

**First Addendum to Washoe County P25 Radio System
Interlocal Agreement of June 2020**

This is the First Addendum (First Addendum) to the Washoe County P25 Radio System Interlocal Agreement entered into between the Partner Agencies in June of 2020.

WHEREAS, in October 1999, the Washoe County Regional Communication System was established, and the system operated pursuant to the terms and provisions of the Washoe County Regional Communications System Interlocal Agreement. The original Interlocal Agreement was amended in July 2002 and amended again in October 2014.

WHEREAS, in September 2018, Washoe County and Harris Corporation executed a Systems Purchase Agreement to construct the P25 System

WHEREAS, in June 2020, the Partner Agencies executed a new Interlocal Agreement. The June 2020 Interlocal Agreement provides for the financing, development, operation, and management of the Washoe County Regional Communications P25 Radio System ("P25 System"). A Partner Agency is a public agency or private entity that joined the June 2020 Interlocal Agreement and pursuant to the Interlocal Agreement, a Partner Agency may sponsor a public agency or private entity to allow the Sponsored Agency to use the P25 System.

WHEREAS, under Section 13.1 of the June 2020 Interlocal Agreement, "[e]ach of the Partner Agencies agrees to pay a proportionate share of the total amount of the purchase and construction cost of the P25 system, along with proportionate share of the costs of financing the purchase and construction of the P25 system incurred by Washoe County" "

WHEREAS, since Washoe County and Harris Corporation executed the Systems Purchase Agreement, the construction costs for the P25 System have increased substantially in the amount of \$5,813,992.

WHEREAS, the Partner Agencies and the Sponsored Agencies agree that an appropriate infrastructure for the P25 System is necessary for the effective operation of the P25 System and is an essential part of public safety for the Partner Agencies and Sponsored Agencies.

WHEREAS, in order to ensure the effective operation of the P25 System, the Partner Agencies and the Sponsored Agencies agree to share the increased construction costs of \$5,813,992 by submitting additional payments, in their proportionate share, to complete construction of the P25 System in accordance with Section 13.1 of the June 2020 Interlocal Agreement.

WHEREAS, the Partner Agencies and the Sponsor Agencies desire to create procedures for project management of future capital projects for P25 System.

NOW WHEREFORE, the Partner Agencies hereby amend and revise the Washoe County P25 Radio System Interlocal Agreement June, 2020 with the following added and modified terms and conditions for the purpose of addressing the increased construction costs as well as creating procedures for project management of future capital projects for the P25 System

and providing payment options for Partner Agencies to cover the increased construction costs of the P25 System:

1. The Systems Purchase Agreement has cost overruns in the amount of \$5,813,992. The Partner Agencies and the County agree to the following for future capital projects:
 2. A detailed listing of anticipated projects and future costs, as estimated by the County, is provided in Appendix B.
 - A. Prior to the initiation of any capital project for the P25 System, Washoe County shall submit a detailed project description, schedule, and estimate of any construction project, including the installation of greenfield radio sites, to the P25 System Joint Operating Committee (“Committee”) for review and recommendation. Project description, schedule, and cost estimate shall be developed and/or reviewed by staff from the County’s Community Services Department (“CSD”) or a County-provided Professional Construction Manager. Washoe County will subsequently report the Construction Manager at Risk (“CMAR”) or Design Build (“DB”) guaranteed maximum price (“GMP”), or public bids, or amount to the Committee, including all associated documentation that determined the contract amount. The bid for work shall include an appropriate contingency or force account for unforeseen conditions and shall not exceed 5% of the bid.
 - B. Washoe County shall use staff from CSD and/or a contracted project manager to ensure that industry standards for the construction contracts, administration and management of these capital projects are followed.
 - C. If the cost of construction change orders and any other cost overruns exceeds the included contingency or force account as set forth in Section 1(a) of this Addendum, the County shall submit the construction change order to the Committee for review and recommendation.
3. Subject to the terms of the Washoe County P25 Radio System Interlocal Agreement, June 2020, and the process outlined in this Addendum, Each Partner Agency agrees to pay a proportionate share of the total amount of any P25 Radio System installation, implementation, or construction costs, using the following rate of contribution.
 - A. Pursuant to Section 13.1.2 of the 2020 Interlocal Agreement, the rate of contribution is based on the proportionate number of radios in use by each of the Partner and Sponsored Agencies as a percentage of the total number of radios in use by all Agencies in the Washoe County Regional Communications System. The proportion of radios in use by Partner and Sponsored Agencies shall be determined by counting the individual Radio Identification Numbers assigned to each Agency. Radio Identification Number counts for each Agency will be based on the Washoe County Regional Communications Coordinator’s Radio Identification Number report as of June 30, 2022. Each Agency’s proportional

share of the increased P25 System construction costs by fiscal year are specified in table 1 of Appendix A.

4. Payment Options. Partner Agencies shall pay their proportionate share of the increased construction costs (set forth in Appendix A) for the P25 System by selecting one of the following options:

- A. Annual “Pay-As-You-Go” Option. Washoe County will issue invoices to Partner Agencies for their respective proportional share of estimated costs for P25 System Infrastructure by May 1, 2024, for the fiscal year 2023/2024 payment and, for each of the next three fiscal years, by July 30. Partner Agencies shall submit a single payment by June 30, 2024, in fiscal year 2023/2024 and by August 31 in the three subsequent fiscal years, unless the Partner Agency elects to pay its proportionate share of the construction costs in one of the alternative manners set forth in Sections 3(B) or 2(C) below.

- B. Pre-Payment Option. Partner Agencies may choose to pre-pay their proportional share of the total of all costs specified in Appendix A, “Total Agency Contribution FY24-FY26.” Any agency seeking to pre-pay must sign a written commitment to pre-pay by April 1, 2024, executed by the person, board or entity with authority to legally bind the Partner Agency. No partial pre-payments will be allowed or accepted. Washoe County will invoice agencies for pre-payments on May 1, 2024, and Partner agencies shall submit payment within thirty (30) calendar days of receipt of the invoice. After P25 radio system construction is complete, any remaining portion of any pre-payments made will be refunded to the Partner Agency.

- C. Periodic Pay-As-You-Go Option. Partner Agencies may choose to submit payments as expenses are committed. Committed expenses are those for which Washoe County has a Purchase Order to complete a specific construction activity for the P25 Radio System project that has previously been reviewed and recommended by the Committee. Under this option, Washoe County will pass along expenses to the Partner Agency by sending an invoice for its proportional share of committed expenses upon Washoe County’s receipt of invoices from the vendor. Partner agencies shall submit payment to Washoe County within thirty (30) calendar days from the date the invoice is issued to ensure timely payment to the vendor.

The proportion of the payment for committed expenses for each Partner Agency that elect to pay for the increased construction costs under this option will be based on their proportion of radios as specified in paragraph 3(A) of this First Addendum.

Washoe County agrees to make reasonable efforts to provide information about expected costs in the fiscal years specified in Appendix A, and subsequent fiscal years, if necessary, by January 31 of each previous fiscal year.

This payment option is not intended to create a service concession arrangement or a lender-borrower relationship between Washoe County and the Partner Agency, and therefore shall not be construed as such.

5. **Insufficient Funds.** If it is determined that the total of all agency payments specified in Appendix A is insufficient to complete construction of the P25 System, to the extent those costs have been reviewed and recommended by the Committee in accordance with Section 1(A-C) of this Addendum, the Committee shall meet to review, consider options, and make further recommendations such as continuing construction, halting construction, altering P25 System construction plan, and/or amending the June 2020 Interlocal Agreement to address construction related issues.

If it is determined that the total payments necessary to complete construction of the P25 System will exceed the Total Agency Contribution specified in appendix A by \$500,000.00, Partner Agencies shall negotiate an additional addendum.

6. **Excess Funds.** After the P25 radio system construction is complete, any remaining portion of any payments made in accordance with this addendum will be refunded to the Partner Agencies based on each agency's proportionate share of payments, as described in 3(A) of this addendum.
7. **Late Payments or Non-payment.** If a Partner Agency does not make timely payments subject to the terms of this First Addendum, a Partner Agency is subject to the late charges and other default provisions set forth in Sections 13 and 14 of the 2020 Interlocal Agreement.

Appendix A – Additional Agency Contribution Amounts by Fiscal Year for Increased Construction Costs

Table 1

Agency	Radio IDs June 30, 2022	Percent Share June 30, 2023	Agency Contribution FY24	Agency Contribution FY25	Agency Contribution FY26	Agency Contribution FY27	Total Agency Contribution FY24-FY27
Reno Tahoe Airport Authority	278	4.88%	\$76,070.40	\$76,070.40	\$76,070.40	\$15,971.63	\$244,182.85
US Drug Enforcement Agency	26	0.46%	\$7,114.50	\$7,114.50	\$7,114.50	\$1,493.75	\$22,837.24
Pyramid Lake Paiute Tribe	85	1.49%	\$23,258.94	\$23,258.94	\$23,258.94	\$4,883.41	\$74,660.22
City of Reno	1,310	22.99%	\$358,461.26	\$358,461.26	\$358,461.26	\$75,262.00	\$1,150,645.78
Reno Sparks Indian Colony	70	1.23%	\$19,154.42	\$19,154.42	\$19,154.42	\$4,021.63	\$61,484.89
City of Sparks	468	8.21%	\$128,060.97	\$128,060.97	\$128,060.97	\$26,887.49	\$411,070.40
Truckee Meadows Fire & Rescue	335	5.88%	\$91,667.57	\$91,667.57	\$91,667.57	\$19,246.39	\$294,249.11
Nevada System of Higher Education, UNR, TMCC	76	1.33%	\$20,796.23	\$20,796.23	\$20,796.23	\$4,366.35	\$66,755.02
North Lake Fire Protection District	113	1.98%	\$30,920.70	\$30,920.70	\$30,920.70	\$6,492.07	\$99,254.18
US Department of Veteran's Affairs	23	0.40%	\$6,293.59	\$6,293.59	\$6,293.59	\$1,321.39	\$20,202.18
Truckee Meadows Water Authority	106	1.86%	\$29,005.26	\$29,005.26	\$29,005.26	\$6,089.90	\$93,105.69
Washoe County School District	1,157	20.31%	\$316,595.17	\$316,595.17	\$316,595.17	\$66,471.86	\$1,016,257.38
Air National Guard	30	0.53%	\$8,209.04	\$8,209.04	\$8,209.04	\$1,723.56	\$26,350.67
Washoe County	1,620	28.44%	\$443,287.97	\$443,287.97	\$443,287.97	\$93,072.10	\$1,422,936.01
WCRCs Infrastructure			\$200,000.00	\$200,000.00	\$200,000.00	\$210,000.00	\$810,000.00
	5,697		\$1,758,896.03	\$1,758,896.03	\$1,758,896.03	\$537,303.54	\$5,813,991.62

Appendix B – Future anticipated P25 Radio System construction projects

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