow for re-printing the apportionment reports.

- The program must also allow for the report to be run by date range.

· Tax Collection Summary Report

- This report must provide, by district and county-wide, a tax-by-tax billing and payment reconciliation for any selected year, showing for each tax the amount billed, total amendments, total payments and adjustments, and the balance due.

- For both the amounts billed and the total amendments, the report must show: the pre-abatement amount, the combined abatement and recapture amounts, and the resulting abated amount.

- There must be the ability to print just the county total page, omitting the pages that show the tax collection summary for each district.

- The program must also allow for the report to be run by date range.

· Outstanding Taxes by Year (current or prior year)

- The program must allow for selecting which year(s) to print.

- The program must allow the option to not include amounts protected by bankruptcy.

- For a current year report, there must be the option to exclude current year installments for quarters that have not yet been closed and penalized.

- There must be the option to print "totals" only or to print in detail format.

- The program must allow for the report to be sorted by parcel number, current assessed owner name, the amount owing, or the amount billed.

- There also must be the option to run the report by a particular special assessment or ad valorem tax.

- There also must be the option to run the report for amounts within a certain range of amounts.

· Print Roll with Payments

- This report must provide the current year amount billed, amounts paid, and outstanding amounts for each parcel number - with a column for each quarter tax amount, a column for penalties, and a total amount column.

- There must be the ability to sort by parcel number or by current assessed owner name.

- There must be the option to print "totals" only or to print in detail format.

· Courtesy/Reminder Letters

- Courtesy letters are for parcels that made a payment that was not an exact quarterly installment amount and therefore, they are out of sync with their original bill's remaining quarterly installment amounts.

- There must be the option to skip parcels that have already received a letter for the current tax year.

- Reminder letters are for accounts that owe an amount for a quarter that has been closed and penalized.

- Both types of letters must show the amount billed, paid, and due, including penalties and interest for the current year, and a combined prior year amount if applicable.

- The program must use the "assessed owner" name and address from the Assessor module.

- There must be the option to skip parcels that have an outstanding balance less than a certain minimum.

- The program must be able to print a list of the parcels receiving a letter and include such in the Correspondence history.

- The program must also allow for identifying additional names and addresses to also receive a letter.

- The program must be able to store a copy of the letters.

- The program must include these letters in the Correspondence history.

- Bill Amendment Reports

  - This report will show bill amendments made during a given date range.

  - Ability to run the report for selected parcels or for all parcels.

  - Ability to exclude amendments to penalties and interest.

  - Report should also show the date, time, user ID, any remark, old amount, new amount, and amount of change.

- Parcels in Bankruptcy/Postponed Taxes Report

  - Report will show every parcel that has any quarters marked as being protected by bankruptcy, listing their total tax and penalty, amount paid, amount in bankruptcy, and amount due.

- Print Selected Parcel Labels

- Bill/Abatement Summary Report

  - This report is required by the Nevada Department of Taxation and must be printed as:

    - Current Year Billed to Date by Taxing Entity

    - School District Report for Current Year

- Create and print Revenue Forecast File for Dept. of Taxation (Pro forma Report)

- This report is required by the Nevada Department of Taxation.

- The program must be able to prepare a file of estimated (pro forma) Secured Property Taxes for the coming tax year, by Taxing Entity.

- The program must allow the option to use the prior year's tax rates or use proposed tax rates for the coming tax year.

- The calculation must be able to access information from the Assessor module regarding type of abatement a parcel qualifies for.

Miscellaneous Functions

- Create Account Status File

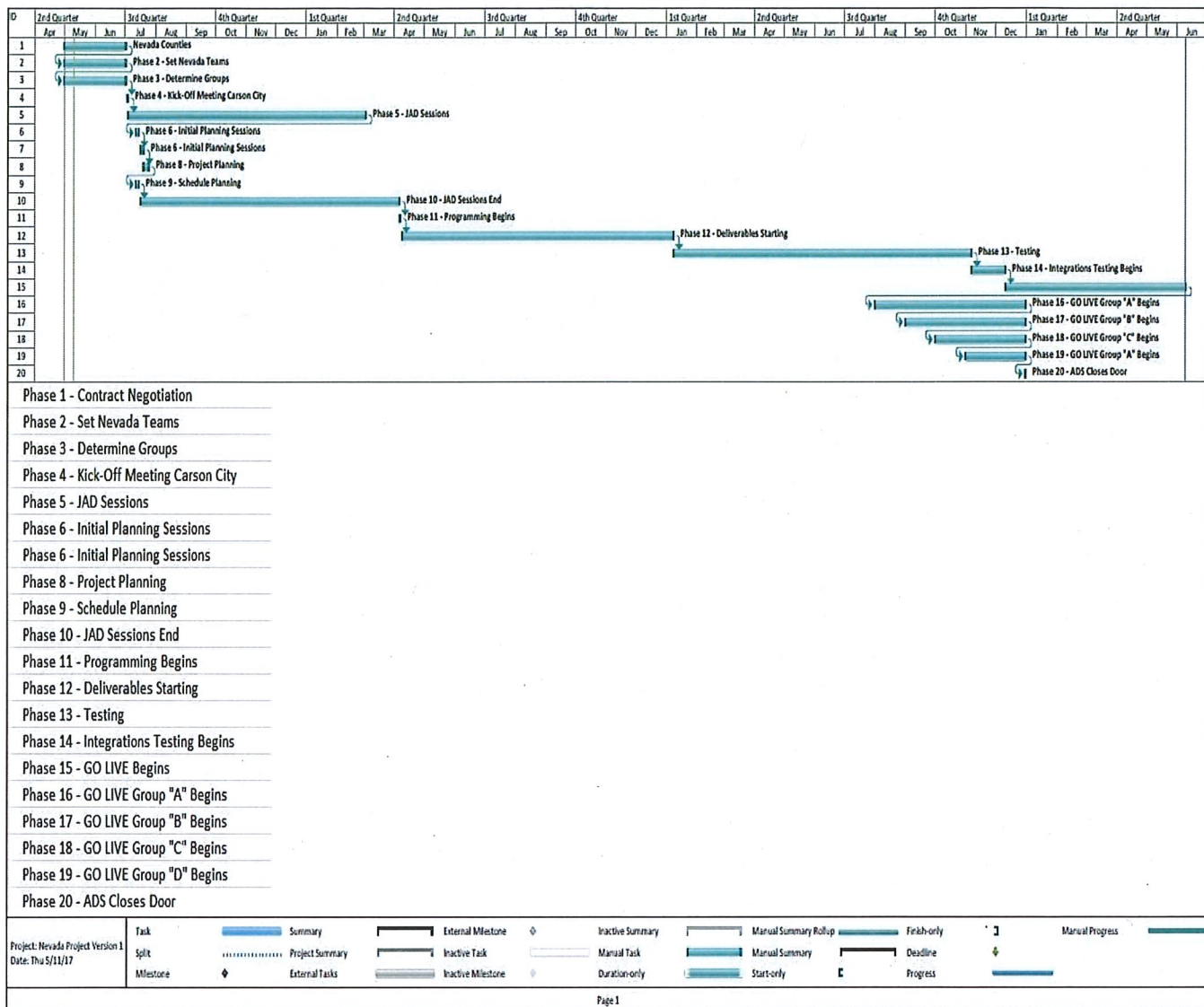 - This is necessary as occasionally Tax Service companies request a file so they can determine payments to make.

- Work with Queries

- Carson City Web Page

  - Public to still have access to the types of information they have now. For example, history on a parcel should reflect all payments made by date with payer's name.

This list of functional requirements may not include all requirements.

Appendix D: Tentative Timeline

Below is a tentative timeline with regard to software implementation. The JAD sessions supersede this timeline and dates will change accordingly.

Phase 1 - Contract Negotiation
Phase 2 - Set Nevada Teams
Phase 3 - Determine Groups
Phase 4 - Kick-Off Meeting Carson City
Phase 5 - JAD Sessions
Phase 6 - Initial Planning Sessions
Phase 6 - Initial Planning Sessions
Phase 8 - Project Planning
Phase 9 - Schedule Planning
Phase 10 - JAD Sessions End
Phase 11 - Programming Begins
Phase 12 - Deliverables Starting
Phase 13 - Testing
Phase 14 - Integrations Testing Begins
Phase 15 - GO LIVE Begins
Phase 16 - GO LIVE Group "A" Begins
Phase 17 - GO LIVE Group "B" Begins
Phase 18 - GO LIVE Group "C" Begins
Phase 19 - GO LIVE Group "D" Begins
Phase 20 - ADS Closes Door

Appendix E: Milestone Payments

Milestone Payments are due upon acceptance per 2.2 and 2.7 listed above.

Delivery times for each delivery will be determined by the Scope of Work as referenced in 2.2.

A. The sum of $13,355.90 due upon signed Scope of Work. Scope of Work is accepted upon meeting the conditions in 2.2.

B. The sum of $13,355.89 due upon acceptance of Assessment Administration Module. Assessment Administration Module is accepted upon meeting the conditions in 2.7.

C. The sum of $13,355.89 due upon acceptance of CAMA (Computer Assisted Mass Appraisal) Module. CAMA (Computer Assisted Mass Appraisal) Module is accepted upon meeting the conditions in 2.7.

D. The sum of $13,355.89 due upon acceptance of Personal Property Module. Personal Property Module is accepted upon meeting the conditions in 2.7.

E. The sum of $13,355.89 due upon acceptance of Tax Calculation Module. Tax Calculation Module is accepted upon meeting the conditions in 2.7.

F. The sum of $13,355.89 due upon acceptance of Billing and Collection Module. Billing and Collection Module is accepted upon meeting the conditions in 2.7.

G. The sum of $13,355.90 due upon acceptance of wEdge and EdgeMaps Module. wEdge and EdgeMaps Module is accepted upon meeting the conditions in 2.7.