

## Interlocal Agreement for Management and Administrative Services

This Interlocal Agreement for Management and Administrative Services ("Agreement"), dated this 8th day of June, 2023, is entered into by and between Storey County ("COUNTY") a political subdivision of the State of Nevada, the Storey County District Attorney's Office ("SCDA") and the Virginia City Tourism Commission ("VCTC"). County, SCDA and VCTC may be individually referred to as "Party" and collectively referred to as "Parties".

### RECITALS

WHEREAS, VCTC is a county fair and recreation board created by COUNTY pursuant to NRS 244A.592; and,

WHEREAS, the Storey County Board of Commissioners appoints members of the Virginia City Tourism Commission for two year terms as set forth in Resolution 13-384. Members may, or may not be reappointed at the discretion of the Storey County Board of County Commissioners; and,

WHEREAS, COUNTY adopted Resolution 13-384, which consolidated prior resolutions pertaining to the creation, funding, and duties of VCTC; and,

WHEREAS, COUNTY adopted Resolution 13-385, which grants access to "County services, including human resources, fiscal, managerial, legal, informational technology and communication support and allow the VCTC employees to become county employees."

WHEREAS, COUNTY, SCDA and VCTC are public agencies under NRS 277.100 and are authorized by NRS 277.180 to contract with one another for the performance of this interlocal agreement; and,

WHEREAS, COUNTY has imposed transient lodging taxes with the adoption of Storey County Code ("SCC") 3.60.020 and pursuant to the authority granted by NRS 244.3352; and,

WHEREAS, COUNTY has designated VCTC as the collection and enforcement authority for the transient lodging taxes imposed by SCC 3.60.020; and,

WHEREAS, COUNTY has imposed a Storey County Tourism Promotion Tax with the adoption of SCC 3.12.010 (D) and pursuant to the authority granted by NRS 377A.030; and,

WHEREAS, COUNTY currently provides certain services to VCTC in the area of management, finance, payroll administration, human resources, information technology, buildings and grounds, and public works; and

WHEREAS, the Storey County DA's Office ("SCDA") provides certain legal services to VCTC; and

WHEREAS, COUNTY, SCDA and VCTC are willing and able to perform the services described herein; and

**NOW THEREFORE**, in consideration of the mutual promises and conditions contained in this Agreement and other good and valuable consideration, the Parties hereto agree as follows:

**1. Tourism Director**

- a. The Tourism Director is an at-will position that serves at the pleasure of the Virginia City Tourism Commission (VCTC).
- b. VCTC shall provide direction and supervision to the Tourism Director
- c. Recruitment and hiring
  - i. COUNTY shall recruit for the position of Tourism Director when requested by the VCTC. COUNTY will screen applicants for minimum requirements and will guide the interview and selection process up to and including offers of employment.
  - ii. VCTC shall interview qualified candidates, make a hiring decision and make a conditional offer of employment to the selected candidate in accordance with County personnel policies and procedures.
- b. Evaluation
  - i. VCTC will evaluate the performance of the Tourism Director on all matters related to his/her duties and conduct an annual overall performance evaluation of the Tourism Director.
  - ii. Such evaluation shall be made during an open meeting as required by the Nevada Open Meeting Law.
- c. Discipline
  - i. The VCTC shall make the final decision regarding discipline, up to and including, termination of the Tourism Director. As such, the county shall bear no responsibility or liability for the actions of the Tourism Director.
  - ii. Any costs associated with disciplinary actions such as investigation costs, attorney costs, arbitration and court costs, settlements and payment costs, and other related costs shall be paid by VCTC and/or the VCTC's insurance.

**2. Services provided by COUNTY:**

a. County Manager

- i. Ensure that the County's liability and property insurance policy includes VCTC.
  - 1. For Fiscal Year 2023/24, VCTC will continue with its current liability insurance broker, and VCTC may or may not maintain its membership with POOL or PACT or otherwise may not be aligned with the same insurance broker or carrier as that of COUNTY. VCTC shall pay for all costs associated with liability and property coverages.

2. For Fiscal Year 2024/25, the liability and property insurance policy of VCTC will be that of COUNTY, and COUNTY will include VCTC in its policy pursuant to the policies and procedures of COUNTY, broker, and carrier.

b. County Comptroller's Office

- i. COUNTY shall maintain a separate agency fund in the County's general ledger to account for all VCTC's account transactions and to serve as the county fund for promotion of tourism as provided in NRS 377A.064.
- ii. COUNTY will include the VCTC budget, approved by VCTC, in the Storey County Budget submission to the Department of Taxation each year.
- iii. COUNTY shall process accounts payable transactions from VCTC funds held by Storey County and approved by VCTC in the annual budget. Accounts payable expenses shall be approved by VCTC.
- iv. COUNTY will process payroll for Storey County employees assigned to the VCTC. Payroll expense related to such employees shall be paid from VCTC funds held by Storey County.
- v. COUNTY will invest any VCTC funds via the Storey County Treasurer's investment programs.
- vi. COUNTY will maintain VCTC's capital asset listing to track capital asset acquisitions and deletions.
- vii. COUNTY will include VCTC funds in the annual financial audit. Expenses related to VCTC funds and activities will be paid for by VCTC funds held by Storey County.
- viii. COUNTY will provide all budget and financial reporting for all VCTC funds.

c. Human Resources Department

- i. COUNTY will provide all Human Resource services to VCTC.
- ii. Employees engaged in work under the authority of the VCTC are County employees.
- iii. COUNTY will provide all required or necessary training to VCTC Staff and Board to conform to COUNTY policies and procedures. Such training shall not include training for tourism-related duties.
- iv. VCTC employees, and management of employees and applicants, will be subject to County personnel policies and procedures.

d. Information Technology

- i. COUNTY's Information Technology Department will provide all information technology related services, including management of

computer systems, management of data back-up services, network services, troubleshooting, email services, and cybersecurity services.

- ii. Certain Information Technology equipment and programs not typically provided to the County or VCTC (e.g., certain tourism-specific audio and visual equipment, intercoms, webcams, etc.) may not be procured, maintained, or repaired by COUNTY and will be subject to vendor contract services of the VCTC.
- iii. All network connections, security, and interface with the County's information technology systems must conform to Storey County Information Technology policies and procedures. The VCTC website and social media sites will be managed through resources contracted by the VCTC and will not be a part of the County website or social media sites
- iv. All direct costs associated with information technology hardware and software will be purchased with VCTC funds provided such funds have been approved by VCTC in the annual budget.

e. Buildings and Grounds

- i. COUNTY will provide VCTC Commission meeting spaces for VCTC when such facilities are available. COUNTY will provide maintenance and repair for VCTC owned facilities.

f. Public Works

- i. VCTC will coordinate and develop action plans with the Public Works Department ("Public Works") well in advance, to the extent possible, of any event that will require Public Works to provide labor, equipment or materials or use of County rights of way.

g. Service Department

If VCTC intends to make any vehicle or equipment purchases, and wishes the Storey County Service Department to maintain and repair such vehicle or equipment, the Storey County Service Department must first indicate, in-writing, its approval as to the make, model, type of vehicle to be added to its maintained fleet, and must first inspect the vehicle for safety and mechanical soundness, report its finding in writing and approve adding the subject vehicle to its maintenance fleet. If no such approval is provided, the vehicle will not be repaired or maintained by the county Service Department.

3. **Legal Services.** The Parties agree to the following terms regarding the provision of legal services and representation by SCDA to VCTC.

- a. The SCDA may assign a Deputy District Attorney to provide legal representation to VCTC as described in this section.

- b. SCDA may review and assist with preparation of contracts for VCTC for matters that are directly related to or arise from the conduct of official business within the scope of VCTC's authority.
- c. SCDA may prepare written legal opinions as requested by the VCTC subject to the discretion of the SCDA and pertaining to matters that directly relate to or arise from the conduct of official business within the scope of VCTC's authority.
- d. SCDA, COUNTY and VCTC understand that liability insurance for VCTC and its Board may be provided by the Nevada Public Agency Insurance Pool, and that any legal defense undertaken for actions that fall under that policy will be provided by the Nevada Public Agency Insurance Pool or the applicable insurance carrier of VCTC. In the event that VCTC desires legal representation for matters that fall outside of the liability insurance policy, they may acquire those services at their own cost.

**4. VCTC Responsibilities**

- a. VCTC shall plan, implement, and oversee tourism-related efforts for Virginia City, including, but not limited to, events, promotions, marketing, and visitor services.
- b. VCTC shall plan, implement, and oversee visitor/tourism-related efforts for hotels and other accommodations within its jurisdiction (e.g., lodging) in the Tahoe-Reno Industrial Center and otherwise in the county including, but not limited to, events, promotions, marketing, and visitor services.
- c. VCTC shall compile and approve the annual budget in the manner and form prescribed by the Department of Taxation and the County Comptroller.
- d. VCTC shall review and approve the results of an annual audit of all its funds, caused to be completed by the County Comptroller
- e. VCTC shall collect all transient lodging taxes from Storey County lodging property and any other VCTC revenues, as authorized by COUNTY, for deposit with the Storey County Treasurer for credit to the VCTC Fund.
- f. VCTC shall comply with all policies, rules, and regulations of the Storey County Comptroller as it applies to budgeting, accounting, and financial reporting.
- g. VCTC shall be responsible for its own procurement of goods and services. Expenditures for such goods and services shall be included in the VCTC annual budget.
- h. VCTC shall be responsible for all financial reporting required by the State of Nevada Department of Taxation related to the transient lodging tax.
- i. VCTC shall comply with all County policies, practices, and regulations applicable to County employees.

- j. VCTC shall pay for any information technology hardware and software information technology costs requested by VCTC and solely related to VCTC operations. Such costs shall be included in the VCTC annual budget.
- k. VCTC shall comply with all policies, practices and regulations adopted by the County related to risk management.

5. County owned venues.

a. Gold Hill Depot and Virginia City Freight Depot

i. COUNTY shall

1. Maintain the Gold Hill Depot and Virginia City Freight Depot.

a. Maintenance shall include:

i. Maintenance of the physical structures and attached improvements. Such maintenance and improvements shall include those associated with the safe use of the facility.

ii. Maintenance of the grounds surrounding the Depots.

iii. Maintenance of the parking lots serving the Depots.

2. COUNTY shall insure the facilities with the same coverages and limits as other County facilities.

3. COUNTY shall pay for all items listed above.

ii. VCTC shall be responsible for the administration, management, and operational safety, i.e., safety associated with the proper and approved use, of both Depots.

1. VCTC shall plan, book and market events, both private and public.

2. VCTC shall be responsible for any damage to the Depots as a result of events booked by VCTC.

3. VCTC shall provide all unattached furnishings, as needed, in support of events.

4. VCTC shall provide janitorial services before and after events.

5. VCTC shall provide marketing support, at the discretion of the Tourism Director, for public events held at the Depots.

6. VCTC shall pay for all items listed above.

b. Piper's Opera House

i. It is the desire of COUNTY and VCTC for Piper's Opera House to be managed and operated by a non-profit organization. Until such time as

that occurs, County and VCTC will work cooperatively to maintain and manage the facility for use as a performing arts center, meeting and events venue, and historic building available for tours.

1. COUNTY shall:

a. Maintain the physical structure and attached improvements at Piper's Opera House.

i. Maintenance shall include:

1. Maintenance of the physical structure and attached improvements. Such maintenance and improvements shall include those associated with the safe use of the facility.

2. Maintenance and repair of the grounds surrounding Piper's Opera House.

b. Insure the facility with the same coverages and limits as other County facilities.

c. Pay for all items listed above.

2. VCTC shall be responsible for the administration, management, and operational safety, i.e., safety associated with the proper and approved use of Piper's Opera House.

a. VCTC shall plan, book and market events, public and private at Pipers Opera House.

b. VCTC shall be responsible for any damage to Pipers Opera House as a result of events booked by VCTC.

c. VCTC shall provide all unattached furnishings, as needed, in support of events.

d. VCTC shall provide janitorial services before and after events.

e. VCTC shall provide marketing support, at the discretion of the Tourism Director, for public events held at Piper's Opera House.

f. VCTC shall pay for all items listed above through a separate fund maintained by County for Piper's Opera House.

6. **Term.** This Agreement shall be effective July 1, 2023, and shall remain in effect until June 30, 2028, unless sooner terminated by either Party as specified in Section 8 (Termination). Upon approval by the Storey County Board of Commissioners, the VCTC Commission, and the SCDA, the term of this agreement **may be extended for a subsequent 5-year term.**

7. **Notices.** All notices or other communications required or permitted to be given under this Agreement shall be in writing and will be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt required, postage prepaid on the date posted, and addressed to the other Party at the following address:

**For COUNTY:**

County Manager  
PO Box 176  
26 S B Street  
Virginia City, NV 89440  
(775) 847-0968

**For VCTC:**

Tourism Director  
PO Box 920  
86 South "C" Street  
Virginia City, NV. 89440

8. **Termination**

- a. **Termination for Non-Appropriation.** All services provided under this Agreement are contingent upon the availability of the necessary public funding, which may include various internal and external sources. In the event that COUNTY does not acquire and appropriate the funding necessary to perform in accordance with the terms of the Agreement, the Agreement shall automatically terminate upon COUNTY'S notice to VCTC of such non-appropriation, and no claim or cause of action may be based upon any such non-appropriation.
  - b. **Termination Without Cause.** Either Party may terminate this Agreement without cause upon sixty (60) days written notice to the other Party. Each Party agrees to perform their respective duties herein until the date of termination.
9. **Limited Liability.** COUNTY and VCTC do not waive and intend to assert any and all available NRS Chapter 41 liability limitations and immunities in all cases. Liquidated damages shall not apply unless otherwise expressly provided for elsewhere in this Agreement. The contract liability of the Parties under this Agreement does not include punitive damages.
10. **Force Majeure.** Neither Party shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accident, fires, explosion, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the




Party asserting such an excuse, and the excused Party is obligated to promptly perform in accordance with the terms of this Agreement after the intervening cause ceases.

11. **Indemnification.** To the fullest extent permitted by law, including but not limited to the provision of NRS Chapter 41, each Party shall indemnify, hold harmless and defend, not excluding the others right to participate, the other from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorney's fees and costs, arising out of any alleged negligent or willful acts or omissions of the Party, its officers, employees or agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any Party or person described herein. This indemnification obligation is conditioned upon receipt of written notice by the indemnifying Party within thirty (30) days of the indemnified Party's notice of an actual or pending claim or cause of action. The indemnifying Party shall not be liable to hold harmless any attorney's fees or costs incurred by the indemnified Party if the indemnified Party elects to participate in any litigation or arbitration with legal counsel of its own choice.
12. **Breach.** Failure of either Party to perform any obligation of this Agreement shall be deemed a breach. Except as otherwise provided for by law or this Agreement, the rights and remedies of the Parties shall not be exclusive and are in addition to any other rights, remedies, provided by law or equity, including but not limited to actual damages incurred, and reasonable attorney's fees and costs incurred by the prevailing Party. The Parties agree that, in the event a lawsuit is filed, and a Party is awarded attorney's fees by the court, for any reason, the amount of recoverable attorney's fees shall not exceed the rate of \$125 per hour.
13. **Waiver of Breach.** Failure to declare a breach or the actual waiver of any particular breach of this Agreement or its material or nonmaterial terms by either Party shall not operate as a waiver by such Party of any of its rights or remedies as to any other breach. No waiver of any right or remedy shall be effective unless in writing.
14. **Severability.** If any provision contained in this Agreement is held to be unenforceable by a court of law or equity, this Agreement shall be construed as if such provision did not exist, and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Agreement unenforceable.
15. **Entire Agreement; Modification.** This Agreement constitutes the entire agreement of the Parties and is the complete and exclusive statement of the promises, representations, negotiation, discussion, and other agreement that may have been made in connection with the subject matter hereof. Unless otherwise expressly authorized by the terms of this Agreement, no modification or amendment to this Agreement is binding upon the Parties unless the same is in writing and signed by the Parties.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the day and year first above written.

Storey County, Nevada

  
Jay Zarrona, Chair  
Storey County Board of County Commissioner

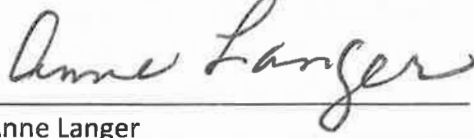
Date: 6/20/2023

Virginia City Tourism Commission

  
A. Perry, Chair  
Virginia City Tourism Commission


Date: 6/20/2023

Storey County District Attorney's Office

  
Anne Langer  
District Attorney

Date: 6/28/2023

Attest:

  
Jim Hindle, Clerk  
Storey County Clerk - Treasurer