



WASHOE COUNTY

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CM/ACM KS
Finance _____
DA _____
Risk Mgt. DE
HR N/A
Other N/A

STAFF REPORT

BOARD MEETING DATE: March 10, 2015

DATE: February 24, 2015
TO: Board of County Commissioners
FROM: Robert Smith, Animal Services Supervisor
Washoe County Regional Animal Services, 353-8945
rasmith@washoecounty.us

THROUGH: Shyanne Schull, Director, Washoe County Regional Animal Services

SUBJECT: Approval of the Amended Professional Services Agreement dated January 2015 between Washoe County and Nevada Humane Society defining operational responsibilities for each, including services provided at the center, animal handling, compensation, periodic facility evaluation and standards of care. (All Commission Districts)

SUMMARY

Washoe County Regional Animal Services and the Nevada Humane Society (NHS) cooperatively occupy the Regional Animal Services Facility on Longley Lane. The Amended Professional Services Agreement defines certain operational responsibilities for each party including services provided at the center, responsibility for providing different types of services, types of animals handled, compensation to NHS for services rendered, provision for working with rescue groups/releasing agencies, periodic facility evaluation and standards of care.

Washoe County Strategic Objective supported by this item: Sustainability of our financial, social and natural resources.

PREVIOUS ACTION

August 27, 2002 Memorandum of Understanding contemplated that Washoe County and the Nevada Humane Society would enter into a detailed Professional Services Agreement to outline each party's understanding of the duties, services and responsibilities necessary

AGENDA ITEM # 7A

to operate and maintain a new Regional Animal Services Shelter. BCC# 02-909, approved.

December 13, 2005 Approval and execution of the Professional Services Agreement between Washoe County and the Nevada Humane Society defining operational responsibilities for each, including services provided at the center, animal handling, compensation, periodic facility evaluation and standards of care. BCC# 8I(1), approved.

BACKGROUND

- A Memorandum of Understanding was executed between Washoe County and the Nevada Humane Society. The purpose of which was to state the intentions of the parties to improve animal services in Washoe County and form the basis upon which the parties would negotiate and enter into the Professional Services Agreement.
- The current Professional Services Agreement approved on December 13 2005, BCC Item #8I (1), is outdated and does not reflect the business relationship between Regional Animal Services and the Nevada Humane Society.
- The Amended Professional Services Agreement provides that the Nevada Humane Society will serve as a temporary shelter for adoptable animals and accept owner surrendered animals, perform adoptions, coordinate medical treatment for animals under NHS's control, perform spay/neuter services, education, and other related services.
- The Amended Professional Services Agreement provides that the County will serve as a temporary shelter for impounded animals; care for stray, abandoned, abused or animals running at large or otherwise subject to impounding; perform cruelty investigations, provide for the medical treatment of animals under the County's control, perform euthanasia, verify animal inoculations, manage records of rabies vaccinations, issue dog licenses, perform animal rescue and respond to wildlife calls when there is an immediate threat to public safety or the animal's welfare.
- The Amended Professional Services Agreement provides for the standard of care by both parties in the performance of their respective duties.
- The Amended Professional Services Agreement provides for periodic evaluation of the operation and physical plant of the Regional Animal Services Center by a qualified organization.

FISCAL IMPACT

No fiscal impact.

RECOMMENDATION

It is recommended that the Board of County Commissioners approve and execute the Amended Professional Services Agreement dated January 2015 between Washoe County and the Nevada Humane Society defining operational responsibilities for each party,

including services provided at the center, animal handling, compensation, periodic facility evaluation and standards of care.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "Move to approve and execute the Amended Professional Services Agreement dated January 2015 between Washoe County and the Nevada Humane Society defining operational responsibilities for each party, including services provided at the center, animal handling, compensation, periodic facility evaluation and standards of care.



PROFESSIONAL SERVICES AGREEMENT

Amended January 2015

This agreement (“Agreement”) is made on the Effective Date by and between the County of Washoe, a political subdivision of the State of Nevada (hereinafter the “County”); and the Nevada Humane Society, a Nevada private non-profit corporation (hereinafter “NHS”), collectively the “Parties.”

ARTICLE 1 RECITALS

1.1 A November 2002 ballot question was approved by the electors of Washoe County to fund the construction through the issuance of tax-exempt bonds (the “Bonds”) of a regional animal service center (“Regional Center”) and to consolidate the animal services functions of Reno, Sparks and Washoe County. In connection with the issuance of the Bonds and in consideration of the covenants, terms and conditions of the various agreements of the Parties, NHS has agreed to contribute \$2,575,000 to repayment of the Bonds (including issuance costs), as well as an additional \$1,250,000, in two separate payments of \$625,000, which were made on August 1, 2005 and October 1, 2005, and \$300,000 for the construction of two additional kennel pods (collectively, the “NHS Contribution”), as reflected in that certain Lease Payment Agreement, approved by the Washoe County Board of Commissioners on June 14, 2003, as amended, by and between the Parties (the “Lease Payment Agreement”). The transfer of existing animal control and field operations to the County was accomplished through a negotiated interlocal agreement between the local government agencies (the “Comprehensive Interlocal Agreement”). Under the Comprehensive Interlocal Agreement the County is the owner and operator of the Regional Center.

1.2 NHS holds private non-profit corporation status under Section 501(c)(3) of the Internal Revenue Code and the US Treasury regulations promulgated thereunder.

1.3 NHS operates a shelter facility out of the Regional Center that provides animal adoption services, medical treatment for animals, spay and neuter services education, and other related services.

1.4 Pursuant to the Lease Payment Agreement, the Parties entered into a lease as permitted by NRS 244.284 without competitive bidding, substantially in the form of the lease for the use of the facility (the “Lease”) attached as an exhibit to the Lease Payment Agreement,

whereby in consideration of the NHS Contribution, the County leases space within the Regional Center for NHS to perform the services required by this Agreement.

ARTICLE 2 DEFINITIONS

As used in this Agreement, unless the context otherwise requires, the words and terms defined in this section have the meanings ascribed to them herein, as follows:

2.1 “Effective Date” means the later of (1) the date of the signature of the last Party to sign the Agreement provided the Agreement has first been approved by the governing board of each Party, or (2) the commencement of the term of the Lease.

2.2 “Field Operations” means enforcement and support of all laws by Regional Animal Services relating to animals in accordance with WCC Chapter 55 and the Nevada Revised Statutes.

2.3 “Foster Care Giver,” means private care/home that agrees to take on a temporary basis, (not to regularly exceed six months) animals from the Center, into such home or care, under the direction and control of NHS/County staff.

2.4 “Lease” means the agreement as described in Section 1.4 hereof.

2.5 “Livestock” shall have the meaning ascribed to it in WCC 55.010.

2.6 “Organization” means an organization that qualifies as a Nevada non-profit corporation and/or as a 501(c)(3) organization or that possesses provisional 501(c)(3).

2.7 “Pound Seizure” means the release of an animal to an agency for research/vivisection purposes.

2.8 “Regional Center,” “Regional Animal Services Center” or “Center” means the animal control center built and operated by Washoe County pursuant to this Agreement and the Comprehensive Interlocal Agreement, as defined in Section 1.1 hereof.

2.9 “Rescue Group/Releasing Agency” means an agency that will permanently remove an animal from the care of the County with the intention of finding a home for that animal in accordance with established guidelines of County ordinances and supervision of County staff. To qualify as a Rescue Group/Releasing Agency, such agency must be a Nevada non-profit and/or 501(c)(3) organization or that possess a provisional 501(c)(3).

2.10 “Services” means the professional services to be performed by NHS pursuant to this Agreement.

2.11 "SOP" means standard operating procedures.

2.12 "Transferred County Animals" means animals that initially came into the control of the County and are transferred to NHS or any other Rescue Group/Releasing Agency.

2.13 "Volunteer," as used in any SOP, means an unpaid individual who donates their time to the Center under the direction of the NHS/County staffs while performing their duties.

ARTICLE 3 SERVICES AT THE CENTER

3.1 ADOPTABLE ANIMALS NHS shall have the first choice of animals in the custody of the County. After the expiration of the time limitations agreed to between NHS and the County, County may contact any qualified rescue group for the adoption of animals not chosen by NHS.

3.2 ANIMAL LICENSING NHS agrees to direct the new owner of each qualified animal at the time of adoption to the County in accordance with the established Washoe County ordinance to obtain a license for the animal.

3.3 OWNER-SURRENDERED ANIMALS NHS agrees to accept owner-surrendered animals and shall be responsible for euthanasia of all transferred and owner-surrendered animals that are deemed not adoptable. NHS shall not be required to accept owner-surrendered livestock. NHS shall accept owner-surrendered animals on a first-come first-served basis, with residents of Washoe County having priority. The qualification criteria for an owner-surrendered animal shall be developed within the SOP and guidelines agreed to by the Parties.

3.4 SERVICE AREA In accordance with the Comprehensive Interlocal Agreement, the Regional Center was built and is operated by Washoe County to serve the animal services needs within Washoe County, Nevada, as described in NRS 243.0430 and the incorporated Cities of Reno and Sparks. NHS need not restrict its services to the service area described in the previous sentence.

3.5 OUT-OF-AREA SURRENDERS The County may accept out-of-area surrendered animals in accordance with its Policy. NHS shall operate at the Regional Center in accordance with its own policies and procedures regarding out-of area surrenders.

3.6 EUTHANASIA County and NHS shall develop individual SOP and guidelines for the euthanasia of animals at the Regional Center. Each Party shall retain the right to perform

euthanasia upon animals under such Party's control in its sole discretion as necessary for the best interest of such Party and the welfare of the animal.

3.7 ANIMAL DISPOSAL The Parties agree to allocate all costs related to the disposal of animals pro rata in accordance with the provisions of the Lease. The Parties retain the discretion and ability to develop any other disposal services that are available in the community if in the opinion of the Parties such services are necessary. SOP and guidelines relating thereto shall be developed by the Parties. If either Party uses other disposal services, the cost for that service shall be paid by the Party requiring the service.

3.8 AFTER-HOUR DROP-OFF BOXES The County agrees to operate AFTER-HOUR drop-off boxes in accordance with its own guidelines and procedures.

3.9 LIVESTOCK The Parties agree to continue handling livestock in accordance with Nevada Revised Statutes, Nevada Department of Agriculture regulations, and present practices.

3.10 RESCUE GROUPS/RELEASING AGENCIES In performing their respective obligations hereunder, NHS and the County agree to deal with only Rescue Groups or Releasing Agencies that are Organizations within the definition in Section 2.9.

3.11 HOLD HARMLESS Each Party shall be responsible for any liability that may arise due to euthanizing and/or disposal of animals under its care and custody, and shall hold the other Party harmless in connection with any such liability.

3.12 POUND SEIZURES Both Parties agree not to allow Pound Seizures. Releasing animals otherwise scheduled to be euthanized for the purpose of euthanasia technician training and for use by the State of Nevada Board of Veterinary Medical Examiners or for the use of education is permitted. SOPs and guidelines shall be developed accordingly by agreement of the Parties.

ARTICLE 4 COMPENSATION

4.1 Compensation for Services NHS is entitled to collect fees from the public based upon NHS's schedule of fees for services.

4.2 Compensation for Additional Services If County requests NHS to perform services in addition to the Services, the cost of and compensation for such additional services shall be determined prior to commencing additional work. A County representative must authorize all additional services and compensation in writing prior to the services being rendered.

4.2.1 Compensation for Veterinary Services Professional veterinary services available through NHS and used by the County for the animals in County's care, custody and control shall be reimbursed to NHS in accordance with the schedule

of fees attached to this Agreement as Appendix A. Upon approval of this Agreement and the fee schedule adopted by the Board of County Commissioners of Washoe County, the designated representative shall have the authority to approve the use of and payment for veterinary services.

ARTICLE 5 STANDARD OF CARE

5.1 In the performance of their respective duties under this Agreement both Parties shall exercise the degree of care, skill and diligence ordinarily provided by professional animal services organizations under similar circumstances.

5.2 EVALUATION OF FACILITY NHS and the County agree to have their individual operation at the Regional Center evaluated by a qualified organization at a minimum of every five years. The cost incurred for the evaluation shall be paid by NHS and the County respectively. The Parties agree to share reports and to use reasonable efforts to correct material deficiencies identified in any such evaluation. Evaluations to commence in 2015.

ARTICLE 6 INDEPENDENT CONTRACTOR

NHS undertakes performance of the Services as an independent contractor and shall be wholly responsible for such performance. County shall have no right to control the methods used by NHS. County shall have the right to observe NHS's performance of the Services, upon reasonable prior notice. NHS shall work closely with County in performing Services under this Agreement.

ARTICLE 7 PERMITS AND LICENSES

NHS shall procure the permits, certificates and licenses necessary to allow NHS to perform the services.

ARTICLE 8 TERM; TERMINATION

8.1 Term. This Agreement shall be for a term equivalent to the term of the Lease, including the renewal provisions thereof and shall be evaluated annually by each party.

8.2 Termination for Cause. Following written notice thereof and the expiration of any applicable cure period (as provided in Article 9 below), either Party shall have the right to terminate this Agreement for cause if the other Party materially breaches this Agreement and such breach remains uncured.

8.3 Effect of Termination. If this Agreement expires or is terminated: (i) NHS shall immediately cease providing the Services and shall have no liability for doing so, (ii) County must immediately pay NHS any outstanding fees that County owes, but County shall not incur any additional fees, and (iii) all other rights and benefits of the Parties pursuant to the Lease Payment Agreement or the Lease, if any, shall terminate, in accordance with their terms; provided, however, that any remedies for breach of this Agreement, the Lease Payment Agreement or the Lease shall survive the termination of this Agreement.

ARTICLE 9 CURE TIME

If either Party should breach this Agreement or default in the performance of any duty hereunder, upon discovery of such breach, the aggrieved Party shall give prompt written notice thereof, reasonably describing such default, and the defaulting Party shall have a period of no less than 30 days from the date of receipt of said notice to cure. If the default is not capable of being cured within that 30-day period, then the defaulting Party shall have an additional time period not to exceed 30 days in which to cure, so long as the defaulting Party is diligently pursuing a cure of such default.

ARTICLE 10 MANDATORY ALTERNATIVE DISPUTE RESOLUTION PROVISION

10.1 Any claim arising out of this Agreement that is in an amount of \$50,000.00 or less shall be submitted to arbitration in accordance with the provisions of this Article. Any claim that is in excess of \$50,000.00 may be arbitrated if both Parties consent to the arbitration. If both Parties do not consent to arbitrate a claim in excess of \$50,000.00, then the Parties shall have the right to pursue or defend such claim in a court of competent jurisdiction.

10.2 In determining the amount of any claim, all subparts of a claim shall be counted as well as all claims arising out of or connected with the claim to be arbitrated. In addition, all claims, which exist at the time of filing a demand, must be included in that arbitration.

10.3 Any claims arising under this Agreement may be referred to a court of competent jurisdiction for the purpose of determining whether it fails to state a claim upon which relief may be granted or whether there are no factual issues and one Party is entitled to judgment as a matter of law. The submission to a court of competent jurisdiction pursuant to this Section may be at any time prior to, at, or after the filing of the demand for arbitration. In the event that the court's decision resolves the issue(s), then there will be no arbitration. In the event the court determines there are arbitrable issue(s), they shall be arbitrated in accordance with this Article.

10.4 All claims submitted to arbitration in accordance with this Article shall be arbitrated in accordance with the then current Arbitration Rules of the American Arbitration Association, subject to the following:

10.4.1 The discovery rules of the Nevada Rules of Civil Procedure shall be followed by the Parties, excepting therefrom compliance with Rule 16.1. All discovery shall be completed no later than 90 days from the date the panel of arbitrators is fixed.

10.4.2 The arbitration panel shall convene a hearing within 30 days of the close of discovery.

10.4.3 The panel shall make its decision within thirty days of the close of the arbitration hearing. The panel's decision shall include findings of fact and conclusions of law. The majority of the panel decides any claim.

10.5 The agreement to arbitrate disputes as provided herein is subject to the provisions of Chapter 38 of the Nevada Revised Statutes (Mediation and Arbitration).

10.6 Notice of a demand for arbitration shall be filed in writing with the other Party to this Agreement. The demand shall be made within reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

10.7 All time periods hereunder may be extended by the mutual written consent of the Parties.

10.8 Notwithstanding the provisions of this Article, if the Parties both agree, a claim may be submitted to mediation in accordance with this Section. The mediation shall be in accordance with the Mediation Rules of the American Arbitration Association currently in effect or as the Parties may otherwise agree. Notice of a request for mediation shall be filed in writing with the other Party to this Agreement and with the American Arbitration Association, if applicable. A request for mediation shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for mediation be made after the date when institution of legal or equitable proceedings based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

ARTICLE 11 INDEMNIFICATION

11.1 Each Party agrees to be responsible for any liability or loss that may be incurred as a result of any claim, demand, cost, or judgment made against that Party arising from any negligent act or negligent failure to act by any of that Party's employees, agents, or servants in connection with the performance of obligations assumed pursuant to this Agreement.

11.2 Each Party further agrees to the extent allowed by law pursuant to Chapter 41 of NRS, to hold harmless, indemnify and defend the other from any and all claims, demands, actions, or causes of action by a third party, or any losses, liabilities or expenses resulting

therefrom, arising out of the negligent acts, errors or omissions on the part of the its employees, agents, or servants.

11.3 The indemnification obligation pursuant to this section is conditioned upon receipt of prompt written notice by the indemnifying Party of the indemnified Party's actual notice of any action or pending claim or cause of action. To the extent the indemnified Party elects to retain separate legal counsel to participate in any action, the indemnifying Party shall not be liable for any such attorney's fees and costs incurred by the indemnified Party.

ARTICLE 12 NONDISCLOSURE OF CONFIDENTIAL INFORMATION

To the extent permitted by state law the Parties shall safeguard all confidential information provided to each other and shall not publish or disclose it for any purpose other than the performance of the Services without the prior written authorization of the other Party or in response to legal process or as required by the regulations of public entities.

ARTICLE 13 NOTICE

Any notice, demand or request required by or made pursuant to this Agreement shall be deemed properly made if in writing and personally delivered, delivered by private courier, transmitted by confirmed facsimile (provided that an original is also sent in accordance with this Article) or deposited in the United States Mail, postage prepaid, to the address and phone numbers specified below (or to such address and phone numbers as may be specified in writing by such Party to the other):

To NHS:

Executive Director
Nevada Humane Society
2825 Longley Lane, Suite B
Reno, Nevada 89502
775-353-8999
775-353-8995 (fax)

To County:

Washoe County
Attn: County Manager
P.O. Box 11130
1001 East Ninth Street
Reno, NV 89520
775-328-2040
775-328-3699 (fax)

AND

Washoe County
Attn: Animal Services Director
P.O. Box 11130
2825 Longley Lane
Reno, NV 89502
775-353-8900
775-353-8905 (fax)

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of NHS and County.

ARTICLE 14 UNCONTROLLABLE FORCES

Neither County nor NHS shall be considered to be in default of this Agreement if delays in or failure of performance are due to uncontrollable forces the effects of which, by the exercise of reasonable diligence, the non-performing Party could not avoid and are not reasonably foreseeable at the time of entering into this Agreement. The term “uncontrollable forces” shall mean any event that results in the prevention or delay of performance by a Party of its obligations under this Agreement and that is beyond the control of the non-performing Party. It includes, but is not limited to, fire, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, strikes, work slowdowns or other labor disturbances, any judicial restraint, inability to procure permits, licenses, or authorizations from any state, local, or federal agency or person for any of the supplies, materials, accesses, or services required to be provided by either County or NHS under this Agreement.

Neither Party shall, however, be excused from performance if nonperformance is due to uncontrollable forces that are removable or remediable and that the non-performing Party could have with reasonable dispatch removed or remedied. The provisions of this Article shall not be interpreted or construed to require NHS or County to prevent, settle, or otherwise avoid a strike, work slowdown or other labor action. The non-performing Party shall, upon being prevented or delayed from performance by an uncontrollable force, immediately give written notice to the other Party in accordance with Article 13 hereof describing the circumstances and uncontrollable forces preventing continued performance of the obligations of this Agreement.

ARTICLE 15 MISCELLANEOUS

15.1 Counterparts. This Agreement may be executed in counterparts.

15.2 Successors, Assigns and Assignment. This Agreement is binding upon and inures to the benefit of the permitted successors and assigns of the Parties. None of the Parties shall assign any of the rights or delegate any of the duties of this Agreement without the express written consent of the other Party.

15.3 Construction. The Parties and their professional advisors have prepared this Agreement jointly. The Parties and their respective advisors believe that this Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor or against either Party.

15.4 Governing Law. This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada. The Parties agree that proper venue for any court action, if any is necessary, shall be in the district court of Washoe County.

15.5 Article and Section Headings. The article and section headings appearing in this Agreement are inserted for the purpose of convenience and ready reference. They do not purport to define, limit, or extend the scope or intent of the language of the articles and sections to which they pertain.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed on its behalf by an authorized representative.

WASHOE COUNTY

By: _____
Chairman
Washoe County Commission

Dated this ____ day of _____, 20__.

State of Nevada)
County of Washoe)

On this ____ day of _____, 20__ before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared _____, known to me (or proven with satisfactory evidence) to be the person(s) described herein and who executed the foregoing instrument and who acknowledged to me that she executed the same freely and voluntarily on behalf of County, for the uses and purposes therein mentioned.

Notary Public

NEVADA HUMANE SOCIETY

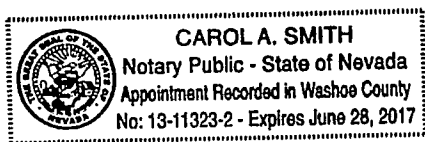
By: _____
Executive Director

Dated this 6th day of Feb, 2015

State of Nevada)
County of Washoe)

On this 6th day of February, 2015 before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared Kevin Ryan, known to me (or proven with satisfactory evidence) to be the person(s) described herein and who executed the foregoing instrument and who acknowledged to me that she executed the same freely and voluntarily on behalf of the Nevada Humane Society, for the uses and purposes therein mentioned.

Notary Public





**APPENDIX A
SCHEDULE OF VETERINARY SERVICES FEES**

**NEVADA HUMANE SOCIETY
SERVICES FEES**

DIAGNOSTIC FEES	\$45 PER HOUR
SUPPLIES/MEDS	AT COST
DOG SPAY	\$45
DOG NEUTER	\$40
CAT SPAY	\$35
CAT NEUTER	\$30
EUTHANASIA	\$25
MICROCHIP	\$12
DHLPPC/RABIES	\$10
FVLCR/RABIES	\$10
RABIES	\$10
BORDETELLA	\$10

MEMORANDUM OF UNDERSTANDING

This memorandum of understanding ("Memorandum") is made on the Effective Date by and between the County of Washoe, a political subdivision of the State of Nevada (hereinafter the "County"); and the Nevada Humane Society, a Nevada private non-profit (hereinafter "NHS"), collectively the "Parties."

ARTICLE 1 RECITALS

1.1 County currently conducts Field Operations in the unincorporated areas of Washoe County and is a party to an interlocal agreement with the City of Reno which operates the Reno Animal Services Center, the area's only governmental animal control facility.

1.2 NHS holds Section 501(c)(3) private non-profit corporation status as conferred by the Internal Revenue Service.

1.3 NHS currently operates a sheltered animal welfare and protection facility that provides animal adoption services, medical treatment for animals, spay and neuter services, euthanasia, wildlife rehabilitation, education, cruelty investigation and animal rescue.

1.4 The County is attempting to regionalize animal control services in Washoe County by entering into interlocal agreements with the City of Sparks and the City of Reno ("Preliminary Interlocal Agreement"). Subject to the conditions imposed in paragraph 1.5 the parties to the Preliminary Interlocal Agreement contemplate, having the City convey to the County the existing Reno Animal Shelter facility and real property; having the County finance, construct and operate a new consolidated regional animal control shelter ("Regional Shelter"); transferring employees and animal control equipment and capital of the cities to the County; restructuring property taxes; and issuing bonds and imposing special elective taxes to pay for the capital improvements and operational costs of the Regional Shelter.

1.5 Under the Preliminary Interlocal Agreement the County has placed on the November 2002 ballot a question asking the electors of Washoe County whether to approve a combined ballot question for general obligation bonds and a special elective tax to fund the construction and operations of the Regional Shelter and consolidate Field Operations ("Ballot Question"). If the Ballot Question is approved the parties to the Preliminary Interlocal Agreement contemplate entering into a comprehensive interlocal agreement ("Comprehensive Interlocal Agreement") setting forth the details of the design, financing and construction of the Regional Shelter and transfer existing animal control and Field Operations to the County.

1.6 The Parties to this Memorandum contemplate entering into a lease ("Lease") and professional services agreement ("Services Agreement") whereby NHS would contribute \$2.5 million toward the construction of the Regional Shelter; lease and operate a portion of the Regional Shelter; use the private portion of the Regional Shelter for a sheltered animal welfare and protection facility that provides animal adoption services, medical treatment for animals, spay and neuter services, euthanasia, wildlife rehabilitation, education, cruelty investigation and animal rescue and will reimburse Washoe County for the non-profit's prorata share of facility operation and maintenance expenses to be set forth in detail in the Services Agreement.

1.7 The purpose of this Memorandum is to state the intentions of the Parties to improve animal services in Washoe County, form the basis upon which the Parties will negotiate and enter into the Lease and the Services Agreement.

ARTICLE 2 DEFINITIONS

As used in this Agreement, unless the context otherwise requires, the words and terms which are defined in this section have the meanings which are ascribed to them herein, as follows:

2.1 "Ballot Question" means the ballot question as described in paragraph 1.5.

2.2 "Effective Date" means the date of the signature of the last Party to sign the Agreement provided the agreement has first been approved by the governing board of each Party.

2.3 "Field Operations" means enforcement and support of all laws dealing with domestic animals including animals at large, noise nuisances, and administration of rabies control while maintaining public and animal safety, impoundment of strays, injured, and abandoned animals and investigation of reports of possibly neglected or abused animals.

2.4 "Lease" means the agreement as described in paragraph 1.6 and Article 4.

2.5 "Longley Lane Site" means the 7.61 acres of land that is currently the home to the Reno Animal Services Center (APN 15-210-27).

2.6 "Preliminary Interlocal Agreement" or "Agreement" means the interlocal agreement as described in paragraph 1.4.

2.7 "Professional Services Agreement" or "Services Agreement" means the agreement as described in paragraph 1.6 and Article 5.

2.8 "Regional Animal Control Shelter" or "Shelter" means the animal control shelter contemplated to be built and operated by Washoe County pursuant to this Memorandum and the Comprehensive Interlocal Agreement.

ARTICLE 3 THE SHELTER SITE

3.1 Based on the information available at the time of this Memorandum the Parties believe the Longley Lane Site is the best site for the Shelter. However, the Parties intend to cooperate in an analysis of alternatives locations for the Shelter. Any alternative site to be studied must be located close to population centers and transportation corridors, must have existing zoning and land use designations suitable for an animal shelter and must not materially add to the overall cost of the project construction or operations.

3.2 If the Longley Lane Site is selected, the County has agreed that a portion of the land that is not necessary for the Shelter including necessary easements for access shall be reserved for Reno for use as a facility for the housing of police department horses provided such use does not interfere with the operations of the Shelter which includes projected expansion of the Shelter.

ARTICLE 4 THE LEASE

4.1 The Parties intend to confer and negotiate the terms of a lease between the County and the NHS. As permitted by NRS 244.284 the County may lease property to NHS without competitive bidding.

4.2 During the design of the Regional Shelter the County intends to provide NHS with the opportunity to comment and make suggestions that would enhance NHS's ability to operate and provide services contemplated by this Memorandum.

4.3 The Parties intend that NHS will contribute \$2.5 million toward the cost of constructing the Shelter. The contribution may be made over time but shall be completely made not later than one year after the opening of the Regional Shelter.

ARTICLE 5 THE PROFESSIONAL SERVICES AGREEMENT

5.1 Under the contemplated Professional Services Agreement NHS will perform the following services: accept owner surrendered animals, adoptions, medical treatment for animals under NHS's control, spay/neuter, euthanasia, wildlife rehabilitation, education, cruelty investigations, serve as temporary shelter for impounded animals in cruelty and neglect cases, adopted animal vaccinations and animal rescue.

5.2 Under the contemplated Professional Services Agreement the County will perform the following services: serve as a temporary shelter for impounded animals; care for all stray, abandoned, abused or animals running at-large or otherwise subject to impounding; provide for the medical treatment of animals under the County's control, euthanasia, administer dog licenses; and verify animal inoculations and manage records of rabies vaccinations.

5.3 NHS will be permitted to charge and retain fees for adoption services. The fees charged shall not exceed 110% of the national average for such fees.

5.4 Under the Professional Services Agreement NHS will be an independent contractor, not an agency or employee of the County. NHS will be responsible for the means and methods of the performance of its duties under the agreement, but shall provide the County with a description of its performance standards for all duties under the contract. The County shall have remedies for the failure of NHS to perform under its stated standards including the right to terminate the Professional Services Agreement.

5.5 Under the Professional Services Agreement, the County will be responsible for the means and methods of the performance of its duties under the agreement. NHS shall have remedies for the failure of the County to perform under its standards including the right to terminate the Professional Services Agreement.

5.6 The Parties agree that the Services Agreement shall contain a mandatory alternative dispute resolution provision.

ARTICLE 6 COUNTY'S UNDERSTANDINGS

6.1 If agreement cannot be reached with NHS, the County may reduce the scope of the Shelter project to fit within available funding.

6.2 As a lessee and professional services contractor, NHS will maintain insurance in a form and in an amount acceptable to the County to cover: losses to its personal property, liability to others for negligence in the performance of any duty under the Professional Services Agreement, and other general liability.

6.3 The NHS Board of Directors or its executive committee will need to approve the Lease and Professional Services Agreement.

6.4 If the Lease or Professional Services Agreement is terminated by the NHS, NHS shall pay County the cost to redesign the Shelter if termination occurs subsequent to design and

before construction; or the cost to complete construction, up to \$2.5 million, of the portion of the Shelter to be used by NHS if termination occurs subsequent to commencing construction.

6.5 Under the Professional Services Agreement and the Lease, the County will retain the right to perform euthanasia upon animals under the County's control in its sole discretion as necessary for the best interest of the public.

ARTICLE 7 NHS'S UNDERSTANDINGS

7.1 If the Lease or Professional Services Agreement is terminated by the County after the completion of the Shelter, the County shall pay NHS for the depreciated value of the actual contribution of NHS made to the capital costs for constructing the Shelter. The depreciated value will be determined by using an annual depreciation rate of 3.33%.

7.2 The Washoe County Board of County Commissioners will need to approve the Lease and Professional Services Agreement.

7.3 State law prohibits the County from incurring expenses or making expenditures to support or oppose a ballot question. NRS 293.725. As a private non-profit entity, NHS is not bound by the restrictions of NRS 293.725.

ARTICLE 8 TERMINATION

Prior to the approval of the Lease and Professional Services Agreement either Party may withdraw from this agreement by giving fourteen (14) days prior written notice to the other Party. After the Services Agreement and Lease are effective the termination provisions of those agreements shall govern.

ARTICLE 9 MISCELLANEOUS

9.1 Counterparts. This Memorandum may be executed in counterparts.

9.2 Successors, Assigns and Assignment. This Memorandum is binding upon and inures to the benefit of the permitted successors and assigns of the Parties. None of the Parties shall assign any of the rights or delegate any of the duties of this Memorandum without the express written consent of the other Party.

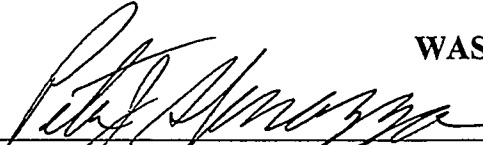
9.3 Construction. The Parties and their professional advisors have prepared this Memorandum jointly. The Parties and their respective advisors believe that this Memorandum is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor or against either Party.

9.4 Governing Law. This Memorandum will be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada.

9.5 Article and Section Headings. The article and section headings appearing in this Memorandum are inserted for the purpose of convenience and ready reference. They do not purport to define, limit, or extend the scope or intent of the language of the articles and sections to which they pertain.

IN WITNESS WHEREOF, each of the Parties has caused this Memorandum to be duly executed on its behalf by an authorized representative.

WASHOE COUNTY

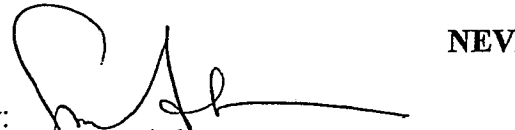
By: 
Chairman Board of Commissioners
Peter J. Sferrazza

Dated this 27th day of August, 2002.

ATTEST:


County Clerk

NEVADA HUMANE SOCIETY

By: 
Its: Susan Asher

Dated this 20th day of August, 2002.

PROFESSIONAL SERVICES AGREEMENT

BETWEEN

**WASHOE COUNTY AND NEVADA HUMANE
SOCIETY**

05-1251

December 13, 2005

21 (1)

b

d

Execution Version

PROFESSIONAL SERVICES AGREEMENT

This agreement ("Agreement") is made on the Effective Date by and between the County of Washoe, a political subdivision of the State of Nevada (hereinafter the "County"); and the Nevada Humane Society, a Nevada private non-profit corporation (hereinafter "NHS"), collectively the "Parties."

ARTICLE 1 RECITALS

1.1 A November 2002 ballot question was approved by the electors of Washoe County to fund the construction through the issuance of tax-exempt bonds (the "Bonds") of a regional animal service center ("Regional Center") and to consolidate the animal services functions of Reno, Sparks and Washoe County. In connection with the issuance of the Bonds and in consideration of the covenants, terms and conditions of the various agreements of the Parties, NHS has agreed to contribute \$2,575,000 to repayment of the Bonds (including issuance costs), as well as an additional \$1,250,000, in two separate payments of \$625,000, which were made on August 1, 2005 and October 1, 2005, and \$300,000 for the construction of two additional kennel pods (collectively, the "NHS Contribution"), as reflected in that certain Lease Payment Agreement, approved by the Washoe County Board of Commissioners on June 14, 2003, as amended, by and between the Parties (the "Lease Payment Agreement"). The transfer of existing animal control and field operations to the County was accomplished through a negotiated interlocal agreement between the local government agencies (the "Comprehensive Interlocal Agreement"). Under the Comprehensive Interlocal Agreement the County is the owner and operator of the Regional Center.

US-1284

1.2 NHS holds private non-profit corporation status under Section 501(c)(3) of the Internal Revenue Code and the US Treasury regulations promulgated thereunder.

1.3 NHS currently operates a sheltered animal welfare and protection facility that provides animal adoption services, medical treatment for animals, spay and neuter services, euthanasia, wildlife rehabilitation, education, cruelty investigation and animal rescue and other related services.

1.4 Pursuant to the Lease Payment Agreement, the Parties contemplate entering into a lease as permitted by NRS 244.284 without competitive bidding, substantially in the form of the lease for the use of the facility (the "Lease") attached as an exhibit to the Lease Payment Agreement, whereby in consideration of the NHS Contribution, the County would lease space in the Regional Shelter for NHS to perform the services required by this Agreement.



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ARTICLE 2 DEFINITIONS

As used in this Agreement, unless the context otherwise requires, the words and terms defined in this section have the meanings ascribed to them herein. as follows:

2.1 "Effective Date" means the later of (1) the date of the signature of the last Party to sign the Agreement provided the Agreement has first been approved by the governing board of each Party, or (2) the commencement of the term of the Lease.

2.2 "Field Operations" means enforcement and support of all laws dealing with domestic animals including animals at large, nuisances, and administration of rabies control while maintaining public and animal safety, impoundment of strays, injured, and abandoned animals and investigation of reports of possibly neglected or abused animals.

2.3 "Foster Care Giver," as used in any SOP, means private care/home that agrees to take on a temporary basis, not to exceed six months, animals from the Center, into such home or care. under the direction and control of NHS/County staffs.

2.4 "Lease" means the agreement as described in Section 1.4 hereof.

2.5 "Livestock" shall have the meaning ascribed to it in WCC 55.010.

2.6 "Organization" means an organization that qualifies as a Nevada non-profit corporation and/or as a 501(c)(3) organization or that possesses a current, valid business license.

2.7 "Pound Seizure" means the release of an animal to an agency for research/ vivisection purposes.

2.8 "Regional Center," "Regional Animal Services Center" or "Center" means the animal control center built and operated by Washoe County pursuant to this Agreement and the Comprehensive Interlocal Agreement, as defined in Section 1.1 hereof.

2.9 "Rescue Group/Releasing Agency" means an agency that will permanently remove an animal from the Center with the intention of finding a home for that animal in accordance with established guidelines of NHS/County ordinances and supervision of NHS/ County staff. To qualify as a Rescue Group/Releasing Agency, such agency must be a Nevada non-profit and/or 501(c)(3) organization or possess a valid, current business license.

2.10 "Services" means the professional services to be performed by NHS pursuant to this Agreement.

2.11 "SOP" means standard operating procedures.

2.12 "Transferred County Animals" means animals that initially came into the control of the County that face euthanasia and are transferred to NHS at NHS's request.

2.13 "Volunteer." as used in any SOP. means an unpaid individual who donates his or her time to the Center under the direction of the NHS/County staffs while performing his or her duties.

ARTICLE 3 SERVICES AT THE CENTER

3.1 ADOPTABLE ANIMALS NHS shall have the first choice of animals in the custody of the County. After the expiration of the time limitations agreed to between NHS and the County. County may contact any qualified rescue group for the adoption of animals not chosen by NHS. ~~The Parties agree to adopt a set of SOP and guidelines to develop the criteria for adoptability and non-adoptability.~~ *WJMA*

3.2 ANIMAL LICENSING NHS agrees to license each qualified animal at the time of adoption in accordance with the established Washoe County ordinance and fee structure and to remit such licensing fees to Washoe County minus administrative fees. SOPs and guidelines shall be developed by agreement of the Parties.

3.3 OWNER-SURRENDERED ANIMALS NHS agrees to accept and be responsible for all owner-surrendered animals, alive or dead. NHS shall be responsible for euthanasia of all transferred and owner-surrendered animals that are deemed not adoptable and for the disposal of dead owner-surrendered animals. The Parties agree to work together to develop a manual of SOP for the efficient care and custody of owner-surrendered animals. NHS shall not be required to accept owner-surrendered livestock. NHS shall accept owner-surrendered animals on a first-come first-served basis, with residents of Washoe County having priority. The qualification criteria for an owner-surrendered animal shall be developed within the SOP and guidelines agreed to by the Parties.

3.3.1 COMPENSATION TO NHS FOR OWNER SURRENDERED ANIMALS NHS agrees to accept the first 3,227 owner-surrendered animals at no cost to Washoe County. As compensation for NHS agreeing to accept all owner-surrendered animals in accordance with this Agreement, the County agrees to pay \$75 for each live owner-surrendered animal over the 3,227 amount up to a maximum of 2,000 additional animals per calendar year. All animals in excess of 5,227 animals per calendar year will be accepted by NHS without further compensation from Washoe County. (The Parties hereby agree and acknowledge that 3,227 represents the average annual number of owner-surrendered animals accepted by NHS over a three calendar year period used in calculating a baseline for this Agreement.)

3.3.2 TERMINATION OF COMPENSATION Unless the Parties otherwise mutually agree, compensation for owner-surrendered animals hereunder shall terminate at the end of calendar year 2011, as the Parties agree that such acceptance of owner-surrendered animals shall rightly become the responsibility of NHS without compensation at such time.

05-1254

3.4 **WILDLIFE** County shall not accept wildlife. NHS shall accept wildlife that is brought into their facility. If NHS is closed, County shall accept and hold wildlife until NHS reopens. At such time, the animal will be transferred to NHS. NHS agrees to accept the wild animal at no charge and shall reimburse County for any emergency veterinary costs incurred for the care of the animal. NHS shall not be responsible to County for any time, labor or other similar charges in excess of the reimbursement for emergency veterinary care.

3.5 **SERVICE AREA** In accordance with the Comprehensive Interlocal Agreement, the Regional Center is being built and operated to serve the animal services needs in the designated congested areas of Washoe County, Nevada, including the incorporated Cities of Reno and Sparks, that were previously met separately by the City of Reno, the City of Sparks and Washoe County. NHS need not restrict its services to the service area described in the previous sentence.

3.6 **OUT-OF-AREA SURRENDERS** The County shall not accept any out-of-area surrendered animals. NHS shall operate at the Regional Center in accordance with its own policies and procedures regarding out-of area surrenders.

3.7 **EUTHANASIA** County and NHS shall develop SOP and guidelines for the euthanasia of animals at the Regional Center. Each Party shall retain the right to perform euthanasia upon animals under such Party's control in its sole discretion as necessary for the best interest of such Party.

3.8 **CREMATORIUM** The crematorium equipment located at the Regional Center shall be shared by both Parties. The Parties agree to allocate all costs related to the crematorium operation pro rata in accordance with the provisions of the Lease. The Parties retain the discretion and ability to develop any other crematory services that are available in the community if in the opinion of the Parties such services are necessary. SOP and guidelines relating thereto shall be developed by the Parties. If either Party uses other cremation/disposal services, the cost for that service shall be paid by the Party requiring the service. Neither County nor NHS shall offer private cremation services.

3.9 **AFTER-HOUR DROP-OFF BOXES** The County agrees to operate AFTER-HOUR drop-off boxes in accordance with its own guidelines and procedures.

3.10 **LIVESTOCK** The Parties agree to continue handling livestock in accordance with Nevada Revised Statutes, Nevada Department of Agriculture regulations, and present practices and to adopt guidelines and SOPs accordingly for handling livestock in the future.

3.11 **RESCUE GROUPS/RELEASING AGENCIES** In performing their respective obligations hereunder, NHS and the County agree to deal with only Rescue Groups or Releasing Agencies that are Organizations within the definition in Section 2.9.

05-1054

3.12 **HOLD HARMLESS** Each Party shall be responsible for any liability that may arise due to euthanizing and/or cremation of animals under its care and custody, and shall hold the other Party harmless in connection with any such liability.

3.13 **POUND SEIZURES** Both Parties agree not to allow Pound Seizures. Releasing animals otherwise scheduled to be euthanized for the purpose of euthanasia technician training and for use by the State of Nevada Board of Veterinary Medical Examiners is permitted. SOPs and guidelines shall be developed accordingly by agreement of the Parties.

ARTICLE 4 COMPENSATION

4.1 Compensation for Services NHS is entitled to collect fees from the public based upon NHS's schedule of fees for services.

4.2 Compensation for Additional Services If County requests NHS to perform services in addition to the Services, the cost of and compensation for such additional services shall be determined prior to commencing additional work. A County representative must authorize all additional services and compensation in writing prior to the services being rendered.

4.2.1 Compensation for Veterinary Services Professional veterinary services available through NHS and used by the County for the animals in County's care, custody and control shall be reimbursed to NHS in accordance with the schedule of fees attached to this Agreement as Appendix A. Upon approval of this Agreement and the fee schedule adopted by the Board of County Commissioners of Washoe County, the Director of Public Works or a designated representative shall have the authority to approve the use of and payment for veterinary services. Subject to the foregoing approval requirements, adjustment of the fee schedule shall occur on a yearly basis, beginning with the close of the County's 2007 fiscal year.

05-1054

ARTICLE 5 STANDARD OF CARE

5.1 In the performance of their respective duties under this Agreement both Parties shall exercise the degree of care, skill and diligence ordinarily provided by professional animal services organizations under similar circumstances.

5.2 **EVALUATION OF FACILITY** NHS and the County agree to have the operation and physical plant of the Regional Center evaluated by the NATIONAL ANIMAL CONTROL ASSOCIATION (NACA) or by another qualified organization agreeable to both NHS and County at a minimum of every three years. The cost incurred for this evaluation shall be split evenly between NHS and the County. The Parties agree to use reasonable efforts to correct material deficiencies identified in any such evaluation.

ARTICLE 6 INDEPENDENT CONTRACTOR

NHS undertakes performance of the Services as an independent contractor and shall be wholly responsible for such performance. County shall have no right to control the methods used by NHS. County shall have the right to observe NHS's performance of the Services, upon reasonable prior notice. NHS shall work closely with County in performing Services under this Agreement.

ARTICLE 7 PERMITS AND LICENSES

NHS shall procure the permits, certificates and licenses necessary to allow NHS to perform the services.

ARTICLE 8 TERM: TERMINATION

8.1 Term. This Agreement shall be for a term equivalent to the term of the Lease, including the renewal provisions thereof.

8.2 Termination for Cause. Following written notice thereof and the expiration of any applicable cure period (as provided in Article 9 below), either Party shall have the right to terminate this Agreement for cause if the other Party materially breaches this Agreement and such breach remains uncured.

8.2 Effect of Termination. If this Agreement expires or is terminated: (i) NHS shall immediately cease providing the Services and shall have no liability for doing so, (ii) County must immediately pay NHS any outstanding fees that County owes, but County shall not incur any additional fees, and (iii) all other rights and benefits of the Parties pursuant to the Lease Payment Agreement or the Lease, if any, shall terminate, in accordance with their terms; provided, however, that any remedies for breach of this Agreement, the Lease Payment Agreement or the Lease shall survive the termination of this Agreement.

ARTICLE 9 CURE TIME

If either Party should breach this Agreement or default in the performance of any duty hereunder, upon discovery of such breach, the aggrieved Party shall give prompt written notice thereof, reasonably describing such default, and the defaulting Party shall have a period of no less than 30 days from the date of receipt of said notice to cure. If the default is not capable of being cured within that 30-day period, then the defaulting Party shall have an additional time period not to exceed 30 days in which to cure, so long as the defaulting Party is diligently pursuing a cure of such default.

05-1054

ARTICLE 10 MANDATORY ALTERNATIVE DISPUTE RESOLUTION PROVISION

10.1 Any claim arising out of this Agreement that is in an amount of \$50,000.00 or less shall be submitted to arbitration in accordance with the provisions of this Article. Any claim that is in excess of \$50,000.00 may be arbitrated if both Parties consent to the arbitration. If both Parties do not consent to arbitrate a claim in excess of \$50,000.00, then the Parties shall have the right to pursue or defend such claim in a court of competent jurisdiction.

10.2 In determining the amount of any claim, all subparts of a claim shall be counted as well as all claims arising out of or connected with the claim to be arbitrated. In addition, all claims, which exist at the time of filing a demand, must be included in that arbitration.

10.3 Any claims arising under this Agreement may be referred to a court of competent jurisdiction for the purpose of determining whether it fails to state a claim upon which relief may be granted or whether there are no factual issues and one Party is entitled to judgment as a matter of law. The submission to a court of competent jurisdiction pursuant to this Section may be at any time prior to, at, or after the filing of the demand for arbitration. In the event that the court's decision resolves the issue(s), then there will be no arbitration. In the event the court determines there are arbitable issue(s), they shall be arbitrated in accordance with this Article.

10.4 All claims submitted to arbitration in accordance with this Article shall be arbitrated in accordance with the then current Arbitration Rules of the American Arbitration Association, subject to the following:

10.4.1 The discovery rules of the Nevada Rules of Civil Procedure shall be followed by the Parties, excepting therefrom compliance with Rule 16.1. All discovery shall be completed no later than 90 days from the date the panel of arbitrators is fixed.

10.4.2 The arbitration panel shall convene a hearing within 30 days of the close of discovery.

10.4.3 The panel shall make its decision within thirty days of the close of the arbitration hearing. The panel's decision shall include findings of fact and conclusions of law. The majority of the panel decides any claim.

10.5 The agreement to arbitrate disputes as provided herein is subject to the provisions of Chapter 38 of the Nevada Revised Statutes (Mediation and Arbitration).

10.6 Notice of a demand for arbitration shall be filed in writing with the other Party to this Agreement. The demand shall be made within reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

05-1234

10.7 All time periods hereunder may be extended by the mutual written consent of the Parties.

10.8 Notwithstanding the provisions of this Article, if the Parties both agree, a claim may be submitted to mediation in accordance with this Section. The mediation shall be in accordance with the Mediation Rules of the American Arbitration Association currently in effect or as the Parties may otherwise agree. Notice of a request for mediation shall be filed in writing with the other Party to this Agreement and with the American Arbitration Association, if applicable. A request for mediation shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for mediation be made after the date when institution of legal or equitable proceedings based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

ARTICLE 11 INDEMNIFICATION

11.1 Each Party agrees to be responsible for any liability or loss that may be incurred as a result of any claim, demand, cost, or judgment made against that Party arising from any negligent act or negligent failure to act by any of that Party's employees, agents, or servants in connection with the performance of obligations assumed pursuant to this Agreement.

11.2 Each Party further agrees to the extent allowed by law pursuant to Chapter 41 of NRS, to hold harmless, indemnify and defend the other from any and all claims, demands, actions, or causes of action by a third party, or any losses, liabilities or expenses resulting therefrom, arising out of the negligent acts, errors or omissions on the part of the its employees, agents, or servants.

11.3 The indemnification obligation pursuant to this section is conditioned upon receipt of prompt written notice by the indemnifying Party of the indemnified Party's actual notice of any action or pending claim or cause of action. To the extent the indemnified Party elects to retain separate legal counsel to participate in any action, the indemnifying Party shall not be liable for any such attorney's fees and costs incurred by the indemnified Party.

ARTICLE 12 NONDISCLOSURE OF CONFIDENTIAL INFORMATION

To the extent permitted by state law the Parties shall safeguard all confidential information provided to each other and shall not publish or disclose it for any purpose other than the performance of the Services without the prior written authorization of the other Party or in response to legal process or as required by the regulations of public entities.

05-12541

ARTICLE 13 NOTICE

Any notice, demand or request required by or made pursuant to this Agreement shall be deemed properly made if in writing and personally delivered, delivered by private courier, transmitted by confirmed facsimile (provided that an original is also sent in accordance with this Article) or deposited in the United States Mail, postage prepaid, to the address and phone numbers specified below (or to such address and phone numbers as may be specified in writing by such Party to the other):

To NHS:

Executive Director
Nevada Humane Society
2825 Longley Lane, Suite B
Reno, Nevada 89502
775-353-8999
775-353-8995 (fax)

To County:

Washoe County
Attn: Public Works Director
P.O. Box 11130
1001 East Ninth Street
Reno, NV 89520
775-328-2040
775-328-3699 (fax)

AND

Washoe County
Attn: Animal Services Manager
P.O. Box 11130
2825 Longley Lane
Reno, NV 89502
775-353-8900
775-353-8905 (fax)

05-1254

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of NHS and County.

ARTICLE 14 UNCONTROLLABLE FORCES

Neither County nor NHS shall be considered to be in default of this Agreement if delays in or failure of performance are due to uncontrollable forces the effects of which, by the exercise of reasonable diligence, the non-performing Party could not avoid and are not reasonably foreseeable at the time of entering into this Agreement. The term "uncontrollable forces" shall mean any event that results in the prevention or delay of performance by a Party of its obligations under this Agreement and that is beyond the control of the non-performing Party. It includes, but is not limited to, fire, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, strikes, work slowdowns or other labor disturbances, any judicial restraint, inability to procure permits, licenses, or authorizations from any state, local, or federal

agency or person for any of the supplies, materials, accesses, or services required to be provided by either County or NHS under this Agreement.

Neither Party shall, however, be excused from performance if nonperformance is due to uncontrollable forces that are removable or remediable and that the non-performing Party could have with reasonable dispatch removed or remedied. The provisions of this Article shall not be interpreted or construed to require NHS or County to prevent, settle, or otherwise avoid a strike, work slowdown or other labor action. The non-performing Party shall, upon being prevented or delayed from performance by an uncontrollable force, immediately give written notice to the other Party in accordance with Article 13 hereof describing the circumstances and uncontrollable forces preventing continued performance of the obligations of this Agreement.

ARTICLE 15 MISCELLANEOUS

15.1 Counterparts. This Agreement may be executed in counterparts.

15.2 Successors, Assigns and Assignment. This Agreement is binding upon and inures to the benefit of the permitted successors and assigns of the Parties. None of the Parties shall assign any of the rights or delegate any of the duties of this Agreement without the express written consent of the other Party.

15.3 Construction. The Parties and their professional advisors have prepared this Agreement jointly. The Parties and their respective advisors believe that this Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor or against either Party.

15.4 Governing Law. This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada. The Parties agree that proper venue for any court action, if any is necessary, shall be in the district court of Washoe County.

15.5 Article and Section Headings The article and section headings appearing in this Agreement are inserted for the purpose of convenience and ready reference. They do not purport to define, limit, or extend the scope or intent of the language of the articles and sections to which they pertain.

05-1254

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed on its behalf by an authorized representative.

WASHOE COUNTY

By: Bonnie Weber
Bonnie Weber, Chairman
Washoe County Commission

Dated this 15th day of DEC., 2005.

State of Nevada)
County of Washoe)

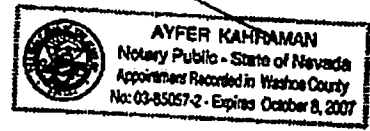
On this 1 day of DECEMBER, 2005 before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared Bonnie Weber, known to me (or proven with satisfactory evidence) to be the person described herein and who executed the foregoing instrument and who acknowledged to me that she executed the same freely and voluntarily on behalf of County, for the uses and purposes therein mentioned.

Ayfer Kahraman
Notary Public

IR 1770

05-12341

NEVADA HUMANE SOCIETY

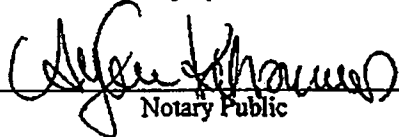


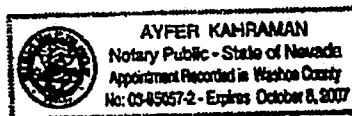
By: Michelle Williams, D.V.M.
Michelle Williams, D.V.M.
Its: Executive Director

Dated this 1st day of Dec., 2005.

State of Nevada)
County of Washoe)

On this 1 day of DECEMBER, 2005 before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared Michelle Williams, known to me (or proven with satisfactory evidence) to be the person described herein and who executed the foregoing instrument and who acknowledged to me that she executed the same freely and voluntarily on behalf of the Nevada Humane Society, for the uses and purposes therein mentioned.


Notary Public



State of Nevada)
County of Washoe)

On this 15th day of December, 2005 before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared Bonnie Weber, known to me (or proven with satisfactory evidence) to be the person described herein and who executed the foregoing instrument and who acknowledged to me that she executed the same freely and voluntarily on behalf of County, for the uses and purposes therein mentioned.


Notary Public



05-1034

Execution Version

**APPENDIX A
SCHEDULE OF VETERINARY SERVICES FEES**

[see attached]

05-1254

May 31, 2005

NEVADA HUMANE SOCIETY
SERVICES FEES 2006/2007

DIAGNOSTIC FEES	\$45 PER HOUR
SUPPLIES/MEDS	AT COST
DOG SPAY	\$45
DOG NEUTER	\$40
CAT SPAY	\$35
CAT NEUTER	\$30
EUTHANASIA	\$25
MICROCHIP	\$12
DHLPPC/RABIES	\$10
FVLCPP/RABIES	\$10
RABIES	\$10
BORDETELLA	\$10

05-1254

Donor	Amount
AARP	\$500
Soroptimist International of Reno	\$100
NV Care Coalition and NV Care Connection	\$500

It was further ordered that the Finance Department be directed to make the following budget adjustments:

Account	Description	Amount of Increase
20274-484000	Caregiver Event/Donations	\$1,100
20274-701110	Caregiver Event/Base Salaries	\$ 175
20274-710872	Caregiver Event/Food Purchases	\$ 500
20274-710500	Caregiver Event/Other Expense	\$ 425

Account	Description	Amount of Increase
20276-484000	Spanish Outreach/Donations	\$500
20276-710872	Spanish Outreach/Food Purchases	\$500

*

05-1254 PROFESSIONAL SERVICES AGREEMENT – NEVADA HUMANE SOCIETY – PUBLIC WORKS

Upon recommendation of Jean Ely, General Services Division Director, through Tom Gadd, Public Works Director, on motion by Commissioner Larkin, seconded by Commissioner Galloway, which motion duly carried with Commissioner Sferrazza absent, it was ordered that the Professional Services Agreement between Washoe County and Nevada Humane Society (NHS) defining operational responsibilities for each including services provided at the Center, animal handling, compensation, periodic facility evaluation and standards of care, be approved and Chairman Weber authorized to execute the same.

05-1255 PURCHASE – REPLACEMENT FLEET VEHICLES/EQUIPMENT – PUBLIC WORKS

Upon recommendation of Jean Ely, General Services Division Director, through Tom Gadd, Public Works Director, on motion by Commissioner Larkin, seconded by Commissioner Galloway, which motion duly carried with Commissioner Sferrazza absent, Chairman Weber ordered that Equipment Services be authorized to purchase replacement fleet vehicles/equipment using Nevada State Bid joinder contract pricing in conjunction with the previously approved capital purchases budget for Equipment Services Fund. It was further ordered that the purchase of vehicles and equipment submitted to date be ratified.



WASHOE COUNTY

"Dedicated To Excellence in Public Service"
www.co.washoe.nv.us

CM/ACM MP
Finance PE
DA TS
Risk Mgt JT
HR n/a
Other n/a

STAFF REPORT
BOARD MEETING DATE: December 13, 2005

DATE: November 23, 2005
TO: Board of County Commissioners
FROM: Jean Ely, General Services Division Director
Phone: 328-2102; email: jeely@mail.co.washoe.nv.us

THROUGH: Tom Gadd, Public Works Director

SUBJECT: Approval and Execution of Professional Services Agreement between Washoe County and Nevada Humane Society defining Operational Responsibilities for each including Services Provided at the Center, Animal Handling, Compensation, Periodic Facility Evaluation and Standards of Care – Animal Services

SUMMARY

Washoe County Animal Services and the Nevada Humane Society (NHS) will cooperatively occupy the Regional Animal Services Facility on Longley Lane. The Professional Services Agreement defines certain operational responsibilities for each including services provided at the center, responsibility for providing different types of services, types of animals handled, compensation to NHS for services rendered, provision for working with rescue groups/releasing agencies, periodic facility evaluation and standards of care.

A separate Lease Agreement (the "Lease") provides for the County to lease space in the Regional Animal Services Facility for NHS to perform these services. Lease Agreement will be presented at a future date.

County Strategic Priorities supported by this item: Improve Regional Collaboration and Improve Government Efficiency and Financial Stability

PREVIOUS ACTION

August 27, 2002 Memorandum of Understanding contemplated that Washoe County and the Nevada Humane Society would enter into a detailed Professional Services Agreement to outline each party's understanding of the duties, services and responsibilities necessary to operate and maintain a new Regional Animal Services Shelter, BCC# 02-909, approved.

AGENDA ITEM # 816)

05-1854

BACKGROUND

- A Memorandum of Understanding was executed between Washoe County and the Nevada Humane Society. The purpose of which was to state the intentions of the Parties to improve animal services in Washoe County and form the basis upon which the Parties would negotiate and enter into the Professional Services Agreement.
- The Professional Services Agreement provides that the Nevada Humane Society will serve as a temporary shelter and accept owner surrendered animals, perform adoptions, coordinate medical treatment for animals under NHS's control, perform spay/neuter services, euthanasia, wildlife rehabilitation, education, cruelty investigation, animal rescue and other related services.
- The Professional Services Agreement provides that the County will serve as a temporary shelter for impounded animals; care for stray, abandoned, abused or animals running at large or otherwise subject to impounding; provide for the medical treatment of animals under the County's control, perform euthanasia, verify animal inoculations, manage records of rabies vaccinations and issue dog licenses.
- The Professional Services Agreement provides for the standard of care by both parties in the performance of their respective duties.
- The Professional Services Agreement provides for periodic evaluation of the operation and physical plant of the Regional Animal Services Center by the National Animal Control Association (NACA) or another qualified organization.

05-1254

FISCAL IMPACT

NHS agrees to accept the first 3,227 owner-surrendered animals at no cost to Washoe County. As compensation for NHS agreeing to accept all owner-surrendered animals in accordance with the Professional Services Agreement, the County agrees to pay \$75 for each five owner-surrender animal over the 3,227 animals up to a maximum of 2,000 additional animals per calendar year. All animals in excess of 5,227 animals per calendar year will be accepted by NHS without further compensation from Washoe County.

Cost to Washoe County for handling of owner-surrendered animals estimated to be \$150,000 or less per year.

RECOMMENDATION

It is recommended that the Board of County Commissioners approve and execute the Professional Services Agreement between Washoe County and Nevada Humane Society defining operational responsibilities for each including services provided at the Center, animal handling, compensation, periodic facility evaluation and standards of care.



POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: Move to approve the Professional Services Agreement between Washoe County and the Nevada Humane Society defining operational responsibilities and services provided at the Regional Animal Services Center.

Cc: Cindy Sabatoni
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Jana Gill

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