

Non-Code Ordinance

By: Finance Department
Introduced: August 24, 2020
Public Hearing: September 14, 2020
Adopted: September 14, 2020
Yes: Graham, Harvey, Ledford, Velock
No: Burney
Absent: None
Clerk's Note: Seat A Vacant

**City of Wasilla
Ordinance Serial No. 20-30**

An Ordinance Of The Wasilla City Council Amending The Fiscal Year 2021 Budget By Appropriating \$15,610 From The General Fund, Fund Balance; Authorizing An Expenditure Of \$39,430 From CARES ACT Funding, City Resiliency And Recovery; And Authorizing The Mayor To Execute A Software Agreement For MUNIRevs Automated Licensing And Sales Tax System.

Section 1. Classification. This is a non-code ordinance.

Section 2. Purpose. To appropriate \$15,610 from the general fund, fund balance; authorize an expenditure of \$39,430 from the Cares Act Funding, City Resiliency and Recovery; and authorize the Mayor to execute a software agreement for MUNIRevs Automated Licensing and Sales Tax System.

Section 3. Appropriation of Funds. The funds are appropriated to the following:

Software Maintenance	001-4150-415.40-31	\$15,610
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Section 4. Source of Funds.

General Fund, Fund Balance	001-0000-250.10-00	\$15,610
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Section 5. Effective date. This ordinance shall take effect upon adoption by the Wasilla City Council.

ADOPTED by the Wasilla City Council on September 14, 2020.


Bert L. Cottle, Mayor

ATTEST: 
Jamie Newman, MMC, City Clerk

[SEAL]

City of Wasilla
Legislative Staff Report
Ordinance Serial No. 20-30
 (Non-Code Ordinance)

Amending The Fiscal Year 2021 Budget By Appropriating \$15,610 From The General Fund, Fund Balance; Authorizing An Expenditure Of \$39,430 From CARES ACT Funding, City Resiliency And Recovery; And Authorizing The Mayor To Execute A Software Agreement For MUNIREvs Automated Licensing And Sales Tax System.

Originator: Troy Tankersley, Finance Director
 Date: 8/11/2020

Agenda of: 8/27/2020

Route to:	Department Head	Signature	Date
X	Finance Director		8-12-20
X	Deputy Administrator		8/12/2020
X	City Clerk		8/12/2020
X	Mayor		8/12/2020

Fiscal Impact: yes or no

Funds Available: yes

Account name/number: Software Maintenance 001-4150-415-40-31 \$15,610
 City Resiliency and Recovery 110-4181-499.45-18 \$39,430

Attachments: Ordinance Serial No. 20-30 (1 pages)
 MUNIREvs Master Subscription Services Agreement-Draft (11 pages)

Summary Statement: This ordinance amends the fiscal year 2021 budget by appropriating \$15,610 from the General Fund, Fund Balance; authorizes an expenditure of \$39,430 from the CARES Act Funding, City Resiliency and Recovery; and authorizes the Mayor to execute a software agreement with MUNIREvs Automated Licensing and Sales Tax System.

During the COVID-19 pandemic, the Finance Department has received many comments regarding the City's inability to license, report and pay sales tax or business licensing on-line. The City's current system, Central Square, does not have an on-line feature. To assist City businesses, the Finance Department has been in contact with MUNIREvs. MUNIREvs provides an automated licensing and tax system that is also used by the Alaska Remote Sellers Sales Tax Commission for remote sales tax reporting.

MUNIREvs software costs would be approximately \$47,039 with an additional \$8,000 for outside software support regarding conversion of data. The COVID-19 funding available to the City would allow for approximately \$39,460 of the cost with \$15,610 to be City funded and ineligible to be expended through the CARES Act funding. Future operating budgets would incur approximately \$33,000 per year plus a 6% escalator and would require to be budgeted through the normal budgetary process. The City may be able to cancel its software license with Central Square for business licensing in the amount of \$3,000 plus a 5% escalator per year, but would not be able to do so until after years two or three. Additional costs would be incurred due to merchant services interchange fees per transaction; however, it would be the City's intent for those businesses wishing to pay by credit card to incur credit card convenience fees and not have those fees paid by the City.

Proposed Action: Introduce and set the ordinance for public hearing.



Master Subscription Service Agreement

Master Subscription Service Agreement

This Master Subscription Service Agreement ("**Agreement**") is entered between MUNIRevs, Inc., a Colorado corporation (**MR**), and City of Wasilla, an incorporated City of the State of Alaska ("**Customer**") for the MUNIRevs Online Revenue Collection Service.

ONLINE REVENUE COLLECTION SERVICE. This Agreement provides Customer access to a proprietary online revenue collection automation and integration service to be provided by MR through a unique URL within a hosted server environment under the terms and conditions of this Agreement (the "Service").

1. USE OF SERVICE.

- a. **ONLINE REVENUE COLLECTION SERVICE.** This Agreement provides Customer access to a proprietary online revenue collection automation and integration service to be provided by MR through a unique URL within a hosted server environment under the terms and conditions of this Agreement (the "Service").
- b. Reserved
- c. Reserved
- d. **Third Party Contractor Use.** Customer may allow its third party contractors to use the Service solely on behalf of and for the benefit of Customer and only in compliance with the terms and conditions of this Agreement. Customer is responsible for compliance with the terms of this Agreement by its third party contractors.

2. **PAYMENT TERMS.** Payment for all MR fees shall be as specified in **Exhibit A** which is incorporated herein and made a part of this Agreement. Unless otherwise provided in Exhibit A, all MR invoices shall be due and payable within 30 days of the date of the invoice. Customer must provide proof of its exemption from sales tax (if applicable), otherwise the Customer is responsible for all sales, use and similar taxes. Interest shall accrue at the rate of one percent (1%) per month, from the date of the invoice, on any payments not received when due.

3. MUTUAL CONFIDENTIALITY

- a. **Definition of Confidential Information.** Confidential Information means all confidential information disclosed by a party ("Discloser") to the other party ("Recipient"), whether orally or in writing, that is designated as confidential ("Confidential Information"). MR's Confidential Information includes without limitation the Service, Licensed Documentation (defined in section 4.d. below), and Customer's Confidential Information, which includes without limitation, the Customer Data.
- b. **Protection of Confidential Information.** The Recipient must use the same degree of care that it uses to protect the confidentiality of its own Confidential Information (but in no event less than reasonable care) not to disclose or use any Confidential Information of the Discloser for any purpose

outside the Service under this Agreement. The Recipient must make all commercially reasonable efforts to limit access to Confidential Information of Discloser to those of its employees and third party contractors who need such access for purposes consistent with this Agreement and who have signed confidentiality agreements with Recipient no less restrictive than the confidentiality terms of this Agreement.

- c. **Exclusions.** Confidential Information *excludes* information that: (i) is or becomes generally known to the public without breach of any obligation owed to Discloser, (ii) was known to the Recipient prior to its disclosure by the Discloser without breach of any obligation owed to the Discloser, (iii) is received from a third party without breach of any obligation owed to Discloser, or (iv) was independently developed by the Recipient without use or access to the Confidential Information of the Discloser. The Recipient may disclose Confidential Information to the extent required by law, including an Alaska Open Records request. The parties acknowledge that an Alaska Open Records Request may seek information about MR's proprietary computer software programs and that computer software is not included in the definition of "Public Records" pursuant to Alaska Statutes AS 40.25.220(3).
- d. If MR's data system crashes or otherwise becomes disabled, MR shall use good faith and reasonable efforts to immediately recover the system and all Customer Data and shall be fully responsible for all costs incurred in the recovery of such data, with no additional costs to be borne by the Customer.

4. PROPRIETARY RIGHTS

- a. **Reservation of Rights by MR.** The software, workflow processes, user interface, designs, know-how and other technologies provided by MR as part of the Service are the sole property of MR, and all right, title and interest in and to such items, including all associated intellectual property rights, are and shall remain only with MR. MR reserves all rights not expressly granted in this Agreement.
- b. **Customer Restrictions.** Customer *may not*:
 - I. Use the Service or the Licensed Documentation beyond its internal operations;
 - II. Reverse engineer the Service, the Licensed Documentation, the software or any other technology or Confidential Information associated therewith;
 - III. Remove or modify any proprietary marking or restrictive legends in the Service and Licensed Documentation; or
 - IV. Access the Service or the Licensed Documentation to build a competitive product or service; or copy or derive any feature, function or graphic of the Service for competitive purposes.
- c. Reserved
- d. **Licensed Documentation.** Any Service user guides, sample data, marketing, training and other items provided through the Service or by MR, are licensed to Customer as follows: MR grants Customer a non-exclusive, license for the duration of the Service to such items for Customer's internal use solely with the Service, with the right to make additional copies of the material for the duration and purpose of the Service ("**Licensed Documentation**").

5. EXCLUSION OF DAMAGES AND LIMITATION OF LIABILITY

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT AND OTHER THAN FOR GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, NEITHER PARTY IS LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS

AGREEMENT (INCLUDING, WITHOUT LIMITATION, COSTS OF DELAY, LOSS OF DATA OR INFORMATION, AND ANY FAILURE OF DELIVERY OF THE SERVICE).

6. **EFFECTIVE DATE, TERM, TERMINATION, RETURN OF DATA AND SUSPENSION OF SERVICE.** This Agreement shall be effective upon execution by both parties. The term of this Agreement shall be for the period of time set forth in Exhibit A ("**Term**").
 - a. Upon termination by right by Customer for any reason or no reason, Customer shall pay any unpaid fees through the date of termination, and shall return or destroy all MR property. Customer upon request will confirm that it has complied with these requirements.
 - b. Within 30-days after termination of this Agreement, MR shall export to Customer all Customer Data from within the Service only in CSV format. MR does not ensure the availability of all of Customer Data for export after such 30-day period and MR shall have no obligation to store the Customer Data and may destroy such data without further notice to Customer.
 - c. **Annual Appropriation.** This Agreement is subject to annual appropriations by the Customer Council (the "**Council**").
 - d. **Termination for Material Breach.** Notwithstanding the provisions of subparagraph a) of this section, if either party is in material breach of any term of this Agreement, the other party may terminate this Agreement effective at the end of a written 30-day notice/cure period, if the breach has not been cured.
7. **COOPERATION.** The parties shall reasonably cooperate to ensure timely and accurate delivery of Service. Specifically, Customer agrees to provide complete and accurate information to MR when and as requested. MR shall not be responsible or liable for delays resulting from Customer's failure to provide timely or accurate information. Payment of MR's fees set forth in Exhibit A shall not be reduced, delayed or modified as a result of Customer's failure to provide timely or accurate information.
8. **MISCELLANEOUS.**
 - a. **Governing Law.** This Agreement is governed by the law of the State of Alaska without regard to conflicts of law principles. Venue and jurisdiction is proper in the state courts sitting in Matanuska-Susitna Borough, Alaska.
 - b. **Attorney Fees and Costs.** The prevailing party in any litigation or other legal proceeding shall recover its reasonable attorneys' fees and costs from the other party.
 - c. **Money Damages Insufficient.** Any breach by a party of this Agreement or violation of the other party's intellectual property rights could cause irreparable injury or harm to the other party. The other party may seek a court order to stop any breach or avoid any future breach
 - d. **Entire Agreement and Changes.** This Agreement and Exhibit A constitute the entire agreement between the parties, and supersede all prior or contemporaneous negotiations, agreements and representations, whether oral or written, related to this subject matter. No modification or waiver of any term of this Agreement is effective unless in a written instrument signed by both parties.
 - e. **No Assignment.** Neither party may assign or transfer this Agreement to a third party.
 - f. **Enforceability.** If any term of this Agreement is invalid or unenforceable, the other terms remain in effect.
 - g. **No Additional Terms.** MR rejects additional or conflicting terms of any Customer form-purchasing document.
 - h. **Order of Precedence.** If there is an inconsistency between this Agreement and Exhibit A, Exhibit A prevails.

- i. **Survival of Terms.** Any terms that by their nature survive termination or expiration of this Agreement, will survive.
- j. **Headings.** Headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- k. **Notices.** Any notices permitted or required under this Agreement shall be deemed given upon the date of personal delivery or 72 hours after deposit in the United States mail, postage fully prepaid, addressed to the recipient address as set forth below their signature or at any other address as any party may, from time to time, designate by notice given in compliance with this section.
- l. **Counterparts Facsimiles; E-Mail.** This Agreement may be signed in any number of counterparts, which together shall constitute one and the same instrument. Original signatures of the parties hereto on copies of this Agreement transmitted by facsimile or electronically/scanned and e-mailed copies shall be deemed originals for all purposes hereunder, and such copies shall be binding on all parties hereto.
- m. **Independent Contractor.** It is understood that MR is an independent professional contractor and that MR will not in any event be construed as or hold themselves to be employees of Customer. It is also agreed that MR, as an independent contractor, is not restricted to working exclusively for Customer during the Term of the Agreement. MR and any persons employed by MR for the performance of the Service hereunder shall be independent contractors and not agents of the Customer. As an independent contractor, MR is not entitled to workers' compensation benefits except as may be provided by the independent contractor nor to unemployment insurance benefits.. MR is obligated to pay all federal and state income tax on any moneys earned or paid pursuant to this Agreement.
- n. **Sharing Data.** MR understands that the information from the Customer is strictly protected under Colorado Law as confidential data. If MR shares any data from its services employed under this Agreement such data shall only be in the aggregate form and shall not identify, in any way, a specific business along with confidential data of such specific business.
- o. **Insurance.** MR shall procure and maintain, and shall cause any subcontractor of the MR to procure and maintain, the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to Customer. All coverages shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by the MR. In the case of any claims made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.
 - I. Worker's compensation insurance to cover obligations imposed by applicable laws for any employee engaged in the performance of Services under this Agreement, and Employers' Liability insurance with minimum limits of five hundred thousand dollars (\$500,000) each accident, five hundred thousand dollars (\$500,000) disease - policy limit, and five hundred thousand dollars (\$500,000) disease - each employee.
 - II. Commercial General Liability insurance with minimum single limits of one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall include coverage for

explosion, collapse, and underground hazards. The policy shall contain a severability of interests provision.

- III. Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than one million dollars (\$1,000,000) each occurrence and one million dollars (\$1,000,000) aggregate with respect to each of MR's owned, hired, and non-owned vehicles assigned to or used in performance of the Services. The policy shall contain a severability of interest provision. If the MR has no owned automobiles, the requirements of this paragraph 3) shall be met by each employee of MR providing Services to the Customer under this Agreement.

The policies referenced above, with the exception of Worker's Compensation, shall be endorsed to include Customer and Customer's officers and employees as additional insureds. Every policy required above shall be primary insurance, and any insurance carried by Customer, its officers, or its employees, or carried by or provided through any insurance pool of Customer, shall be excess and not contributory insurance to that provided by MR. MR shall be solely responsible for any deductible losses under any policy required above.

MR shall procure insurance via the MRs online payment system Master Subscription Service Agreement and no additional coverage is required for this additional product contract.

Exhibit A
MUNIREvs Hosting Support Order Form and Terms
Online Revenue Collection Module

Renewals of this Support Order: This annual Application Hosting Order (“**Support Order**”) renews annually, automatically on the contract anniversary of each year unless either Customer or MR provides the other with written notice of non-renewal at least 120 days prior to termination of the Agreement.

Terms: This Support Order is governed by the terms of the Master Subscription Services Agreement (“Agreement”) between the parties, which terms are fully incorporated into this Support Order for all purposes. If there is a conflict between the terms of this Exhibit A and the Agreement, this Exhibit A governs. This Exhibit A and the Agreement are the entire agreement between the parties, and they supersede and replace all prior and contemporaneous negotiations, agreements, representations and discussions regarding this subject matter. MR expressly rejects any additional or differing terms of Customer not agreed to in a written instrument signed by MR and Customer.

Due Dates: Payments can be made via check and mailed to our billing address 27696 Highway 145, Dolores, CO 81323. Payments are due by the first of the month for that month’s services / system access. For example, payment for May, 2020 MUNIREvs should be received by 5/1/2020.

Support Terms:

Support Hours: 7 am to 6 pm, MST (Monday – Friday), excluding Federal Holidays
Support Phone: 888-751-1911
Support E-mail: support@munirevs.com

Implementation Costs Include:

1. Customization of site address and branding (e.g. city.munirevs.com)
2. Data import of business records and transactions
3. Customization of tax forms and licensing forms, including automatic late fee calculation
4. Web based training for jurisdiction staff (up to 6 hours). (**Unlimited** ongoing phone & web support are provided to all administration staff as part of monthly hosting & support.)
5. Unlimited email & phone support for all businesses.

Monthly Hosting & Support Fee Include:

1. One tax form per jurisdiction
2. Licensing Module **Includes automated annual renewals.**
3. **Unlimited** user logins for both businesses and jurisdiction users
4. **Unlimited** phone & email support to business and administrative users
5. Software hosting & license fees
6. Server & IT Infrastructure, including 365x7x24 maintenance and support
7. **Daily data backup**, managed by our expert IT team
8. Enhancements released to all equivalent MUNIREvs versions

MUNIREvs Base Services	Implementation	Annual Price
Data Import and Conversion Fee	\$4,500.00	\$0.00
Tax Collection and Registration/Licensing System Implementation includes one tax form. Additional tax forms \$1,250/form. Implementation includes one workflow. Additional workflows \$1,000/workflow.	\$2,500.00	\$25,020.00

Year One Price **\$32,020.00**

Ongoing Annual Price **\$25,020.00**

Custom Feature Adds	Implementation	Annual Price
Estimated and Final Assessment Module, including Custom Calculations and Integrated Notifications. Implementation estimated at \$225 per hour and 50 hours for set up	\$11,250.00	\$3,000.00
Business Directory Module - to publish Active Businesses on City website.	\$2,250.00	\$1,200.00

Year One Price **\$17,700.00**

Ongoing Annual Price **\$4,200.00**

Pricing is based upon the number of active businesses and property filers at the beginning of the contract period and is locked in for 12 months. In this proposal we are estimating our pricing from the presented 1200 - 1300 active business licenses at the signing of the contract. The proposed monthly fee is \$2,435. There is a one-time implementation fee of \$20,500. Total year one fees equal \$49,720.

Upon annual renewal, the new monthly rate is calculated on the number of active businesses at that date, including the possibility of moving to a new pricing tier, and is locked in for the next 12 months.

Implementation fees are collected upon completion of initial census. Annual cost can be paid in monthly increments.

*Payment Processing: Jurisdiction contracts directly with gateway and payment processor and fees are approximately ~\$.40 per e-check plus statement & gateway fees of \$20 / month. Credit Card fees are also competitive rates, and we can implement a credit card convenience fee if desired that is automatically collected to offset these fees.

Wasilla, AK / "Customer"

MUNIREvs, Inc.

Signer First and Last Name

First and Last Name

Job Title

Job Title

Address

1040 Main Ave
Durango, CO 81301



Sample Kickoff Meeting – August 5, 2020 @ 1pm CDT

Selected Services

- Business Licensing
- Tax Collection

Business License Workflow – City Staff Time: 1 hour

- Provide copy of what is necessary to obtain a business license
- Initial Fee
- Renewal Fee
- Rolling or calendar year renewals
- When does the renewal process begin
- When is the renewal application due

Sales Tax Form Calculation – City Staff Time: 1 hour

- Due Date
- Filing frequency
- Discount calculation and rule
- Penalty calculation and rule
- Interest calculation and rule
- Do you have a grace period?

Business Data – City Staff Time: 8 hours

- Excel / csv format
- One row per business
- Business license number
- Business name
- Dba
- Business area
- Business Category
 - Includes a broad type & detailed type
- Indicate any businesses exempt from paying sales tax
- Date opened, closed
- Status
 - Active
 - Inactive
 - Closed
- FEIN
- Ownership type



- Physical address
- Mailing address
- Primary Contact email - This is where the registration letter will be sent (in addition to a mailed version)

Business License Data – City Staff Time: 2 hours

- Business license number
- Issue date
- Expiration date

Form & Transaction Data – City Staff Time: 10 hours

- Sales Tax Transaction Data
 - See format example
- Sales Tax Form Data
 - See format example

Estimated & Final Assessments – City Staff Time: 5 hours

- Confirm rules with MUNIREvs

Business Directory – City Staff Time: 1 hours

- Confirm set up with MUNIREvs

Other Required Items – City Staff Time: 10 hours

1. Logo
2. Registration Letter
3. Payment Gateway Set Up – City is responsible for setting up the gateway agreement
 1. We currently integrate to:
 - i. USAEPay (preferred provider)
 - ii. Authorize.net
 - iii. Cybersource
 - iv. Point and Pay
 - v. Xpress Bill Pay (coming soon)