

**ANIMAL CARE  
AND  
SHELTER SERVICES AGREEMENT**

This Animal Care and Shelter Services Agreement (the "Agreement") is made and entered into on May 21, 2008, by and between the City of Las Vegas, a political subdivision of the State of Nevada (the "CITY"), and The Animal Foundation, a nonprofit Nevada corporation (the "TAF"). The CITY and TAF may be referred to individually as a Party, or collectively as the "Parties."

**RECITALS**

1. The CITY is the governmental entity responsible for the care, control, and sheltering of animals which are sick, abandoned, lost, or improperly running at large within its jurisdictional boundaries;

2. TAF is the contract provider of care and shelter for animals received from the residents of Clark County and animal control officers of the County, the CITY and the City of North Las Vegas (the "Jurisdictions") at the Lied Animal Shelter. The CITY and TAF commenced this arrangement on October 3, 1995 with the execution of a professional services agreement entitled "Animal Care and Shelter Services Agreement between the Parties" ("1995 Agreement");

3. The Parties amended the 1995 Agreement on April 13, 1998 (the "First Amendment"), on December 7, 1998 (the "Second Amendment") and on October 16, 2002 (the "Third Amendment"). The 1995 Agreement, the First Amendment, the Second Amendment and the Third Amendment shall be hereinafter referred to as the "Shelter Agreement";

4. On February 28, 2006, the Shelter Agreement expired by its terms, but TAF continued to provide shelter services on a month-to-month basis, during which time the Parties were attempting to negotiate a new agreement for sheltering services;

5. The Parties now desire to enter into this Agreement to promote the efficient, safe, humane and effective control and care of animals within the CITY.

NOW, THEREFORE, in consideration of the mutual terms, conditions and covenants hereinafter set forth, the Parties agree as follows:

**ARTICLE I  
FOUNDATION RESPONSIBILITIES & OBLIGATIONS**

**1.1 Ordinary Care and Shelter.**

(a) General Care Obligations. Pursuant to the terms of this Agreement, and in accordance with the Protocols and applicable state and local law, TAF shall provide humane and reasonably appropriate care and shelter to each animal delivered to the Shelter by residents of the CITY, City of Las Vegas Animal Control Officers or law enforcement officers.

(b) Holding Period. TAF shall provide care and shelter for any animal delivered to the Shelter by a law enforcement officer, a City of Las Vegas resident or City of Las Vegas Animal Control Officer for 72 hours. If TAF chooses to provide care and shelter for any animals exceeding the above-described holding period, TAF must not exceed the maximum shelter capacity as provided by paragraph 1.7, herein.

(c) Holding Period Not to Exceed 90 days. Under no circumstance shall TAF provide care and shelter for any animal for a period of time exceeding 90 days. Such 90 day period shall begin at 6:00 a.m. the day after the delivery of the animal at the Shelter.

(d) Hours of Operation. Except as otherwise provided by Section 1.3 hereof, TAF shall operate the Shelter such that it is open to the public for a minimum of forty eight (48) hours per week including a minimum of eight (8) hours per weekend, legal holidays excluded. The actual public operating hours (“Operating Hours”) of the Shelter shall be determined by TAF in its reasonable discretion, subject to the minimum requirements set forth in the previous sentence.

1.2 Extraordinary Care and Shelter. Notwithstanding the holding period set forth in Section 1.1(b) hereof, TAF shall provide care and shelter to any animal delivered to the Shelter for the time period mandated by a court of competent jurisdiction.

1.3 Twenty-four hour Veterinary Care. TAF shall provide 24-hour emergency veterinary care to each animal delivered to the Shelter and in need of such care. TAF may make reasonable arrangements (as agreed upon by TAF and the City) to provide such emergency care when it is required outside of the Shelter’s Operating Hours, including, without limitation, employing an on-call veterinarian, transporting such animal to an emergency veterinary clinic, or paying for such care at a 24-hour veterinary clinic, which clinic shall be from among those agreed upon in advance by TAF and the City. TAF shall provide to the City emergency contact information for each such emergency veterinary clinic and for members of the Shelter’s staff responsible for coordinating such emergency care. In any event, TAF shall provide such emergency care as quickly as reasonably practicable under the circumstances.

1.4 Rabies Inoculation. Prior to the release of any animal from the Shelter, TAF shall, in accordance with the Protocols and applicable law, cause such animal to be inoculated, or verify the prior inoculation of such animal, with a rabies vaccine generally recognized by the veterinary community as safe and effective and as described in the then-current edition of the document entitled, “Animal Prevention and Control”.

1.5 Spaying and Neutering. TAF shall cause to be spayed or neutered, as applicable, any cat or dog that is transferred by TAF to, or is adopted by, any person or organization, provided, that such animal shall not be spayed or neutered if to do so would be generally recognized as medically inappropriate under the circumstances, due to such animal’s age or health condition. If the Shelter releases, through adoption or otherwise, an animal that has not been spayed or neutered because of its health condition, the person taking custody of such animal shall receive from the Shelter a document stating the nature of such animal’s health condition and the time period after which such animal may be safely spayed or neutered.

1.6 Animal Foundation Standard Operating Procedures. TAF shall adopt, implement, and operate the Shelter in compliance with, the document entitled, “Animal Foundation Standard Operating Procedures”, a copy of which is attached hereto as Exhibit A (the “Protocols”), which was created in substantial part, and which may be amended from time to time as mutually agreed in writing by TAF and the City of Las Vegas, Clark County and the City of North Las Vegas. Violation of the Protocols by TAF may result in penalties as provided by Article II herein.

If any situation arises that is not contemplated by either the terms of this Agreement or the Protocols, then TAF shall immediately consult with the City, Clark County and the City of North Las Vegas to consider appropriate amendments to the Protocols regarding such situation. As provided above, any amendment to the Protocols must be approved in writing by the City of Las Vegas, Clark County and the City of North Las Vegas.

1.7 Maximum Shelter Occupancy. TAF shall not allow the number of animals inhabiting the Shelter to exceed, for a period longer than 24 hours, the Shelter’s maximum occupancy level. The maximum occupancy level being the lowest number as prescribed by applicable law. If the number of animals inhabiting the Shelter must be reduced pursuant to this Section 1.7, TAF shall reduce the number of such animals in accordance with the Protocols and applicable law.

1.8 Reports. Within 30 calendar days following the end of each calendar month, TAF shall provide to the City a report for such month, which shall include the following:

- (a) a discussion of any problems relating to the operation of the Shelter;
- (b) a financial statement relating to the operation of the Shelter;
- (c) statistics identifying (i) the respective number of animals delivered to the Shelter from the residents or animal control officers of the CITY and from each other jurisdiction delivering animals to the Shelter, (ii) the average length of stay per animal, (iii) the number of such animals that were classified as dangerous or vicious under applicable law or the Protocols, and (iv) the disposition of all animals delivered to the Shelter; and
- (d) any additional information as reasonably agreed upon by the CITY and TAF.

## **ARTICLE II**

### **NON-COMPLIANCE; PENALTIES**

2.1 Notice of Default. In the event the City discovers a violation by TAF of its obligations hereunder, the City shall notify TAF and may provide written notice (a “Notice of Default”) of such violation to TAF.

2.2 Cure; Event of Default. Within 48 hours of the receipt by TAF of a Notice of Default, TAF shall cure each violation described therein. If TAF so requests in writing within such 24-hour period, the City may consent to an extension of such 48-hour cure period for a reasonable time to allow TAF to cure any such violation. Any such violation that remains

uncured after such 48-hour period, or any extension thereof, shall be an “Event of Default” hereunder.

2.3 Monetary Sanction. If an Event of Default occurs, the CITY may impose a monetary penalty upon TAF, provided that the amount of each such monetary penalty shall be reasonably proportionate to the severity of the corresponding Event of Default, and provided further, that the aggregate of all monetary sanctions for any calendar month shall not exceed the amount of Funding (as defined in Article III hereof) for the next succeeding calendar month. Such monetary sanction shall be deducted from the Funding for the calendar month immediately following the imposition of such monetary sanction. The monetary sanctions for an Event of Default shall not exceed \$500.00 for each day on which such Event of Default is occurring, provided, that if such Event of Default is substantially similar in nature to an Event of Default for which a monetary sanction has been previously imposed by any Jurisdiction (and upheld following any appeal thereof) pursuant hereto (such a repeated Event of Default, a “Repeated Default”), then the monetary sanction for such Repeated Default shall be at least \$1,000.00, but no more than \$5,000.00 for each day on which such Repeated Default is occurring.

2.4 Appeal of Sanction. Any monetary sanction imposed pursuant to this Article II may be appealed within thirty (30) days to the Las Vegas City Council.

2.5 Insurance Premiums. Notwithstanding the terms of Section 2.3 hereof, if TAF fails to maintain any of the Policies required by Article IV hereof, the CITY shall have the option to pay any premium or other payment required to reinstate such defaulted Policy or procure insurance policies as necessary to provide coverage substantially similar to that of the defaulted policy. If the CITY exercises such option, the CITY shall be entitled to collect the cost thereof from TAF, or deduct such cost from any sums due to TAF pursuant to this Agreement.

2.6 Termination of Agreement for Cause. This Agreement shall continue in force until the completion of all services required of TAF hereunder, unless terminated prior to such completion by TAF or the CITY pursuant to the provisions of this Section 2.6.

(a) This Agreement may be terminated by any Party (a “Terminating Party”) in the event of the failure by another Party (the “Breaching Party”) to observe or perform any of its obligations under this Agreement through no fault of the Terminating Party (such a failure, a “Breach”) and such Breach continues for [five] calendar days following the receipt by the Breaching Party of a notice (a “Notice of Breach”) from the Terminating Party of such Breach. No Breach shall be deemed to be occurring if the nature of such Breach is such that it cannot be reasonably cured within [five] calendar days, provided, that the Breaching Party commences cure of such Breach within [five] calendar days of receiving the Notice of Breach and such cure is timely completed.

(b) If this Agreement is terminated by the CITY for a Breach by TAF, the CITY shall pay to TAF, to the extent not already paid, the pro rata share of Funding due to TAF for the month in which such Breach occurs, from the first day of such month to the date of the Breach. Any such payment may be reduced to the extent of any costs incurred by the CITY as a direct consequence of such Breach. This section shall not be construed as placing a limitation on the damages recoverable by the CITY resulting from such Breach, nor shall such a reduction be

construed as a waiver by the CITY of its right to seek damages resulting from this Breach pursuant to the terms of this Agreement or otherwise.

(c) If this Agreement is terminated by TAF for a Breach by the CITY, the CITY shall pay to TAF, to the extent not already paid, the pro rata share of Funding due to TAF for the month in which such Breach occurs, from the first day of such month to the date of the Breach.

(d) If any Party seeks to terminate this Agreement pursuant to this Section 2.6(a), the Party shall deliver to other Party a notice of such termination and the grounds therefore (“Termination Notice”). Upon termination of this Agreement pursuant to this Section, TAF shall promptly discontinue the performance of its obligations hereunder, unless the Termination Notice provides otherwise.

(e) If any three Repeated Defaults occur within any 12-month period, then the third such Repeated Default may, at the sole discretion of the CITY, constitute a Breach of this Agreement by TAF.

(f) A Breach of this Agreement by TAF shall be deemed to have occurred if, after notice and a hearing, that the CITY determines that TAF or any of its agents or representatives have offered or provided any gratuity, in the form of entertainment, gifts or otherwise (a “Gratuity”), to any agent or representative of the CITY with a view toward securing favorable treatment by such agent or representative respect to the award or any amendment of this Agreement or any determinations to be made with respect to the performance of this Agreement by any of the Parties. In addition to any other remedies available to the CITY pursuant to this Agreement, in the event of any Breach by TAF as described in this Section 2.6(f), the CITY shall be entitled to pursue any remedies available to the CITY under applicable law, including without limitation, exemplary damages in an amount which shall not be less than three nor more than ten times the greater of the sum of all such Gratuities or the costs incurred by TAF in providing such Gratuities.

## 2.7 Termination of Services Agreement by Clark County or North Las Vegas; CITY’s Payment Obligation Capped.

(a) Interlocal Agreement Acknowledgement. TAF acknowledges that an Interlocal Agreement With Jurisdictions Regarding Proposed Regional Animal Shelter Campus dated August 20<sup>th</sup>, 2003 (the “Interlocal”) exists between the Parties. The TAF further acknowledges that Paragraph Three of the Interlocal states as follows:

“In the event that any of the Entities provides written notice of termination of its respective animal shelter services agreement with The Animal Foundation, each entity shall have the right to occupy and use, in a manner of each entity’s choosing, a guaranteed portion of the Lied Animal Shelter necessary to provide animal sheltering services for that Entity, including use of any and all other areas and systems of the facility necessary to properly provide such service for the citizens of that Entity during the term of [the Interlocal]. No entity shall use any section or system of the Lied Animal Shelter in a manner that excludes use by another Entity on a proportional basis as specified herein.”

(b) CITY's Payment Obligation Capped at Actual Dollar Funding Obligation Amount. If either or both the Clark County or the City of North Las Vegas independent shelter services agreement is terminated by the jurisdiction or TAF, and whether or not such jurisdiction subsequently asserts a right to occupy its "proportional" share of Shelter based upon the Interlocal, TAF acknowledges and agrees that the CITY's actual dollar funding obligation amount will not increase based upon termination of another independent shelter services agreement with TAF, except as provided by an inflation adjustment pursuant to Paragraph 3.3, herein. As such, if prior to the termination of an independent shelter services agreement, the CITY's actual dollar funding obligation to TAF was \$1,521,805.00, then after the termination of such independent shelter services agreement, the CITY's actual dollar funding obligation to TAF shall remain \$1,521,805.00, subject to the inflation adjustment pursuant to the terms of this Agreement.

(d) CITY obligation to "Meet and Confer." If either or both the Clark County or the City of North Las Vegas independent sheltering services agreement terminate, the City agrees to meet and confer with TAF regarding adjustment of the CITY's obligation to pay TAF for future services rendered, but in no way does this paragraph obligate the CITY to agree to pay any more than its pre-termination actual dollar funding obligation to TAF.

2.8 Termination for convenience. This Contract may be terminated in whole or in part by the CITY for its convenience; but only after TAF is given:

- (a) Not less than 9 months written notice of intent to terminate; and
- (b) An opportunity for consultation with the CITY prior to termination.

If termination is for the CITY's convenience, the CITY shall pay TAF that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.

2.9 Fiscal Funding Termination. In the event that the CITY does not obtain sufficient funds to continue with the performance of its obligations hereunder, including payment of compensation to TAF, then this Agreement shall terminate with the expiration of the previously allocated funding from the CITY's prior fiscal year.

### **ARTICLE III FUNDING**

#### 3.1 Initial Budget

- (a) TAF's initial budget for this contract shall be \$6,181,675.
- (b) TAF and Jurisdictions agree that the combined jurisdiction funding contribution shall be 60% of TAF's budget or \$3,709,005.
- (c) The parties agree that the Jurisdictions will initially allocate the combined Jurisdiction funding based on the 2007 actual jurisdictional animal count, which establishes an initial allocation to Clark County of 42.67% (\$1,582,632), City of Las Vegas 41.03% (\$1,521,805) and City of North Las Vegas 16.30% (\$604,568).

3.2 Beginning on May 1, 2008, and continuing on the first day of each month thereafter each Jurisdiction shall pay to TAF an amount equal to (1/12) one-twelfth of the Jurisdiction funding contribution calculated in Paragraph 3.1 (c).

3.3 Annual Rate Adjustment: The combined Jurisdiction funding amount described in Paragraph 3.1 shall be adjusted on January 1, 2009, and each succeeding January 1, based on the lower of five (5) percent or the Bureau of Labor Statistics, Consumer Price Index-All Urban Consumers, West Region All Items on an October-to-October basis. The index for the most current October will be divided by the index for the previous October, and that quotient shall then be multiplied with the prior calendar year combined Jurisdiction funding amount to arrive at the new rate.

3.4 Allocation of the Contribution Rate: The allocation of the combined Jurisdiction funding amount amongst the participating Jurisdictions shall be based on their share of the animals from the preceding twelve-month period ending November 30 of each year ("Allocation Percentages"). Such report shall be delivered to the City by December 15<sup>th</sup> of each year. The Allocation Percentages shall not include animals for which the originating Jurisdiction is unknown.

3.5 Average Length of Stay Adjustment: TAF shall report the average length of stay per animal by Jurisdiction from the preceding twelve-month period ending November 30 of each year. Such report shall be delivered to the City by December 15<sup>th</sup> of each year.

If there is a difference between the average length of stay per animal by Jurisdiction for the prior year of more than 15% between one or more of the Jurisdictions, the computation of the Allocation Percentages shall be adjusted by TAF to account for the difference in the length of stay by multiplying each Jurisdiction's actual animal count by that Jurisdiction's average length of stay, divided by the total of that product for all three Jurisdictions ("Animal/Day Calculation").

TAF shall not adjust the CITY's allocation until the CITY acknowledges and accepts in writing TAF's November 30 number for average length of stay per animal by Jurisdiction. TAF acknowledges that the CITY may audit TAF records relating to this number pursuant to Paragraph 6.8, herein. If the City does not acknowledge and accept such number in writing by January 15<sup>th</sup> of the following year, TAF may appeal this failure to act to the City Council at the next available City Council meeting.

3.6 On November 30<sup>th</sup> of each year, TAF will provide a copy of their audited financial statements for review by the Jurisdictions. These statements shall include, but not be limited to, a balance sheet, current year budgets and actual revenues, contributions and expenses and proposed budget for the succeeding year.

3.7 Capital Improvements. TAF may not use any monies received from the CITY pursuant to this Agreement to fund, in any manner, future capital improvements at the Shelter.

**ARTICLE IV**  
**INSURANCE; INDEMNIFICATION**

4.1 General Requirements.

(a) As a condition precedent to receiving any Funding pursuant to this Agreement, TAF shall obtain and maintain, for the duration of this Agreement, each of the insurance policies, including endorsements thereto, set forth in Section 4.2 hereof (the "Policies"), shall pay all premiums and related costs of such Policies, and shall provide to the CITY, upon request, certificates ("Certificates") documenting that such Policies remain in effect.

(b) Each of the Policies shall be issued by an insurer licensed to issue such Policy within the State of Nevada. Each insurer providing any such Policy shall comply with or meet any applicable standards or qualifications prescribed by the applicable law of the CITY.

(c) No later than 20 days prior to the expiration of any Policy, TAF shall cause such Policy to be renewed on substantially identical terms, and shall provide to the CITY a new Certificate evidencing the renewal of such Policy.

(d) The CITY, its respective officers and employees, and any individuals volunteering their services to TAF (the "Covered Parties") shall be expressly included as insured parties under the Policies. The Policies shall be the primary insurance coverage for the Covered Parties. Any other coverage obtained by or available to the CITY shall be considered excess coverage and shall not limit the ability of any of the Covered Parties to seek the benefits of coverage under the Policies pursuant to this Agreement.

(e) The terms of the Policies shall provide for a minimum of 30-days written notice to each of TAF and the CITY before the effectiveness of any amendments, modifications or cancellations thereof, or reductions in coverage thereunder.

(f) All deductibles and self-insured retentions contained in the Policies must be disclosed in the Certificates, which deductibles and retentions shall not exceed \$5,000 without the written consent of the CITY. The Policies shall not contain any aggregate limit on coverage for bodily injury and/or property damage, which limit is less than \$2,000,000. All aggregate coverage limits contained in a Policy must be disclosed in the Certificate for such Policy, and any changes to such aggregate limits shall be disclosed in writing to the CITY.

4.2 Required Policies. The Policies shall include the following:

(a) General Liability. General liability coverage shall be determined by "occurrence" only and shall not be based on "claims made". Such coverage shall be provided either on a "Commercial General Liability" form or a "Broad Form Comprehensive General Liability". No exceptions to the coverage provided in such forms shall be permitted. The Policy providing general liability coverage shall include, but need not be limited to, coverage for:

- (i) bodily injury;
- (ii) personally injury;

- (iii) “Broad Form” property damage;
- (iv) premises operations;
- (v) severability of interest;
- (vi) products and completed operations; and
- (vii) contractual and independent contractors.

Such Policy shall contain limits of no less than \$1,000,000 combined, single limit per occurrence for bodily injury (including death), personal injury and property damage.

(b) Automobile Liability. The Policy providing automobile liability coverage shall include, but need not be limited to, coverage for all vehicles utilized by TAF in the performance of this Agreement, whether or not such vehicles are owned by TAF. Such Policy shall contain limits of no less than \$1,000,000 combined, single limit per accident for bodily injury and property damage.

(c) Professional Liability Insurance. The Policy providing professional liability coverage shall provide such coverage in an amount not less than \$1,000,000, and may be on a “claims made” basis or an “occurrence” basis, provided, that if such Policy’s coverage is determined on a “claims made” basis, TAF shall maintain such Policy for a period of five (5) years following the termination of this Agreement.

(d) Workers’ Compensation Insurance. The Policy providing workers’ compensation insurance shall be in compliance with the laws of the State of Nevada governing such policies. Verification of such Policy shall be required prior to the performance of any services by TAF pursuant to this Agreement. TAF shall ensure that any subcontractors utilized in the performance of this Agreement are covered by such Policy in compliance with applicable law.

4.3 Indemnification. TAF shall be responsible for and shall remedy all damage or loss to the property of the CITY, to the extent such was caused in whole or in part by TAF, its principals, employees, subcontractors or other agents. TAF shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of this Agreement. Regardless of the coverage provided by any of the Policies, TAF shall indemnify, defend and hold harmless the CITY from any and all claims, demands, actions, attorneys’ fees, costs and expenses, based upon or arising out of alleged errors, omissions or acts of TAF or its principals, employees, subcontractors or other agents while performing services pursuant to or in connection with this Agreement except to the extent such arise from any willful, reckless or negligent act on the part of the CITY.

4.4 Storage of Materials. TAF shall be responsible for the storage of its materials. The CITY shall not be responsible for any loss of or damage to such materials, including, without limitation, tools, appliances, equipment or supplies, which damage arises from acts of theft, vandalism, malicious mischief or otherwise, except to the extent such damage arises from any willful, reckless or negligent act on the part of the CITY.

## **ARTICLE V PERFORMANCE BOND**

5.1 Performance Bond. Unless TAF provides an alternative pursuant to the terms of Section 5.2 or Section 5.3 hereof, TAF shall post a bond (the "Performance Bond") in the amount of Five Hundred Thousand Dollars (\$500,000.00). The Performance Bond shall be in a form acceptable to the City Attorney and shall be held by the CITY during the term of this Agreement. TAF shall pay all premiums and related costs of the Performance Bond. The Performance Bond must be executed on a form approved by the City Attorney and countersigned by an agent authorized and licensed in the State of Nevada to represent the surety of such Performance Bond.

5.2 Cash in Lieu of Performance Bond. TAF may post \$500,000 cash in lieu of the Performance Bond required by Section 5.1 hereof ("Cash"). If Cash is posted, such Cash shall accrue a reasonable rate of interest as determined by the CITY. Such interest shall be paid to TAF within 90 days following the termination of this Agreement, provided, that such interest shall be forfeited to the CITY if this Agreement is terminated following an Event of Default pursuant to Section 2.6 hereof.

5.3 In lieu of posting security either by cash or by bond, TAF may execute an letter acknowledging and accepting the terms of this subparagraph in writing to the CITY, whereby TAF acknowledges and agrees that upon a termination by the City for a breach by TAF of this Agreement or the First Amended and Restated Lease For Animal Control Shelter (the "Lease"), other than natural expiration of the Agreement or the Lease, TAF shall receive whatever amount is due and owing to TAF for its improvements, less \$500,000.00.

## **ARTICLE VI MISCELLANEOUS**

6.1 Amendments to Agreement. The terms of this Agreement shall not be amended, except in a writing signed by authorized representatives of the CITY and TAF. Terms for amending the Protocols are provided at Paragraph 1.6, herein.

6.2 Term of Agreement. This Agreement shall terminate at the close of business on December 31, 2015 (the "Termination Date"). The CITY may renew this Agreement for up to two (2) additional terms of five years each. If, in contemplation of the termination of this Agreement, the Parties desire to negotiate the terms of a subsequent animal care and shelter services agreement, the Parties may extend the term of this Agreement for one period of up to one year to provide operational continuity of the Shelter during such negotiation.

6.3 Assignment Prohibited. This Agreement is a contract for professional services. TAF shall not assign this Agreement or the performance of any of its obligations hereunder, without the prior, written consent of the CITY.

6.4 Governing Law. This Agreement shall be governed by and construed under the laws of the State of Nevada.

6.5 Entire Agreement. This Agreement constitutes the full, complete and final agreement of the Parties and supersedes all prior agreements between the Parties with respect to the operation of the Shelter.

6.6 Pet Harbor/Chameleon Animal Management System. Unless the Jurisdictions mutually agree to utilize a new system, TAF shall utilize the Pet Harbor/Chameleon Animal Management System (“System”) to, among other things, track the incoming and outgoing animals at the Shelter. TAF shall properly maintain the System by inputting pictures and descriptions of animals delivered to the Shelter at the time of animal intake on the TAF’s internet website for public viewing and access.

6.7 Review and Audit of Records. TAF agrees to maintain records pertaining to all matters relevant to the provision of animal shelter services in accordance with standard accounting principles and procedures and to retain all records and supporting documentation applicable to this Agreement for a period of two (2) years after termination of this Agreement. All records subject to audit findings shall be retained two (2) years after the end of each year of this Agreement. All databases for such purpose will be maintained by TAF, and TAF shall assure that adequate hard copies and data backups are done on a routine basis and stored on appropriate media.

TAF agrees to permit the CITY to inspect and audit its records and books relative to the animal shelter services at least annually at a time mutually determined. TAF further understands and agrees that said inspection and audit would be exercised upon written notice and the CITY would perform the audit on TAF premises at CITY expense.

TAF and CITY agree to correct or remedy any accounting discrepancy found as a result of CITY audit by either immediate repayment or credit against future obligation due either party.

6.8 Business Continuity Plan. TAF shall meet with the Chief of Detention and Enforcement regarding the creation of a “business continuity plan” within 30 days of the effective date of this Agreement, and complete to the Chief’s satisfaction a plan within 120 days of the effective date of this Agreement. This plan shall generally describe how TAF plans to maintain essential sheltering operations in the event of a pandemic, disaster or other unforeseen event.

6.9 Sustainability Initiative. The Company shall support the City’s Sustainability Initiative in its conduct of business through procuring sustainable products where possible and utilizing recycling containers throughout the Shelter.

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6.10 Notices. Any notice or other instrument which may or shall be required to be given under this Agreement shall be delivered in person or sent by United States certified or registered mail, postage prepaid, at the following addresses:

If to TAF:

The Animal Foundation  
655 North Mojave Road  
Las Vegas, Nevada 89101  
Attention: Executive Director

If to the CITY:

City of Las Vegas  
400 Stewart Avenue  
Las Vegas, Nevada 89101  
Attention: Chief of Detention and Enforcement  
and under separate cover to:  
Attention: City Manager

Any Party hereto may change its address by providing 10-days' notice of such change to the other Party as provided herein.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

THE ANIMAL FOUNDATION  
By: [Signature]  
DALE WYNN, Chairman of the Board

CITY OF LAS VEGAS  
By: [Signature]  
OSCAR B. GOODMAN, Mayor

ATTEST:  
[Signature]  
~~BEVERLY BRIDGES, City Clerk~~ By Vicky Darling  
Chief Deputy City Clerk

APPROVED AS TO FORM:  
[Signature] 5/13/08  
CITY ATTORNEY