

**LOCAL GOVERNMENT TECHNOLOGY INITIATIVE
CONTRACT ADMINISTRATOR
MEMORANDUM OF UNDERSTANDING**

THIS CONTRACT ADMINISTRATOR MEMORANDUM OF UNDERSTANDING (Contract Administrator MOU) is entered into as of the 9 day of May , 2019 between the STATE AND LOCAL GOVERNMENT FINANCE DIVISION (the "SLGFD"), a division of the North Carolina Department of State Treasurer (the "DST"), and the CITY OF HIGH POINT, a municipal corporation (the "City"). The SLGFD and the City are each a separate "Party" and shall collectively be referred to as the "Parties."

Background

The Parties, and other entities and organizations, are members of a Steering Committee, under the Local Government Technology Initiative Steering Committee Memorandum of Understanding dated the 9 day of May , 2019 (the "Steering Committee MOU"). The Steering Committee MOU is incorporated by reference in its entirety herein as if fully set forth.

Funds for carrying out the Steering Committee's Goals have been appropriated and allocated to the SLGFD Operations Budget by the North Carolina General Assembly. The City has agreed to act as the Contract Administrator for the Steering Committee, accepting the Contract Administrator's roles and responsibilities as outlined below. All administrative duties of the Contract Administrator shall be carried out by the Steering Committee administrative staff.

Roles and Responsibilities

A. The City, as the Contract Administrator:

1. Shall be the Party to contract with the Consultant upon documented approval of the contract by the Steering Committee. All contracts will include a non-appropriation clause. All contracts shall include acknowledgments by the Contract Administrator and the counter-parties that (a) the sole source of funds available for payments due under the contracts is the funding appropriated by the NC General Assembly and allocated and available to the DST in accordance with Session Law 2017-57, and (b) all payments thereunder must be approved by the Steering Committee prior to disbursement by the Contract Administrator.
2. Has the authority to incur reasonable and necessary expenses in furtherance of the Goals of the Steering Committee MOU, with the prior approval of the Steering Committee. Any incurred expenses will be paid solely by the funds made available for this project. No funds belonging to the Contract Administrator shall be used to pay for any invoices or expenses incurred for carrying out the Goals of the Steering Committee MOU.
3. Has a veto power over any expenditure of funds.

B. Cost Reimbursement and Invoicing:

1. The Contract Administrator shall be responsible for disbursement of payments of all expenses incurred by the Steering Committee in furtherance of the stated Goals upon approval of those expenses by the Steering Committee. The Contract Administrator's disbursement responsibilities are limited to the amount of funds appropriated by the NC General Assembly and allocated and available to the DST in accordance with Session Law 2017-57 (the "Project Funds"). In no event

shall the Contract Administrator be exposed to its own financial risk under this Contract Administrator MOU.

2. The Contract Administrator shall submit to the Steering Committee administrative staff detailed invoices for all expenses within five business days of receipt. The administrative staff will ensure that all Steering Committee members get a copy of any invoices and related supporting materials.
3. Unanimous approval of an invoice by the Steering Committee is required before payment to the Contract Administrator of the funds needed to pay the invoice.
4. Payment by SLGFD to the Contract Administrator for approved invoices shall be made in accordance with the procedures required by the DST after the Steering Committee's approval of the invoice.
5. It is understood and agreed that any payments or reimbursements specified in the Steering Committee MOU or in this Contract Administrator MOU, and the continuation, renewal or extension of either MOU, are dependent upon and subject to the allocation or appropriation of funds to DST for the purposes set forth in the Steering Committee MOU.
6. Steering Committee administrative staff shall provide monthly expense reports to the Steering Committee.

Procedure for Receipt, Approval, and Payment of Invoices

The Steering Committee bears the ultimate responsibility for contracting for services and approval and payment of invoices resulting from those contracts. The Contract Administrator will be the party to contract with the Consultant, upon documented approval by the Steering Committee of said contract. Invoices submitted by Consultant will go to the Steering Committee for approval. Upon approval, a request will be made for funds to pay the invoice. Funds will be remitted to the Contract Administrator for payment to the Consultant.

Detailed Procedure:

1. Contract with Consultant is developed and terms are approved by the Steering Committee; contract is executed with Contract Administrator as the representative party to the contract.
2. Steering Committee directs SLGFD staff to encumber the necessary funds.
3. Consultant begins work and invoices for period to date.
4. Invoice is received by Contract Administrator and forwarded to Steering Committee administrative staff within five business days of receipt.
5. Invoice is presented to Steering Committee for approval.
6. Prior to approving an invoice, the Steering Committee shall ensure that sufficient funds are appropriated, allocated, encumbered and available to pay the invoice in full.
7. Invoice is approved by the Steering Committee and a request for funds is processed through DST Financial Operations, with resulting funds directed to the Contract Administrator.
8. Contract Administrator receives funds and remits payment to the Consultant.
9. Steering Committee administrative staff maintains files and documentation for all invoices and payments.

Term

The term of this Contract Administrator MOU shall begin on the effective date set forth above, expiring on June 30, 2020. The Parties may extend this Contract Administrator MOU, conditioned upon (1) an approval of funds carryforward by the Office of State Budget and Management, (2) approval of governing boards and agencies as necessary, (3) approval by the Steering Committee, and (4) a simultaneous extension of the Steering Committee MOU. Any extension must be in writing signed by the Parties.

Hold Harmless

The City assumes no responsibility for the success of the Project or the processes established for the initiation or governance and monitoring of the same, including without limitation financial responsibility arising from any loss, damage, and expense (including reasonable legal expense) relating thereto, and the SLGFD & DST hereby irrevocably waive and release all claims and causes of action relating thereto (collectively, the "Released Claims") to the fullest extent permitted by North Carolina Law. Furthermore, to the fullest extent permitted by North Carolina law, the SLGFD & DST agree to indemnify, defend, compensate, and reimburse the City for, and protect and hold harmless the City from and against, all actions, proceedings and claims brought or threatened against the City, and all loss, damage, and expense (including reasonable legal expenses) relating to the Released Claims where such action, proceeding, or claim has arisen out of or is related to, this MOU, and if any payment is made by the SLGFD & DST under this paragraph, the SLGFD & DST will not seek recovery of that payment from the City at any time. The City shall be held harmless and made whole by the SLGFD & DST for any damages, financial, equitable, or legal exposures that the City may incur as a result of this MOU. Notwithstanding anything to the contrary herein, any liabilities of SLGFD & DST are limited to, and shall not exceed, the amount of available and unspent Project Funds, and SLGFD & DST shall not indemnify or hold City harmless from any actions, proceedings, claims, liabilities, losses, costs or expenses (including reasonable legal expense) arising from City's breach of its obligations under this MOU, or from City's negligence, gross negligence, misconduct, or bad faith. In the event this paragraph conflicts with any other provision of this MOU, or any agreements related to this MOU by incorporation or reference in any manner, this paragraph shall govern and control.

Amendments

This Contract Administrator MOU may be amended by the mutual consent of the Parties, subject to approval by the Steering Committee. Any amendment shall be in writing and signed by the Parties.

Authority to Bind

Each Party to this MOU represents and warrants that the execution, delivery and performance of this MOU and the consummation of the transactions provided in this MOU have been duly authorized by all necessary actions of the respective person or entity, including receipt of approvals from any governing board and/or agencies, and that the person executing this MOU on its behalf, if applicable, has the full capacity to bind that entity.

THIS CONTRACT ADMINISTRATOR MEMORANDUM OF UNDERSTANDING has been executed by the Parties in duplicate originals, one of which shall be retained by each Party.

STATE AND LOCAL GOVERNMENT FINANCE DIVISION

By: Greg Gaskins, Deputy Treasurer

Signature: Greg C. Gaskins

Title: Deputy Treasurer

Date: MAY 9, 2019

CITY OF HIGH POINT

By: Greg Demko, City Manager

Signature: _____

Title: _____

Date: _____