



FINANCE OFFICE
225 4th Street North
Fargo, ND 58102
Phone: (701) 241-1333
www.FargoND.gov

TO: Board of Commissioners

FROM: Susan Thompson, Director of Finance 

RE: FAHR Staff meeting – Items for Commission Review/Approval

DATE: 6/1/2026

Receive & File: Sales Tax Update – Accrual Basis

Action Needed: Various Financial Approvals
FAHR endorsed the respective departments' requests for City Commissions approval. Reports of Action, along with supporting schedules, are included.

Award & Budget Adjustments

Public Health – Interim Health Officer Agreement
Public Health – Kindred Public School Service Agreement
Public Health – Approve GovTech software contract for Health Inspection & Licensing
Public Works – Approve sale of surplus water meter inventory to Cass Rural Water Users District
Information Services – Budget Adjustment related to multi-entity GIS project

City of Fargo

Comparative Sales Tax Analysis of All Sales Tax Revenue - ACCRUAL BASIS

Data as of 5/29/2026

					2% Sales Tax				
Payment Date	Collection Month	County Amount	County Collections	County Growth %	PSST Amount	Infra & FC Amount	Infra & FC Collections Total Amount	City Total Amount	City Growth %
			5,654,824.47	16.12%			16,354,463.67	18,398,771.62	9.14%
	Dec-26	-			-	-			
	Nov-26	-			-	-			
	Oct-26	-			-	-			
	Sep-26	-			-	-			
	Aug-26	-			-	-			
	Jul-26	-			-	-			
	Jun-26	-			-	-			
	May-26	-			-	-			
	Apr-26	-			-	-			
5/21/2026	Mar-26	2,106,649.76			753,481.55	6,027,852.45			
4/22/2026	Feb-26	1,991,327.23			736,819.60	5,894,556.81			
3/21/2026	Jan-26	1,556,847.48			554,006.80	4,432,054.41			
			23,236,103.87	-0.29%			68,274,579.41	74,935,830.45	-2.22%
2/23/2026	Dec-25	2,153,670.99			814,634.22	6,517,073.77			
1/23/2026	Nov-25	2,416,687.95			869,473.49	6,955,787.93			
12/19/2025	Oct-25	1,397,583.64			528,563.25	4,228,506.01			
11/24/2025	Sep-25	2,379,895.75			836,408.75	6,691,270.01			
10/21/2025	Aug-25	2,281,923.54			835,497.50	6,683,979.99			
9/22/2025	Jul-25	1,796,292.91			622,825.54	4,982,604.32			
8/21/2025	Jun-25	2,270,466.69			803,789.60	6,430,316.85			
7/22/2025	May-25	2,053,576.19			749,363.21	5,994,905.70			
6/20/2025	Apr-25	1,616,213.54			600,695.48	4,805,564.00			
5/21/2025	Mar-25	1,698,986.33				5,424,656.49			
4/23/2025	Feb-25	1,477,568.31				4,523,059.23			
3/21/2025	Jan-25	1,693,238.03				5,036,855.11			
2/21/2025	Dec-24	2,207,030.88	23,304,345.12	0.86%		6,626,714.99	69,824,744.71		0.83%
1/21/2025	Nov-24	2,281,112.22				6,540,733.39			
12/20/2024	Oct-24	1,764,529.62				5,342,358.63			
11/22/2024	Sept-24	2,257,740.11				6,622,406.84			
10/21/2024	Aug-24	2,088,361.27				6,284,633.45			
9/21/2024	July-24	1,746,626.42				5,168,111.30			
8/21/2024	June-24	2,659,707.17				7,859,913.01			
7/22/2024	May-24	1,348,902.41				4,252,926.43			
6/24/2024	Apr-24	1,759,660.73				5,404,517.72			
5/21/2024	Mar-24	2,276,388.27				6,980,911.25			
4/22/2024	Feb-24	1,023,591.77				3,163,097.74			
3/21/2024	Jan-24	1,890,694.25				5,578,419.96			
2023 Collections			23,106,462.71	8.18%			69,250,461.96		4.02%
2022 Collections			21,358,922.89	-2.56%			66,571,120.26		4.28%
2021 Collections			21,920,710.74	31.11%			63,840,810.53		29.90%
2020 Collections			16,719,327.13	0.30%			49,146,842.57		-5.00%
2019 Collections			16,670,136.34	6.04%			51,732,824.69		7.36%
2018 Collections			15,720,221.20				48,185,965.90		
2017 Collections			2,796,024.89						
Totals Since 2019			\$ 170,487,079				\$ 512,223,870		

Report of Action:
FAHR Meeting of June 1, 2026



- ☐ Purchase Policy
- ☐ Budget Adjustment/Reallocation
- ☐ Personnel Request
- ☒ Other Financial

Department: Health

Description: See attached memo. Health requests approval of the Interim Health Officer Agreement with Dr. Jessie Lindemann, as presented.

Net Financial Impact: \$0. Included w/ budget

At their meeting, FAHR endorsed this request.

Suggested Motion:

Approve the agreement with Dr. Jessie Lindemann as the interim Health Officer.



MEMORANDUM

TO: FAHR/BOARD OF CITY COMMISSIONERS

FROM: JENN FAUL 
DIRECTOR OF PUBLIC HEALTH

DATE: JUNE 1, 2026

RE: SIGNED INTERIM HEALTH OFFICER AGREEMENT

The attached agreement has been signed by Dr. Jessie Lindemann to serve as Fargo Cass Public Health's interim health officer until after the Request for Proposal process has been completed.

If you have any questions, please contact me at 241.1380.

Suggested Motion:

Move to approve the agreement with Dr. Jessie Lindemann as the interim Health Officer.

JF/lls
Attachment



**AGREEMENT FOR INTERIM HEALTH OFFICER SERVICES BETWEEN THE CITY
OF FARGO AND JESSIE LINDEMANN, MD**
ADMINISTRATION
TERM: 05/01/2026 TO 07/31/2026 · Page 1 of 3

THIS AGREEMENT, effective the first of May 1, 2026, by and between the CITY OF FARGO, a North Dakota municipal corporation ("City"); and Dr. Jessie Lindemann ("Physician"). It is hereby agreed by and between the parties hereto as follows:

A. Term of Agreement: The parties agree that Dr. Lindemann shall provide the Health Officer services for a period of one month with the agreement commencing May 1, 2026. This agreement may then be extended monthly during FCPH's RFP process for hiring a Health Officer. The total term of the contract will not exceed five (5) months and will cease when the Board of Health appoints the Health Officer who wins the bid for the RFP.

B. Health Officer Services to be provided: The Physician serves as the Health Officer for Fargo Cass Public Health by enforcing the public health laws, regulations, and ordinances within Fargo and Cass County relating to preservation of life and health of individuals. The health officer may recommend, advise and provide guidance to the Board of Health and Fargo Cass Public Health Department for the provision of essential public health services and functions. In doing so, the health officer shall maintain an office within the jurisdiction of the public health department and may select and discharge any assistant health officer in the public health department, consistent with any terms of appointment. The services to be provided will consist of consultation to professional staff and available on call consultation when needed by the health department management staff including, but not necessarily limited to:

1. All duties and responsibilities as stated in North Dakota Century Code § 23-35-12(2), "Within the jurisdiction of the board of health, a local health officer:
 - a. Shall keep a record of the official acts of the local health officer.
 - b. Shall enforce every law and rule relating to preservation of life and health of individuals.
 - c. May exercise the powers and duties of the board of health under the supervision of the board of health.
 - d. May make sanitary inspections of any place within the jurisdiction in which the local health officer finds a probability of a health-threatening condition exists.
 - e. May investigate public water and ice supplies suspected of contamination and initiate necessary condemnation proceedings.
 - f. May enforce school cleanliness; inspect any school that may be overcrowded, poorly ventilated, or unsanitary; and, when necessary, report cases of any unsanitary or unsafe school building to the board of health for investigation.
 - g. May take any action necessary for the protection of public health and safety.
 - h. May determine when confinement and decontamination is necessary for the safety of the public. The local health officer may establish confinements consistent with procedures provided under chapter 23-07.6 and perform any acts required for decontamination when necessary.
 - i. Shall maintain an office within the jurisdiction of the public health unit consistent with any terms of appointment.



**AGREEMENT FOR INTERIM HEALTH OFFICER SERVICES BETWEEN THE CITY
OF FARGO AND JESSIE LINDEMANN, MD**

ADMINISTRATION

TERM: 05/01/2026 TO 07/31/2026 - Page 2 of 3

- j. May select and discharge any assistant health officer in the public health unit, consistent with any terms of appointment."

North Dakota Century Code§ 23-35-12(2)

2. Reviewing and supporting necessary standing orders for FCPH.
 - a) Standing orders are written by the Directors/Managers of the departments for the Physician to review and sign annually.
3. Monitoring disease outbreaks in the community and working with other agencies to control the spread of disease. Serving as a liaison with NDHHS Disease Control.
4. Work collaboratively with the management team at FCPH, including attending regular meetings and potential division meetings as requested.
5. Attend all Board of Health meetings as scheduled.
6. Signing necessary prescriptions.
7. Review and approve medical policies for Fargo Cass Public Health.
8. Clinical consultant for laboratory services.
9. Provide public education, reporting, and community advocacy for Fargo Cass Public Health.

C. Reimbursement: Physician shall be paid for services rendered under this Agreement at the rate of \$3,200 per month (requiring approximately four (4) hours a week) in office or remote. If the Physician is requested to conduct a media interview (defined as a discussion between a journalist or media representative and the Physician representing Fargo Cass Public Health, for the purpose of publicizing information, creating interest, or building awareness, whether pre-recorded or live) with the request coming from an external source, relating to public health or disease, the Physician will submit an invoice for reimbursement being compensated at a rate of \$173.00 per media event. In order to be eligible for reimbursement, the Physician shall obtain approval from FCPH before conducting any media interview. Any change in monthly compensation shall be by written agreement of both of the parties hereto.

D. Termination: This Agreement may be terminated by either party upon the giving of thirty - (30) day written notice.

E. Confidentiality: Physician agrees to not, directly or indirectly, disclose, make known, divulge, publish or communicate any individually identifiable health information or other confidential information to any person, firm or corporation without consent unless that disclosure is authorized under North Dakota law.

F. Title X Compliance: It is understood and agreed that Physician shall comply and adhere to all the Title X. C.F.R. regulations and guidelines.

G. Vaccines for Children (VFC) and Vaccines for Adults (VFA) Program Compliance: It is understood and agreed that Physician shall comply and adhere to all the VFC and VFA program requirements.



AGREEMENT FOR INTERIM HEALTH OFFICER SERVICES BETWEEN THE CITY OF FARGO AND JESSIE LINDEMANN, MD

ADMINISTRATION

TERM: 05/01/2026 TO 07/31/2026 · Page 3 of 3

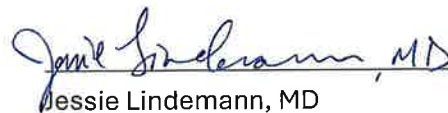
- H. Independent Contractor:** It is understood and agreed that the relationship created by this Agreement shall be that of Independent Contractor. Physician shall not be deemed to be an employee of the City of Fargo for any other purpose. In this regard, Physician shall provide her own malpractice insurance.
- I. Malpractice Insurance:** City will reimburse Physician malpractice insurance in the amount of \$125.00 per month of service.
- J. Licensure fees:** City will reimburse Physician for reasonable and necessary costs associated with maintaining their medical license in the amount of \$1,000.00 per year.
- K. Local Public Health Unit Compliance:** It is understood and agreed that Physician shall adhere to North Dakota Century Code, Chapter 23-35, as it relates to local public health units.
- L. License to Practice Effective:** Physician shall advise City of any claims made or license admonishments, suspensions or revocation proceedings. If at any time Physician's medical license is not effective, Physician agrees to reimburse City for any monies paid for the period Physician was unable to provide the necessary services as identified in this Agreement.
- M. Written Amendments:** Any modification, amendment, or addendum to this Agreement must be in writing and signed by both parties.
- N. Choice of Law:** North Dakota law shall apply to the terms of this Agreement, and any disputes shall be venued in Cass County, North Dakota. The parties waive any objection to personal jurisdiction.
- O. Severability:** If any term of this Agreement is determined by a court of law to be ineffective or void, the remaining terms shall remain in full force and effect.
- P. Assignment:** This Agreement shall not be assigned by either party without the express written consent of the other party.

CITY OF FARGO


Jenn Faul, Director of Public Health

05/01/2026
Date

PHYSICIAN


Jessie Lindemann, MD

05/01/2026
Date

Timothy J. Mahoney, Mayor, City of Fargo Date

ATTEST:

Angie Bear, Deputy City Auditor

Report of Action:
FAHR Meeting of June 1, 2026



- ☐ Purchase Policy
- ☐ Budget Adjustment/Reallocation
- ☐ Personnel Request
- ☒ Other Financial

Department: Health
Description: See attached memo. Health requests approval for the purchase of service agreement with Kindred School District.

Net Financial Impact: \$0. Included w/ budget

At their meeting, FAHR endorsed this request.

Suggested Motion:
Approve the purchase of service agreement with Kindred School District for \$49,791.35 for nursing services for the 2026-2027 school year.



M E M O R A N D U M

TO: FAHR/BOARD OF CITY COMMISSIONERS

FROM: JENN FAUL
JF
DIRECTOR OF PUBLIC HEALTH

DATE: JUNE 1, 2026

**RE: PURCHASE OF SERVICE AGREEMENT WITH KINDRED
PUBLIC SCHOOL DISTRICT
FUNDS: \$49,791.35
EXPIRES: 06/30/2027**

The attached purchase of service agreement is with Kindred Public School for \$49,791.35 for nursing services for the 2026-2027 school year.

BUDGET ADJUSTMENT

No budget adjustments.

If you have any questions, please contact me at 241.1380.

Suggested Motion:

Move to approve the purchase of service agreement with Kindred Public School District.

JF/lis
Attachment



PURCHASE OF SERVICE AGREEMENT WITH KINDRED PUBLIC SCHOOL DISTRICT AND FARGO CASS PUBLIC HEALTH
NURSING- SCHOOL
TERM: 07/01/2026 TO 06/30/2027 · Page 1 of 8

Whereas, the Kindred Public School District hereinafter referred to as District, has agreed to purchase the services described in the "Scope of Service" (Attachment A); and

Whereas, Fargo Cass Public Health, 1240 25th Street South, Fargo, North Dakota 58103-2367 hereinafter referred to as Provider desires to provide the services described in the "Scope of Services" (Attachment A):

Now, therefore the District and the Provider enter into the following:

I. TERMS OF CONTRACT

The term of this contract shall be for the school year 2026-2027, beginning on July 1, 2026, and ending on June 30, 2027. This contract may be renewed for subsequent school years by written agreement of the parties. Provided that either party may terminate this contract at any time upon thirty (30) days written notice to other party.

II. TERMINATION

In the event the agreement is terminated, the termination shall be without prejudice to any obligations or liabilities of either party for services provided prior to such termination.

III. SCOPE OF SERVICE

The Provider agrees to provide services in accordance with documentation in this contract.

IV. COMPENSATION

1. The District agrees to reimbursement for service in accordance with the agreed upon charges in this contract (Attachment B). The billing will occur monthly, at the previously determined rate of 70 percent for the district and 30 percent for the provider. The hours to be billed will include the scheduled nursing time, any annual or sick leave taken by the nursing personnel and holiday pay as determined by the City of Fargo.
2. The provider will attempt to get substitute nursing coverage, when the regularly scheduled nurse is on extended leave.
3. Kindred Public School District has requested an increase in school nursing hours over the original 30 hours per week agreement. Therefore, Kindred Public School District agrees to pay 100 percent (salary and benefits) of the school nursing hours in excess of 30 hours per week, including any overtime accrued in lieu of this request. The school nurse rate with salary and benefits will be billed at \$49.89. If additional hours are requested outside of the terms of this agreement by the District it will be subject to staffing availability and operational approval by Provider. Provider shall have no obligation to provide additional hours where doing so would result in overtime, staffing shortages, or disruption of other public health services.
4. Fargo Cass Public Health will be reimbursed at a rate of 70 percent for nurses and aides who take time off during non-scheduled school days, up to two weeks, between August 26, 2026, and May 26, 2027.
5. Mileage expense for nursing staff and aides to travel between Fargo Cass Public Health and Kindred Public School shall be reimbursed at the IRS rate, which is currently at .725 cents per mile, up to a maximum of 500 miles per school year.



**PURCHASE OF SERVICE AGREEMENT WITH KINDRED PUBLIC SCHOOL
DISTRICT AND FARGO CASS PUBLIC HEALTH**

NURSING- SCHOOL

TERM: 07/01/2026 TO 06/30/2027 · Page 2 of 8

V. CHANGES

No change or amendment to this agreement may be made unless made in writing signed by the parties.

VI. NO GRANT OF AUTHORITY TO CONTRACT ON BEHALF OF THE DISTRICT

No part of this agreement shall be construed to grant to the Provider any authority to contract for on behalf of or incur obligations on behalf of the District.

VII. AUTHORITY TO SUBCONTRACT

The Provider may subcontract with qualified providers of services, provided that any subcontract must acknowledge the binding nature of this agreement and incorporate this agreement, together with its attachments. The Provider agrees to be solely responsible for the performance of any subcontractor.

VIII. INDEPENDENT CONTRACTOR

The Provider is performing the duties under this agreement as an independent contractor. No part of this agreement, or the arrangements made by the parties to perform this agreement, shall be construed as creating an employer/employee relationship.

IX. COPYRIGHT

The District reserves the right to copy or reproduce any materials created or produced, by the Provider, in the performance of this agreement except with confidential information.

X. AGREEMENT CONSTITUTES CONTRACT

This agreement shall constitute the entire contract, between the parties, for the performance of the Scope of Service. There are no other agreements, either verbal or written, that alter or affect this agreement.

XI. PROVIDER ASSURANCES

The Provider agrees to comply with the applicable provider Assurances hereto attached, on Attachment C.

XII. INTEGRATION AND MODIFICATION

This contract constitutes the entire agreement between the Provider and the District. No alteration, amendment or modification in the provisions of this agreement shall be effective unless it is reduced to writing signed by the parties and attached hereto.

XIII. COLLATERAL CONTRACTS

Where there exists any inconsistency between this agreement and other provisions of collateral contractual agreements which are made a part of this agreement by reference or otherwise, the provisions of this agreement shall control.

XIV. ACCESS TO RECORDS

Fargo Cass Public Health and the North Dakota State Health Department, and their duly authorized representatives, shall have access to the books, documents, paper and records of the District which are pertinent, as determined by Fargo Cass Public Health, to this contract for the purpose of audits, examinations, excerpts, billings, and transcripts.



XV. RETENTION OF RECORDS

The Provider agrees to retain financial and program records. The District is responsible for student records including all electronic health information, if applicable, and will follow their own retention policy.

XVI. CONFIDENTIALITY

The Provider will not, except upon the written consent of the recipient's or their responsible parent, guardian, or custodian, use or cause to be used any information concerning such individual for any purpose not directly connected with the District or the Provider's responsibilities with respect to services purchased hereunder. The District acknowledges their role in abiding by the adherence to FERPA regulations relative to educational records confidentiality in order to protect student privacy. The consequences of failing to comply with FERPA must be borne by the School District and not Fargo Cass Public Health.

XVII. APPLICABLE LAW

This agreement shall be governed by and construed in accordance with the laws of the State of North Dakota.

XVIII. CAPTIONS

The captions or heading in this agreement are for convenience only and in no way define, limit, or describe the scope of intent of any provisions of this agreement.

XIX. EXECUTION AND COUNTERPARTS

This agreement may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one of the same instrument.

XX. AMENDMENTS

The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by the parties.

XXI. NOTICES

All notices, certificates or other communications shall be sufficiently given when delivered or mailed, postage prepaid, to the parties at their respective places of business as set forth in the preamble to this agreement or at a place designated hereafter in writing by the parties.

XXII. SUCCESSORS IN INTEREST

The provisions of this agreement shall be binding upon and shall ensure to the benefit of the parties hereto, and their respective successors and assigns.

XXIII. SEVERABILITY

The parties agree that any term or provision of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.

XXIV. WAIVER

The failure of the District to enforce any provisions of this contract shall not constitute a waiver by the District of that or any other provision.



**PURCHASE OF SERVICE AGREEMENT WITH KINDRED PUBLIC SCHOOL
DISTRICT AND FARGO CASS PUBLIC HEALTH**

NURSING- SCHOOL

TERM: 07/01/2026 TO 06/30/2027 - Page 4 of 8

XXV. MERGER CLAUSE

This agreement constitutes the entire agreement between the parties. No waiver, consent, modification or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in modification or change, if made, shall be effective only the specific instance and for the specific purpose given. There are no understandings, agreements, or representatives, oral or written, not specified herein regarding this agreement. Provider, by the signature below of its authorized representative, hereby acknowledges that the Provider has read this agreement, understands it and agrees to be bound by its terms and conditions.

XXVI. INDEMNIFICATION AND HOLD HARMLESS

The District hereby agrees to indemnify and hold the Provider, its officers, agents, employees, and members, harmless from any and all claims, demands and causes of action which may be asserted against the Provider as a result of the rendering of any of the services by the Provider which are described in this Agreement. The obligation of the District under the terms of this provision shall include the duty to provide a legal defense of such claims; provided that this provision shall not be construed to require reimbursement of any legal expenses incurred by the District, without prior written approval of the District.

XXVII. COMPLIANCE WITH LAWS

The Provider shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under this agreement.

XXVIII. NON- DISCRIMINATION

The Provider makes available all services and assistance without regard to race, color, national origin, religion, age, sex, or handicap, and is subject to Title VI of the Civil Rights Act of 1964. Section 504 of the Rehabilitation Act of 1975 as amended. Persons who contract with or receive funds to provide services for Provider are obligated to abide by the provisions of their federal laws. Questions concerning the contractor's or provider's obligations under these acts may be directed to the Provider's representative as set forth in the signature block of this agreement, at the address established in the agreement, or the Branch Chief, Officer for Civil Rights, Region VIII, Federal Office Building, 1961 Stout Street, Denver, Colorado 82094.

XXIX. FORCE MAJEURE

Neither party shall be liable for delay or failure in performance caused by events beyond its reasonable control, including natural disasters, severe weather, fire, flood, war, terrorism, labor disputes, governmental action, or public health emergencies. The affected party shall give prompt notice and shall resume performance as soon as reasonably practicable.



**PURCHASE OF SERVICE AGREEMENT WITH KINDRED PUBLIC SCHOOL
DISTRICT AND FARGO CASS PUBLIC HEALTH**
NURSING- SCHOOL
TERM: 07/01/2026 TO 06/30/2027 - Page 5 of 8

SERVICES PROVIDED: See Attachment A (Goals and Objectives)
REIMBURSEMENT: See Attachment B (Budget)
PROVIDER ASSURANCES: See Attachment C (Provider Assurances)

PROVIDER- FARGO CASS PUBLIC HEALTH


Jenn Faul, Director of Public Health 05/07/2026
Date

KINDRED PUBLIC SCHOOL DISTRICT

 5/14/26
Mike Kolness, Superintendent Date

Timothy J. Mahoney, Mayor, City of Fargo Date

ATTEST:

Angie Bear, Deputy City Auditor



**ATTACHMENT A
SCHOOL HEALTH PROGRAM
A COLLABORATIVE PROGRAM BETWEEN
KINDRED PUBLIC SCHOOL DISTRICT AND FARGO CASS PUBLIC HEALTH**

PURPOSE: The purpose of this partnership is to share expertise, time, energy, and economic resources to coordinate and provide a comprehensive health program in our school community.

GOALS: The goal of this program is to provide Public Health School Nurse services and/or Nurse Aide services to all components of the Kindred Public School District health program: education, environment and services.

- A. Improve the student and family access to community health services.
- B. Improve the early identification, referral, and follow-up of students experiencing unresolved health problems.
- C. Determine the current compliance rate for follow-up on health screening results and on immunization requirements.
- D. Improve the students' access to basic health services at school for first aid symptom management and medications.

OBJECTIVES:

The Public Health School Nurse is a liaison between education and health care and will provide a link between the school, home and community. The nurse will:

- A. Manage health care in the school health program**
The nurse will participate in planning, implementation, and evaluation of the program.
- B. Deliver health services**
The nurse will deliver health services to the client system using systematic processes to assess needs, plan interventions, and evaluate outcomes so that high-level wellness can be achieved. The nurse will also monitor follow-through related to health referrals. The nurse aide will deliver health services primarily focused on first aid, medication administration or emergencies. The nurse aide will work in conjunction with the nurse assigned to that building and will be supervised by that nurse.
- C. Advocate for the health rights of children**
The nurse will act as an advocate for the health rights of children and their families both within the school and between the school and community.
- D. Provide health consult for individuals and groups**
The nurse will provide health counseling and guidance for the client system on an individual basis or within a group setting.
- E. Provide health education**
The nurse will participate in health education program activities for children, youth, school personnel, and the community.



**PURCHASE OF SERVICE AGREEMENT WITH KINDRED PUBLIC SCHOOL
DISTRICT AND FARGO CASS PUBLIC HEALTH**
NURSING- SCHOOL
TERM: 07/01/2026 TO 06/30/2027 · Page 7 of 8

**ATTACHMENT B
2026-2027
SCHOOL HEALTH SERVICES BUDGET**

SCHOOL NURSING BUDGET PROPOSAL FOR 7-1-2026 to 6-30-2027

NURSING COVERAGE- Kindred at 70% and FCPH at 30%

Staff	Hours/week	Weeks	Hourly compensation	Total
Nurse	30	35	\$ 49.89	\$ 52,384.50
	30	2	\$ 49.89	\$ 2,993.40
RN ADMINISTRATION COST	36 hours per budget year		\$ 66.83	\$ 2,405.88
			Sub-total	\$ 57,783.78
			Kindred @ 70%	\$ 40,448.65
			FCPH @ 30%	\$ 17,335.13
Additional Hours at 100%	4	35	\$ 49.89	\$ 6,984.60
RN ADD'L HOURS COVERAGE HOURS (as per contract)	40 hours/year		\$ 49.89	\$ 1,995.60
Mileage	Up to 500 miles/year		\$ 0.725	\$ 362.50
			Kindred at 100%	\$ 9,342.70
KINDRED TOTAL				\$ 49,791.35
FCPH TOTAL				\$ 17,335.13

NOTE: TOTAL COST FOR FCPH 7-1-2026 TO 6-30-2027 = \$17,335.13



**ATTACHMENT C
PROVIDER ASSURANCES**

- A.** All licensing or other standards required by Federal and State Law and regulations and by ordinance of the City and county in which the services purchased hereunder are provided will be complied with in full for the duration of this contract.
- B.** No qualified person(s) shall be denied services purchased hereunder, or be subjected to discrimination, because of face, religion, color, national origin, sex, age, or handicap.
- C.** The Provider will abide by the provisions of Title VII of the Civil Rights Act of 1964 (42 USC 2000C) which prohibits discrimination against any employee or applicant for employment because of race, religion, color, national origin, sex, age, or handicap. In addition, the Provider agrees to abide by Executive Order 11246, as amended by Executive Order No. 11375, which prohibit discrimination because of sex.
- D.** The Provider will comply with Section 504 of the Rehabilitation Act of 1973, as amended, and all requirements imposed by and pursuant to regulations promulgated thereunder to the end that no otherwise qualified handicapped individual shall, solely by reason of their handicap, be excluded from participation in, be denied benefits of or be subjected to discrimination under any program in the provision of services under this agreement.
- E.** The Provider will not, except upon the written consent of the affected individual or their responsible parent, guardian or custodian, use or cause to be used, any information concerning such individual for any purpose not directly connected with Board or the Provider's responsibilities with respect to services purchased hereunder.
- F.** Unless otherwise authorized by federal law, the charges to be made by the Provider do not include costs financed by federal monies other than those generated by this agreement.
- G.** The Provider shall not assign this agreement.
- H.** Provider assures that the sources from which it purchases goods and services used for the provision of the services described in the agreement will conform to applicable provisions of Executive Order 11346, Equal Opportunity.

Report of Action:
FAHR Meeting of June 1, 2026



- ☐ Purchase Policy
- ☐ Budget Adjustment/Reallocation
- ☐ Personnel Request
- ☒ Other Financial

Department: Health
Description: See attached memo. Health requests approval of the contract with HS GovTech for Environmental Health, which was awarded at the May 22, 2026 meeting. The city attorney has reviewed the contract.

Net Financial Impact: NA – addressed w/ prior report

Due to time sensitivity, this request was routed to FAHR following their meeting. FAHR endorsed this request.

Suggested Motion:
Approve the contract with GovTech in the amount of \$95,460 for Environmental Health Licensing.



Memorandum

Date: June 4, 2026

To: Board of City Commissioners

From: Grant Larson, Environmental Health Director, FCPH

Re: HS GovTech USA Inspection & Licensing Software Contract

Dear Commissioners:

The Environmental Health Division of Fargo Cass Public Health is seeking approval of the attached contract for Inspection and Licensing Software.

On May 26, 2026, the City Commission approved the award of Item 15d to HS GovTech for the provision of inspection and licensing software services. Attached is the finalized contract agreement for review and approval.

This software will support the Environmental Health Division's licensing, inspection, compliance, and public-facing service functions, replacing the current system and improving operational efficiency for staff and customers.

SUGGESTED MOTION:

Approve the contract agreement with HS GovTech for Inspection and Licensing Software as previously awarded by the City Commission on May 26, 2026.



HS GovTech

Contract for HS Cloud Suite

Between:
"Customer"

Fargo Cass Public Health
1240 25th Street South
Fargo, ND 58103

And

"HS GovTech"
HS GovTech USA
PO Box 90044
Charlotte, NC 28209-0044
www.HSGovtech.com
Eric Thomas, CEO



TABLE OF CONTENTS

Item	Description	Page
1.	Definitions	3
2.	Scope of Services	4
3.	Right to Use HSCloud Suite	4
4.	Ownership of Software and Data	5
5.	Obligations of Customer	6
6.	Software System Upgrades and Changes	6
7.	Intellectual Property	7
8.	Term	7
9.	Termination	7
10.	Decommissioning	8
11.	Confidentiality	8
12.	Protected Health Information	9
13.	Indemnification	10
14.	Limitations of Liability	11
15.	Notice	12
16.	General	13
Appendix A	HSCloud Suite Functionality	15
Appendix A-1	Go Live Criteria	21
Appendix A-2	Included Support	22
Appendix A-3	Service Level Agreement (SLA)	23
Appendix B	Contract Fees and Payment Schedule:	25
Appendix C	UAT	27
Appendix D	Change Order Form	29
Appendix E	Training	31



This **HS GOVTECH CONTRACT FOR HSCLOUD** (the “**Agreement**”) is made and entered into as of **June 3, 2026** (the “**Effective Date**”) by and between HS GovTech and the Customer identified on the cover page to which this Agreement is attached. Each of Customer and HS GovTech shall be referred to herein individually as a “**Party**” and together as the “**Parties**.”

WHEREAS, HS GovTech is the provider of a web-based permit, financial, and inspection software application (as further defined herein, “**HSCloud**”);

WHEREAS, Customer desires to purchase access to all or a portion of the functionality of HSCloud for data management services, including performing inspections in the field using HSCloud, in accordance with the terms and conditions set forth herein.

NOW THEREFORE, the Parties hereto, each in consideration of the mutual promises and obligations assumed herein by the other, agree as follows:

1. Definitions

- a. “**Confidential Information**” means any and all data or information in any form or medium (whether oral, written, electronic, or other) that the disclosing Party considers confidential or proprietary or that is otherwise not generally available to the public, or that, by its nature or the circumstances of its disclosure, the receiving Party should reasonably understand to be confidential or proprietary information of the disclosing Party, and includes, but is not limited to, business information, specifications, research, software, trade secrets, know-how, designs, drawings, data, computer programs, customer names and other technical, financial and business information concerning a Party, or any such information of clients or customers of a Party, which is disclosed by or on behalf of such Party to the other Party.
- b. “**Custom Configuration**” means alterations to the Standard Application, requested by Customer, to meet specific needs of Customer.
- c. “**Customer Data**” means all information, processes, documentation, and data provided or produced by Customer in connection with HSCloud that is not Public Data.
- d. “**Decommissioning**” means the process of transitioning Customer away from using HSCloud following termination or expiration of this Agreement, as more particularly set out in Section 9.
- e. “**HSCloud**” means HS GovTech’s web-based application for permitting, inspections, complaints, and reporting and the associated mobile applications that interface with the web-based application, as more specifically described in Appendix A hereto.
- f. “**HSCloud Services Agreement**” means a professional services agreement entered into by and between the Parties pursuant to which HS GovTech provides Customer with implementation, training, consulting, and other professional services in connection with HSCloud.
- g. “**HS GovTech Servers**” means servers operated and maintained by HS GovTech or co-located on which Customer Data and Public Data may be stored and accessible by Customer.
- h. “**MyHD**” means the citizen portal that allows Customer to interact online with its constituents. This includes the ability to post inspection results online, as well as to apply for permits, renew permits, and pay invoices and fees due to Customer securely online.
- i. “**Public Data**” means any and all information entered into or stored in the cloud by Customer, or by HS GovTech on behalf of Customer, that is published and made available to the general public via



MyHD at the request of Customer, or which is otherwise subject to freedom of information disclosure under any law or regulation applicable to Customer.

- j. **“Service Add-Ons”** refers to features or functionality of HSCloud that are part of the Standard Application but that must be purchased as additional features.
- k. **“SOW”** means a Statement of Work entered into by the Parties pursuant to an HSCloud Services Agreement.
- l. **“Standard Application”** means application functionality for the HSCloud that is available out-of-the-box including the standard configurability options in the system.
- m. **“Super User”** means a Customer user that has been delegated – by Customer – authority to perform all administrative functions in HSCloud, including but not limited to; adding Users and managing their permissions, the ability to manage documentation and interact with, and speak for Customer, with support, and to have access to the configuration and system editing tools of HSCloud.
- n. **“UAT”** means user acceptance testing.
- o. **“User”** is defined as anyone who Customer authorizes to access HSCloud on its behalf, whether or not employed by Customer.

2. Scope of Services

- a. HS GovTech will provide the customer with the features and functionality of HSCloud as set out in Appendix A.
- b. HS GovTech will provide Customer with training, implementation, and other professional services relating to HSCloud that are not specifically provided hereunder pursuant to an HSCloud Services Agreement which shall set forth the terms and conditions that will apply to such services. In addition, if the customer desires HS GovTech to develop any custom configurations for the customer, such development services will be subject to the HSCloud Services Agreement.

3. Right to Use HSCloud

- a. Subject to the terms and conditions specified in this Agreement, HS GovTech grants Customer a limited, non-exclusive, non-sublicensable, revocable right during the Term to use HSCloud as specified in Appendix A, subject to Customer paying the Fee according to the terms set out in Appendix B. The foregoing rights specifically exclude any right of reproduction, sale, lease, sub-license or any other transfer or disposition of HSCloud, or any portion thereof, by Customer; provided, that Customer's Users shall be entitled to access HSCloud on Customer's behalf.
- b. The Fee is calculated based on the specifications set forth in Appendix A as of the Effective Date. Upon mutual agreement of the Parties with respect to the addition of any new modules, functionality, or expansion of use of HSCloud by Customer following the Effective Date, Appendix A will be amended to reflect the changes, and Appendix B will be amended to reflect any adjustments to the Fee to reflect the changes.
- c. HS GovTech will provide sufficient software access rights and upgrades of the supporting software required for the number of Users and scope as defined in Appendix A, subject to Customer's payment of the associated Fee.
- d. Customer is responsible for and agrees to abide by all the provisions of this Agreement, and will ensure that all Customer personnel with access to HSCloud comply with the terms of this Agreement.



- e. Customer acknowledges and agrees that its access to, and accordingly its use of, HSCLoud is at all times subject to the following limitations:
- I. No Modification or Reverse Engineering—Customer will not directly or indirectly modify, or in any way alter (excluding configuration expressly permitted by the documentation) the whole or any part of HSCLoud, nor will Customer translate, decompile, disassemble, reconstruct, decrypt, or reverse engineer the whole or any part of HSCLoud.
 - II. No Demonstration with Intent to Replicate—Customer shall not demonstrate HSCLoud to a competitor in whole or in part, or any other company or person with the intent to create a similar or like product.
 - III. No Rental or Timeshare Use—Except as permitted herein, Customer will not directly or indirectly license, sublicense, sell, resell, transfer, assign, distribute, rent, lease, or otherwise commercially exploit HSCLoud in any way, nor will Customer use HSCLoud in a computer service business, service bureau, hosting or time-sharing arrangement.
 - IV. Unauthorized Equipment—Customer will only use HSCLoud on computing devices which are supported by HS GovTech and meeting the minimum system requirements specified by HS GovTech.
 - V. Proprietary Notices—Customer will not directly or indirectly remove any proprietary notices, labels, or marks from HSCLoud or other materials, including those indicating any intellectual property rights of HS GovTech or any third party, unless otherwise agreed between the Parties in writing.
 - VI. Customer agrees that each individual accessing HSCLoud must have a unique, individual email address. The use of shared or group email addresses is not permitted under this Agreement. A “User” is defined as any individual authorized by the Customer to access HSCLoud on its behalf, regardless of employment status. User accounts and login credentials may not be shared and must be used solely by the assigned individual.
 - VII. The Customer may add additional Users to accommodate organizational growth, up to a maximum of 20% above the originally licensed user count, without incurring additional fees. Any increase beyond this 20% threshold will result in a charge of \$1,250.00 per additional User.

4. Ownership of Software and Data

- a. HS GovTech warrants to Customer that HS GovTech has all necessary rights and licenses with respect to the HSCLoud as required for HS GovTech to provide HSCLoud to Customer in accordance with the terms set forth herein.
- b. All Customer Data and Public Data, whether entered into or stored in the system by Customer or by HS GovTech on behalf of Customer, is and will remain the sole property of the Customer. Customer represents warrants and covenants that Customer owns or otherwise has and will have the necessary rights and consents in and relating to the Customer Data so that, as provided in accordance with this Agreement, the Customer Data does not and will not infringe, misappropriate, or otherwise violate any intellectual property rights, or any privacy or other rights of any third party or violate any applicable law.
- c. Customer hereby grants HS GovTech the irrevocable, royalty-free license during the Term of this Agreement to use, copy, and otherwise exploit the Customer Data and the Public Data for the



express purpose of exercising its rights and performing its obligations pursuant to this Agreement or the HSCloud Services Agreement, including to extract, derive, compile, and publish the Public Data, and for any other purpose permitted hereunder or pursuant to the HSCloud Services Agreement. Customer acknowledges that whether HSCloud uses HS GovTech Servers or third-party servers, the supporting software will transmit data to HS GovTech Servers for the purpose of performing functions on the data required by this Agreement and to collect the Public Data.

- d. Except for the express warranties set forth herein, HSCloud is provided “as is” and “as available.” HS GovTech specifically disclaims all implied warranties of merchantability, fitness for a particular purpose, title, and non-infringement, and all warranties arising from course of dealing, usage, or trade practice. Without limiting the foregoing, HS GovTech makes no warranty of any kind that HSCloud, or any products or results of the use thereof, will meet customer’s or any users’ other person’s requirements, operate without interruption, achieve any intended result, be compatible or work with any software, system, or other services, or be secure, accurate, complete, free of harmful code, or error free. All third party materials are provided “as is” and any representation or warranty of or concerning any third party materials is strictly between customer and the third party owner or distributor of the third party materials.

5. Obligations of the Customer

- a. Customer Administrator: This individual is responsible for Administrator functions within the system for Customer.
- b. Customer agrees to designate a replacement Administrator within thirty (30) days if the primary cannot serve in that capacity or leaves Customer’s organization.
- c. Customer will provide access to HS GovTech’s online learning material for all Users using HSCloud.
- d. If Customer supplies the computing devices to operate the supporting software, Customer is responsible, with support from HS GovTech, to install HSCloud on Customer’s computing devices. If HS GovTech supplies the necessary computing devices, HS GovTech will pre-install and configure the supporting software on such devices.
- e. Customer will pay the Fees set out in Appendix B on the terms and conditions provided therein.

6. Software System Upgrades and Changes

- a. The Fee includes all subsequent core system configurations and changes instituted by HS GovTech after deployment in conjunction with Customer’s specific needs and requirements. It does not include any custom development, such as design changes to modules deployed for Customer that are outside the normal configuration options of HSCloud. Phone number, office address, Customer logo changes, print forms (i.e., permits, inspections, etc.) are modifiable for no additional fee (if mandated by state or local ordinance changes). Changes that are discretion-designed in nature but not regulatory are only covered once per year. Non-regulatory changes greater than once per year will be billed as a change fee. A year is defined by a rolling twelve-month basis.
- b. HS GovTech will use commercially reasonable efforts to minimize any changes to minimum system requirements for the HSCloud resulting from system upgrades and changes.



7. Intellectual Property

- a. HS Cloud and all intellectual property and other rights therein will, at all times, remain the property of HS GovTech. Subject only to the use rights granted herein, nothing in this Agreement grants any right, title, or interest in or to (including any license under) any intellectual property rights in or relating to HS Cloud, whether expressly, by implication, estoppel, or otherwise. All rights, title, and interest in and to HS Cloud are and will remain with HS GovTech and its licensors.
- b. If Customer provides any input, feedback, suggestions, ideas or proposals regarding HS Cloud ("Feedback"), and such Feedback is not provided in connection with the development of a Custom Configuration or otherwise specifically on a confidential basis, Customer grants HS GovTech a non-exclusive, perpetual, and royalty-free license to use all such Feedback without restriction, provided, that such Feedback is given to HS GovTech on an "as is" basis and Customer does not provide any warranty regarding the Feedback.

8. Term

- a. The term of this Agreement will be five (5) years from the Effective Date (the "Initial Term").
- b. This Agreement shall expire at the end of the Initial Term unless the Parties mutually agree in writing to renew the Agreement.

9. Termination

- a. Should either Party materially breach any provision contained in this Agreement and not correct or substantially cure such breach within sixty (60) days after receipt of written notice by the other Party of such breach, then in addition to any other remedies set forth herein, or available in law or in equity, this Agreement may be terminated by the non-breaching Party. Notwithstanding the foregoing, with respect to Customer's payment obligations hereunder, if Customer fails to make a payment within thirty (30) days of the applicable due date, such failure shall constitute a material breach, and Customer shall only have an additional thirty (30) days to cure such breach following notice from HS GovTech.
- b. In the event either Party ceases its business operations, makes a general assignment for the benefit of creditors, is adjudged bankrupt, or becomes insolvent, then the other Party may, at its sole discretion, terminate the Agreement upon thirty (30) days notice to the other Party and the provisions set out in Section 9 for Decommissioning will not apply.
- c. In addition, HS GovTech may, directly or indirectly, and by use of a disabling device or any other lawful means, suspend, terminate, or otherwise deny Customer's, or any User's, access to or use of all or any part of HS Cloud, without incurring any resulting obligation or liability, if: (i) HS GovTech receives a judicial or other governmental demand or order, subpoena, or law enforcement request that expressly or by reasonable implication requires Provider to do so; or (ii) HS GovTech believes, in its good faith discretion, that: (A) Customer or any User has failed to comply with any material term of this Agreement, or accessed or used HS Cloud beyond the scope of the rights granted or for a purpose not authorized under this Agreement or in any manner that does not comply with any instruction or requirement provided by HS GovTech; (B) Customer or any User is, has been, or is likely to be involved in any fraudulent, misleading, or unlawful activities relating to or in connection with HS Cloud; or (C) this Agreement expires or is terminated. This Section 8(c) does not limit any of HS GovTech's other rights or remedies, whether at law, in equity, or under this Agreement.



10. Decommissioning

- a. Upon termination of this Agreement, or its expiration without replacement, (i) Customer will immediately cease using HS Cloud, and (ii) HS GovTech will transmit all Customer Data stored on HS Cloud to Customer and securely erase such Customer Data from HS Cloud within thirty (30) business days of the effective date of termination or expiration, as the case may be. Customer Data will be provided in a SQL backup file (.bak file), or comma delimited if requested by Customer. For Decommissioning to occur, all outstanding monies owed to HS GovTech by Customer must be paid in full at the time of Decommissioning. If Customer is in arrears at the time of termination or expiration of the Agreement, Customer will begin its thirty (30) day Decommission cycle upon full payment of all outstanding amounts owed to HS GovTech. HS GovTech will permanently delete all Customer Data after Decommissioning within ninety (90) days of the date of termination or expiration of this Agreement.

11. Confidentiality

- a. Notwithstanding anything in this Agreement to the contrary, Customer is a public entity subject to North Dakota open records laws, including N.D.C.C. ch. 44-04. Nothing in this Agreement shall require the Customer to withhold records or information from disclosure when disclosure is required by applicable law. The Parties acknowledge that information designated as confidential by HS GovTech may not qualify as confidential under North Dakota law.
- b. Each Party agrees to protect the Confidential Information of the other Party in the same manner that it protects the confidentiality of its own proprietary and confidential information of a like kind, but in no case less than reasonable care, and will not use the Confidential Information of the other Party, except in connection with the performance of its obligations under this Agreement or as permitted by this Agreement. The confidentiality provisions set forth in this Agreement will remain in full force and effect in perpetuity.
- c. Upon termination or expiration of this Agreement or upon the written instruction of the Party owning Confidential Information, the other Party will return or destroy the requesting Party's Confidential Information. For purposes of the foregoing, a Party will be deemed to have destroyed electronic Confidential Information when it executes an application - or operating system-level, commercially reasonable delete function on it, provided that thereafter, it does not conduct or permit any recovery or restoration of the same.
- d. Each Party will be responsible to the other for any disclosure of Confidential Information that is not permitted by this Agreement to the extent caused by such Party and for any failure by such Party to comply with the terms hereof. Each Party will indemnify and hold harmless the other from and against any and all claims arising out of any breach by it of this Section 11(c).
- e. The obligations of confidentiality set out in this Section 11 will not apply in respect of uses or disclosures of Confidential Information where:
 - I. The Party disclosing such Confidential Information consents in advance in writing,
 - II. Disclosure is required to comply with any applicable law, judicial order or stock exchange rules, provided that the Party proposing to disclose the Confidential Information gives the other Party reasonable, sufficient notice as may be practicable in the circumstances to contest or protect the required disclosure, or
 - III. The Party proposing to use or disclose the Confidential Information can establish with documentary evidence that other than because of a breach of this Agreement, The



Confidential Information:

- a. is available in the public domain or is Public Data,
- b. was disclosed to it by a third party without violating confidentiality obligations or
- c. was already known by it or was subsequently developed by it without any use of Confidential Information of the other Party.

12. Protected Health Information

- a. HS GovTech will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any electronically protected health information (PHI) included in the Customer Data in accordance with the NIST 800-53 Security Guide should Customer require that HS GovTech, subcontractor(s) or agent(s) create, receive, maintain, or transmit PHI data on behalf of Customer. PHI data shall be protected against unauthorized access, disclosure or modification, theft, or destruction.
- b. HS GovTech will use encryption that is in accordance with NIST Special Publication 800-111 Guide to Storage Encryption, including the use of standards-based encryption format using triple-DES (3DES), or the Advanced Encryption Standard (AES), or their successors.
- c. Backups of PHI will be encrypted in accordance with secure methods as listed in NIST Special Publication 800-111 Guide to Storage Encryption, including off-site storage in a physically secure location with secure access controls to authorized personnel. Backup schedules shall be maintained to ensure timely availability and integrity of data.
- d. HS GovTech will implement technical security measures, including mechanisms to encrypt and decrypt electronic PHI "at rest" and "during transmission" over an electronic communications network, including the internet, consistent with NIST Special Publications 800-52, 800-77 and Guidelines as appropriate to comply with Federal Information Processing Standards in the protection of PHI.
- e. HS GovTech will perform an independent audit of its data centers at least annually at its expense and provide a redacted version of the audit report to Customer upon request. HS GovTech may remove its proprietary information from the redacted version. A Service Organization Control (SOC) 2 audit report or approved equivalent sets the minimum level of a third-party audit.
- f. HS GovTech will provide reports or additional information upon request of Customer and access by Customer or designated staff to HS GovTech's facilities and/or any location involved with providing services to Customer or involved with processing or storing Customer Data, and HS GovTech shall reasonably cooperate with Customer staff and audit requests submitted under this Section. Any Confidential Information of either Party accessed or disclosed during the course of the security audit shall be treated as set forth under this Agreement or applicable laws or regulations. Each Party shall bear its own expenses incurred in the course of conducting this security audit. HS GovTech shall, at its own expense, promptly rectify any non-compliance identified by the security audit and provide proof to Customer thereof.
- g. HS GovTech will immediately report any security incident to the appropriate Customer identified contact. If HS GovTech has actual knowledge of a confirmed data breach that affects the security of any Customer Data that is subject to applicable data breach notification law, HS GovTech shall:
 - 1. Promptly notify the appropriate Customer identified contact within 24 hours or sooner unless a shorter time is required by applicable law,
 - 2. Take commercially reasonable measures to report perceived security incidents to address the data breach in a timely manner,



3. Cooperate with Customer as reasonably requested by Customer to investigate and resolve the data breach,
 4. Promptly implement necessary remedial measures, if necessary, and
 5. Document responsive actions taken related to the data breach, including any post-incident review of events and actions taken to make changes in business practices in providing the services, if necessary.
- h. Access to Customer Data will be restricted to authorized personnel. Security measures will be enforced to ensure the integrity, security, and availability of the system and data resources. HS GovTech will be subject to HIPAA/HITECH Breach Notification requirements of unsecured Protected Health Information. All HS GovTech personnel assigned to this task order will be subject to appropriate security clearances granted in accordance with their assigned duties and responsibilities. All HS GovTech personnel will be informed of their security responsibilities and be subject to security monitoring and audits to ensure compliance to security clearances.
- i. HS GovTech will deliver to Customer its annual SOC2 Type 2 audit within thirty (30) days of request if formally requested.

13. Indemnification

- a. HS GovTech shall defend, indemnify, and hold harmless Customer and its officers, directors, employees, agents, successors, and assigns from and against any and all liabilities, claims, or demands arising out of any third-party claim that HS Cloud infringes or misappropriates such third-party's United States patents, copyrights, or trade secrets. The foregoing obligation does not apply to the extent the alleged infringement arises from (i) third party materials or Customer Data, (ii) access to or use of HS Cloud by Customer in combination with any hardware, system, software, network, or other materials or service not specified by HS GovTech for use with HS Cloud, (iii) Customer's failure to comply with its obligations pursuant to Section 4(d), or (iv) any acts or omissions of Customer or its personnel. Customer will immediately provide notice to HS GovTech in the event of any such claim, and HS GovTech will have the right to defend and settle any such claims.
- b. To the extent permitted by law, Customer shall defend, indemnify, and hold harmless HS GovTech and its officers, directors, employees, agents, successors, and assigns from and against any and all liabilities, claims, or demands arising out of any third-party claim based on Customer Data, including any processing of Customer Data in accordance with this Agreement, and any other materials or information (including any documents, data, specifications, software, content, or technology) provided by or on behalf of Customer or any User, including HS GovTech's compliance with any specifications or directions provided by or on behalf of Customer or any User to the extent prepared without any contribution by HS GovTech.
- c. Each Party shall promptly notify the other Party in writing of any claim for which such Party believes it is entitled to be indemnified pursuant to Section 13(a) or Section 13(b), as the case may be. The Party seeking indemnification (the "**Indemnitee**") shall cooperate with the other Party (the "**Indemnitor**") at the Indemnitor's sole cost and expense. The Indemnitor shall promptly assume control of the defense at the Indemnitor's sole cost and expense. The Indemnitee may participate in and observe the proceedings at its own cost and expense with counsel of its own choosing. The Indemnitor shall not settle any claim without the Indemnitee's prior written consent, which shall not be unreasonably withheld or delayed. If the Indemnitor fails or refuses to assume control of the defense of such claim, the Indemnitee shall have the right, but no obligation, to defend against such claim, including settling such claim after giving notice to the Indemnitor, in each case in such



manner and on such terms as the Indemnitee may deem appropriate. The Indemnitee's failure to perform any obligations under this Section 13(c) will not relieve the Indemnitor of its obligations under this Section 13, except to the extent that the Indemnitor can demonstrate that it has been materially prejudiced as a result of such failure.

- d. Customer acknowledges that HS Cloud provided by HS GovTech constitutes part of an information system to be used by Customer, its staff, employees, and authorized agents in the performance of their professional responsibilities and is in no way intended to replace their professional skill and judgment.
- e. Section 13 sets forth the customer's sole remedies and HS GovTech's sole liability and obligation for any actual, threatened, or alleged claims that HS Cloud or any subject matter of this agreement infringes, misappropriates, or otherwise violates any intellectual property rights of any third party.

14. Limitations of Liability

- a. In no event will HS GovTech or any of its licensors, service providers, or suppliers be liable under or in connection with this agreement or its subject matter under any legal or equitable theory, including breach of contract, tort (including negligence), strict liability, and otherwise, for any: (i) loss of production, use, business, revenue, or profit or diminution in value; (ii) impairment, inability to use or loss, interruption, or delay of the services, other than for the issuance of any applicable service credits pursuant to the service level agreement; (iii) loss, damage, corruption, or recovery of data, or breach of data or system security; (iv) cost of replacement goods or services; (v) loss of goodwill or reputation; or (vi) consequential, incidental, indirect, exemplary, special, enhanced, or punitive damages, regardless of whether such persons were advised of the possibility of such losses or damages or such losses or damages were otherwise foreseeable, and notwithstanding the failure of any agreed or other remedy of its essential purpose.
- b. In no event will the aggregate liability of HS GovTech arising out of or related to this Agreement, whether arising under or related to breach of contract, tort (including negligence), strict liability, or any other legal or equitable theory, exceed the total amounts paid or payable under this Agreement. The foregoing limitations apply even if any remedy fails for its essential purpose.



15. Notice

- a. All notices provided under this Agreement will be in writing and will be sent by certified mail, return receipt requested, or by email to the people and addresses set out below or to such other addresses as either Party may specify by notice to the other Party. All notices sent by certified mail will be effective upon the date of receipt. Notices sent by email will be immediately effective on the date of transmission if sent during regular business hours or on the next business day if sent outside of regular business hours.

To HS GovTech:

HS GovTech Solutions Inc.
 PO Box 90044, Charlotte NC 28290-0044
 Eric Thomas, CEO
 Telephone: 866-860-4224 ext 1004
 Website: www.hsgovtech.com

To Customer:

Contract Contact

Name: Grant Larson
 Address: 1240 25th Street South; Fargo, ND 58103
 Phone: (701) 241-1388
 Email: Glarson@FargoND.gov

Accounts Payable Contact:

Name: Lindsey Tester
 Address: 225 4th Street North; Fargo, ND 58102
 Phone: (701) 241-1333
 Email: FinanceAPAR@FargoND.gov

- b. If normal mail service or email is interrupted by a Force Majeure (as defined below) or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until received, and the Party sending the notice will use any other such services which have not been so interrupted or will deliver such notice in order to ensure prompt receipt thereof.



16. General

- a. Neither Party is liable for any delay, interruption, or failure in the performance of its obligations hereunder if caused by acts of God, war, declared or undeclared, fire, flood, storm, landslide, earthquake, such Party's failure or inability to obtain equipment, supplies or other facilities not caused by a failure to pay, labor disputes, or other similar events beyond the reasonable control of the Party affected (each, a "**Force Majeure**") that may prevent or delay such performance. If any such act or event occurs or is likely to occur, the Party affected will promptly notify the other Party, giving reasonable particulars of the event. The Party so affected will use reasonable efforts to eliminate or remedy the event.
- b. This Agreement and the schedules and all attachments attached hereto and referenced herein will constitute the entire Agreement of the Parties and will supersede all prior negotiations, proposals, and representations, whether written or oral with respect to the subject matter hereof.
- c. This Agreement may not be modified except by subsequent agreement in writing executed by authorized representatives of both Customer and HS GovTech.
- d. It is mutually agreed by and between the Parties that the relationship between Customer and HS GovTech will be that of independent contractors, and this Agreement creates no principal-agent or employer-employee relationship.
- e. It is mutually agreed by and between the Parties that if any section, subsection, sentence, clause, phrase, or portion of this Agreement will be for any reason held invalid, unenforceable, or unconstitutional by a court of competent jurisdiction, such portion will be deemed a separate, distinct and independent provision and such holding will not affect the validity of the remaining portions thereof.
- f. It is mutually agreed and acknowledged by and between the Parties that any breach by it of this Agreement with respect to the intellectual property rights or Confidential Information of the other Party may cause the other Party immediate and irreparable harm for which monetary damages would not be adequate to compensate such other Party, and so upon such a breach the other Party may seek injunctive or other equitable relief against the breaching Party from any court of competent jurisdiction without establishing the inadequacy of monetary damages, proof of actual harm or posting any bond or security.
- g. This Agreement will be governed by and construed in accordance with the laws enforced from time to time in the State of North Dakota and the federal laws of the United States applicable therein, without reference to their conflicts of laws principles.
- h. The captions and headings appearing in this Agreement are inserted for convenience only and do not form a part of this Agreement, and are not intended to interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.
- i. This Agreement will ensure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, personal representatives, successors, and assigns. Customer may not assign or transfer any interest in this Agreement without the prior written consent of HS GovTech.
- j. Whenever the singular or masculine is used herein, the same will be deemed to include the plural or the feminine of the body politic or corporate where the context of the party so requires.
- k. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement.



IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement as of the Effective Date.

For HS GOVTECH SOLUTIONS INC.:

For CUSTOMER:

Eric Thomas, CEO

Dr. Tim Mahoney, Mayor, City of Fargo

Date:

Date:

ATTEST:

Ashley Franco, Chief Customer Officer

Angie Bear, Deputy City Auditor

Date:

Date:



Appendix A – HS Cloud Suite Functionality

Enablement Project Services

Scope of Services

This section describes the scope of the Project that the Customer and HS GovTech agree is needed to meet the Project objectives. The scope of this Project is based upon information gathered by HS GovTech, as well as information provided by the Customer during demonstrations. Listed below is the scope of work that will be performed and is predicated on the assumptions listed in Section **Operating Assumptions** of this SOW.

Should the Project scope be required to change at any time during this Project's lifecycle, those changes will be managed as described in the section **Change Order Process** of this SOW.

In Scope

Programs:

Program - A standard Program in the HS GovTech system includes the following utilities, workflow and features.

- Animal Boarding Operations
- Aquatic Facilities
- Body Art
- Food (Mobile Food)
- Lodging
- Massage Therapy
- Mobile Home Parks
- Nuisance Complaints
- Pet Stores
- Tanning Facilities
- Onsite Sewage Treatment Systems

Standard Workflow Utilities

Address Manager	Establishment Manager	Permit Manager
Contact Manager	Invoice and Fee Manager	Inspection Manager
Plan Review Manager	Temporary Event Manager	Temporary Vendor Managers
Complaint Manager		

Features within the Standard Workflow

- Bulk Invoicing for Annual Permit Renewals/Fees
- Unique Fee Schedule Management
- Ability to Bulk Import Check Payment Data
- HSMobile Inspection App
- Inspection Scheduler for Routine and Follow-up Inspections
- Violation Library Data Management Tool
- Public Facing Citizen Portal Inspection Results Posting Page (standard format)
- Standard Time Log Time Tracking Utility
- Standard Attachments Utility on all Utilities
- Standard "Record Summary" print-friendly view for all utilities/records
- Conversation Manager Interactive Emails Feature
- Ability to Mass Email System Contacts through Primary Workflows



- The ability to accept credit, debit, and ACH payments, including online payments by operators, through HS Pay using our native processor, CORE.
- Single Sign-On (SSO) integration supports the SAML protocol. Integration with OIDC protocol is available exclusively for AzureAD, Okta, and Google Workspace, provided SAML is not feasible for the client.
- Standard Print Engine and Expected Configurable Forms*
- Standard HSAalytics Platform with Standard Reports**

***Standard Print Engine Per Program**

Ability to Print the following forms Per Program:

Permit Form (1)	Inspection Form (1)
Complaint Form (1)	Invoice Form (1)
Receipt Form (1)	

*Applications are renewal applications and not exposed on the online public portal.

HSAalytics Standard Reports

Accounting Reports

Payment Method
Excess Funds
Renewals Not Paid
Renewal Notices by Date
Program Report

Administrative Reports

Area Completeness Report
Time Tracking Report
User Activity Report
User Permissions Report
Group Permissions Report
Duplicate Contact Help Report

Inspection Reports

Upcoming Inspections Map
Inspection Time Report
Completed Inspections
Current Overdue Inspections by Permit
Completed Overdue Inspections by Permit
Section Violation & Risk Factor Report

Permit Reports

Permit Count Report
Permit Contact Report
Permit Flat File Report
Incomplete Contacts Report

Establishment Reports

Establishment Summary Report
Establishment Flag File Report

Complaint Reports

Complaints Summary Report
Complaints Flat File Report
Complaints Heat Map Analysis

Data Conversion Services

Data Conversion is the process of receiving data from another source, and processing it and importing it into the HS GovTech Software.

Data Conversion requested from existing database: DHD

Data Provision Requirement

Client shall provide the complete data set no later than prior to project kick-off. Delays in providing data may result in project schedule impacts.

Secure File Transfer Setup



Client shall establish and maintain an SFTP site in accordance with HS GovTech's technical requirements.

Data Load Schedule

HS GovTech shall perform a total of three (3) HDIS data loads, consisting of:

One (1) initial data load

One (1) data re-load approximately one (1) week prior to go-live

One (1) final data load at go-live

Out-of-Scope

The In Scope section above describes the Services that HS GovTech will perform. Other services are not included. The process described in section **Change Order Process** can be used to add items to the scope.

Specialized Customization Requiring Development Resources (Non-Standard):

- There is no data conversion from existing databases to HSCloud Suite for the program areas listed above in this agreement.
- No complex Mathematical Calculations on Fields
- No complex logic for changing values of fields, based on the value of another field, or filtering drop down values
- No specialized logic for triggering the creation of invoices/fees
- No specialized logic for the triggering of record creation or the automation of steps within a workflow process

Approach Methodology

HS GovTech utilizes a structured implementation methodology to ensure consistent, successful project delivery. The methodology is executed in five key phases:

1. **Engage**
2. **Configure**
3. **Confirm**
4. **Execute**
5. **Evolve**

This methodology, along with the assumptions in Section *Operating Assumptions*, has been used to estimate all activities in this SOW.

HS GovTech Management Roles

- **HS GovTech's Management**
HS GovTech will assign the following levels of management to support the professional services associated with this SOW / contract's referenced in section implementation phased activities:

•



HS GovTech's Project Enablement Manager – is responsible for the successful management and completion of the Project scope (Activities, Tasks, and Deliverables) in this SOW and for monitoring the HS GovTech team assigned to the effort to assure their performance is in accordance with this SOW and the Project Schedule. In addition, the HS GovTech's Project Enablement Manager will manage the "Change Order Process" defined in Section **Change Order Process**.

- **HS GovTech's Executive** – is responsible for any matters brought for escalation and participates in the Project Steering Committee when HS GovTech's Program Manager or Customers' Project Manager requests such presence.

Operating Assumptions

- All changes to this SOW will be managed through the Change Order Process.
- Any activities, tasks, or deliverables not explicitly stated are excluded unless mutually agreed via Change Order.
- Hours and days are based on standard business hours and business days.
- HS GovTech services will be performed remotely or at HS GovTech sites unless otherwise agreed.
- One (1) HSCloud Suite Environment will be hosted by HS GovTech; additional environments may incur costs.
- Third-party products not outlined in this SOW require a Change Order.
- Requests for revised schedules (e.g., additional hours) must be reviewed and approved by the Customer's leadership within three (3) business days and may incur additional fees.
- Project initiation will include an overview of the HSCloud Suite Platform to introduce Customer stakeholders to the current release.
- Customer is responsible for:
 - Executing the User Acceptance Testing (UAT) plan.
 - Assigning appropriate testing resources per the agreed timeline.
 - Developing end-user training curriculum and go-live transition guides.

Project Phases

1. Engage Phase

Tasks Associated with this Activity:

- Initial Demonstration with Sales Team
- Confirm the standard enablement project requirements with Enablement Team
- Final Demonstration
- Contracting Process

Deliverables:

- Signed Contract



2. Configure Phase

Tasks Associated with this activity:

- Sales handoff to Professional Services
- PM Kickoff
- Cadence with customer established
- Confirmation of requirements for programs selected
- Configure
 - Check-ins with customer per cadence
 - Timeline Burndown Review
 - Documentation creation for UAT(testing)

Deliverables:

- Project Status Updates
- Testing Documentation

3. Confirm Phase

Tasks Associated with this activity:

- HSGT testing on all programs end to end
- Tweak or fix any internal issues found
- PM - Confirm phase check in with customer
 - Turn over all documentation
 - Walk through use cases
- Customer UAT (1-2 weeks)
 - PM Triage any critical issues
 - Remediate or Reject
 - PM - Change orders created for new functionality
- Close out Confirm Phase
 - PM - Alert client of movement to execute phase
- Customer train the trainer
 - Prepare customer train-the-trainer materials if needed

Customer Responsibility:

- Execute UAT within the designated timeframe
- Prepare end user training curriculum
- Prepare go-live transition guides for customer's end user staff

Deliverables:

- Review Customer UAT summary report
- Customer training curriculum, transition guides, training materials, as appropriate
- For details on UAT, please refer to **Appendix C: User Acceptance Test**



4. Execute Phase

Tasks Associated with this activity:

- PM sets date immediately following UAT
- Confirm environment ready for go live execution
- PM to allocate resources needed to execute go-live
- PM to Introduce support staff and process according to SOW

HS GovTech Responsibility:

- Obtain Sign-Off on all Named Project Deliverables
- Conduct a Lessons Learned session and distribute documented results to participants
- Conduct End Meeting to review, discuss and finalize all the above

Customer Responsibility:

- Participate in the Definition, Development, and Review of Deliverables
- Participate in the Lessons Learned session
- Participate in End Review meeting

Deliverables:

- Standard Platform Components Defined in the SOW

5. Evolve Phase

Tasks Associated with this activity:

- Transition project ownership from Implementation PM to Support Services.
- Conduct post-go-live audit (lessons learned).
- Establish support cadence (monthly check-ins).
- Recommend additional training (billable if outside standard scope).
- Introduce Account Manager for first Quarterly Business Review (QBR).

Schedule

HS GovTech's estimated Project schedule to perform the tasks outlined in this SOW is approximately **five (5)** months from project kickoff.

Set Up Fee Estimate

HS GovTech's estimated total charges to perform its HSCloud Suite responsibilities as described in this document on a time and materials basis is \$ 75,000.00. This estimate provides the Customer with a high-level estimation based on the information provided at the time this SOW was prepared.



Appendix A-1 Go Live Criteria

Go-live is determined as the milestone where Customer provides HS GovTech formal approval that the HSCloud Suite implementation has reached the point where the programs listed in “**Appendix A - HSCloud Suite Functionality**” have met the In Scope criteria approved during the engagement phase.

The following Go Live Criteria checklist represents at a high level the criteria HS GovTech will measure to ensure that the project has reached the Go Live Milestone.

- **Configuration**
 - The configurations, including print forms, have been completed for programs listed in “Appendix A - HSCloud Suite Functionality”
 - Standard Reports have been deployed for HS Analytic
- **User Acceptance Testing (UAT)**
 - Approved customer UAT closure based on the HSGT provided testing plans.
 - Issues identified during UAT have been identified and resolved.
- **Training**
 - Train the trainer has been completed for customer identified staff in accordance with the terms of the HSCloud Suite Services Agreement.



Appendix A-2 Included Support

Hosting:

1. Service includes web hosting, data storage, data backup and publishing public data, which includes inspection information configured to meet the requirements of Customer.
2. HS GovTech will make reasonable efforts to ensure that the system servers are available at 99.99% availability per calendar month on all its services subject to any Force Majeure. HS GovTech provides a Service Level Agreement (SLA) for its clients. Please see the SLA attached as Appendix A3.
3. HS GovTech will allow access, via the internet, to the system servers.

Support and Maintenance:

Any issue or needs with ongoing use of the system can be handled by using the HS Cloud Support feature. Full instructions on usage will be provided by product support staff. During usage, any bugs encountered will be fixed within three (3) business days. Any change or additional functionality requests - outside the scope of this Agreement - will be reviewed and assessed, and if approved, a quote for the work will be provided.



Appendix A3 - Service Level Agreement (SLA)

HS GovTech offers the following levels of service to ensure maximum availability and performance of HS Cloud. The HS GovTech 99.99% uptime guarantee sets standards for service in these critical areas:

Network Availability

Network uptime occurs when the functionality of all HS GovTech network infrastructure, including cabling, switches, and routers, is operating as designed. Network downtime occurs if the HS GovTech Servers cannot transmit and/or receive data, and if the Customer opens a service ticket for the incident in the Customer system ticket tracking module. The HS GovTech network will be available 99.99% of the time, excluding scheduled maintenance or upgrades approved by both Customer and HS GovTech. Should a network outage occur that results in Customer system unavailability, HS GovTech will credit Customer 5% of the (Annual) Fee for every additional one (1) hour of downtime, up to but not exceeding 100% of one (Monthly Payment) These credits will be applied toward future Fee payments.

Infrastructure Guarantee

Critical systems include all power and HVAC infrastructure, UPS equipment, and cabling. Power supplies of individual servers are not included (see below for Hardware Guarantee). Critical systems downtime occurs when a HS GovTech server assigned to a Customer system is shut down because of power or heat problems, and if the Customer opens a service ticket for the incident in the Customer system ticket-tracking module. Critical system downtime is measured when the Customer ticket is opened to when the issue is resolved and the HS GovTech server returns online. HS GovTech critical systems, including power and HVAC, are available 100% of the time, excluding scheduled maintenance periods. Should an outage due to critical system failure occur, HS GovTech will credit Customer 5% of the annual fee for every additional one (1) hour of downtime, up to but not exceeding 100% of one annual payment. These will be applied toward future Fee payments.

Hardware Guarantee

Hardware is defined as the processor(s), RAM, hard disk(s), motherboard, NIC card, and other related components included in the HS GovTech server assigned to the Customer system. All hardware components directly related to the customer system will function properly, and any failed component will be replaced immediately at no additional customer cost. The replacement process will begin when the cause of the problem has been determined. Hardware replacement is guaranteed to take no more than two (2) hours. In the event that the replacement takes more than two (2) hours, HS GovTech will credit Customer 5% of the annual Fee for every additional one (1) hour of downtime, up to but not exceeding 100% of one annual payment. These credits will be applied toward future Fee payments.

Maintenance and Escalation (scheduled and unscheduled)

HS GovTech will notify Customer at least forty-eight (48) hours in advance of any scheduled network downtime for maintenance and service. In the event of an unscheduled outage, HS GovTech will immediately notify the Customer System Administrator of the outage and its estimated length.

For outages lasting one (1) hour or longer, the HS GovTech Operations Manager and Director of Programming and Development will treat the outage as top priority for immediate resolution. If the outage lasts more than two (2) hours the issue is assigned to the Chief Technology Officer. Any outage lasting four (4) or more hours is escalated to the HS GovTech Chief Executive Officer.

Should the outage last more than four (4) hours, HS GovTech will provide updates to the Customer System Administrator every four (4) hours on the system status. All updates and notifications will be sent via email to the Client System Administrator.

**Customer Support and Warranty**

Customer Support is available Monday through Friday during the hours of 8:00 AM – 6:00 PM EST, except for federal holidays. An after-hours emergency support number is made available for Client division director-level personnel.

Additional Services

Hosting of Customer Data technical support to staff in accordance with HS GovTech's established maintenance policy. Changes or additions to the Customer system in the event the state or other regulatory Customer modifies the format in which Customer Data is collected or output on a standard form.

Critical errors or bugs in system code will be addressed and repaired immediately for the Term of the Agreement. System change requests from Customer will be evaluated on a case-by-case basis and scheduled for completion based on priority.

Exceptions

Customers with delinquent accounts may not take advantage of the uptime guarantee set forth in Appendix A3. Customer must request all credits within three (3) days of the reported downtime, and the downtime must be from a single occurrence. All credits will be applied to future Fee payments.



Appendix B - Contract Fees and Payment Schedule

1. Fees

a. The fees payable under this Agreement are as follows:

Set-up: Configuration, data conversion, and implementation to HSCloud Suite for the programs listed in the SOW	\$75,000.00
License Fee: Annual cost for warranty, hosting, maintenance, and technical support	\$ 20,460.00

b. Payment schedule and terms:

100% of set-up fee, and of first-year license, warranty, hosting, maintenance, and technical support is due upon execution of contract.
Fees for second-year licensing, hosting, maintenance, and technical support are due on the one-year anniversary of the contract's execution. These services will continue annually for the duration of the contract term, with a 6% annual escalation applied beginning in the third year
Payment 1: \$ 95,460.00
Payment 2: \$ 20,460.00
Payment 3: \$ 21,687.60
Payment 4: \$ 22,988.85
Payment 5: \$ 24,368.18

2. Term:

This Agreement begins on the date it is executed and continues for a period of five (5) years as outlined in Section 8 titled 'Term'.



This Agreement shall expire at the end of the Initial Term unless the Parties mutually agree in writing to renew the Agreement.

If a deliverable has been completed and properly noticed to the agency, and should the agency withhold approval for no disclosed technical defect after 30 days, the deliverable will be deemed accepted for payment purposes.

***User** is defined as anyone who Customer authorizes to access HS Cloud on its behalf, whether or not employed by Customer and access cannot be shared by anyone other than the named user. The agency may add users due to growth up to 20% of per user base. If the additional user base exceeds 20%, the agency will be charged \$1250.00 per user over the 20% threshold.



Appendix C: User Acceptance Test (UAT)

1. A **2 week** timeframe is set aside for UAT support by HS GovTech and has been recommended as the maximum time required for Customer to test the HS GovTech-produced components. Customer understands that this timeframe includes:

- a. Customer's components to be tested in the UAT environment.
 - b. All Customer UAT testing, regardless of the number of Customer organizations involved in the testing.
 - c. HS GovTech's remedy to any verified Severity Level 1 issues (see severity definitions table below) found while executing the User Acceptance Test Plan.
 - d. HS GovTech's remedy to any verified Severity Level 1 configuration related problems (see severity definitions table below), issues, and Customer's re-testing of HS GovTech' corrections.
2. UAT will be conducted by Customer in accordance with the HS GovTech User Acceptance Test Plan.
3. If a verified issue arises during the UAT period that prevents the continuation of UAT and no reasonable work-around exists, then UAT will be "suspended" until a fix is provided by HS GovTech to which then UAT will restart.
4. The UAT period shall commence immediately upon the completion of standard system configuration and testing of components by HS GovTech to Customer as outlined in the HS GovTech Enablement Project Plan. If Customer is not able to begin UAT in accordance with the HS GovTech Enablement Project Plan, Customer has the following options:
- a. Shorten the UAT period, so as not to delay its scheduled Go-Live Date
 - b. Delay the start of UAT, which may extend the originally scheduled end Go-Live Date for UAT and customer will incur additional expenses to be billed as time and materials
 - c. Any combination of the above alternatives

Any such changes to the Enablement Project Plan involved with UAT will be managed under HS GovTech's Change Order Process as defined in Section **Change Order Process** of this SOW.

Problem Reporting Process

1. All problems reported by Customer must be specifically documented and provided to HS GovTech at the time of problem reporting. Documentation includes, but is not limited to, screen shots, context in which the error happened (steps taken prior to encountering the error) and any other information such as an error code or message. Documentation will vary based on the type of error encountered.
2. The severities assigned by Customer will be reviewed and agreed upon by HS GovTech and Customer prior to the issue being entered into the issue reporting log maintained by HS GovTech.
3. Adjudication of issue severities, i.e., the delineation between technical component code issues, Design or Test Specification issues is the responsibility of HS GovTech.
4. If HS GovTech is unable to reproduce a Customer-reported issue, then the issue will be closed, unless the time to resolve the issue is extended by Customer via the Change Order Process defined in Section **Change Order Process** of this SOW.



Severity Definitions Table

Priority Level	Severity Level 1 - High	Severity Level 2 – Medium	Severity Level 3 - Low
Definition	An issue that prevents operation of the entire System or operationally critical System processes, or which destroys important non-recoverable data with no available workaround.	An issue that has more than a cosmetic or insignificant effect on the continued use of the System, but which does not meet the criteria for a High level issue. An issue that prevents use of part of the System. A workaround may or may not be available.	An issue that has only cosmetic or other insignificant effects on the continued use of the System, such as formatting or spelling error.
Impact	A majority of Permitted Users are unable to process transactions or access data critical for conducting daily business.	Multiple Permitted Users are affected. Prolonged outage may affect ability to complete business functions critical to Customer.	Permitted User impacted but business not stopped. A workaround or alternate capability exists. Business can continue with minor capability impact.



Appendix D: Change Order Form (COF)

Created By:	Change Order Number:
	To Statement of Work:

This Change Order <Change Order Description and Numbering Information> to SOW between HS GovTech and <Insert Customer Name Here ("Customer")> is effective on <MM/DD/YYYY> ("Effective Date"). This Change Request describes the changes to the Services for SOW <#> to the Professional Services Agreement entered into as of <MM/DD/YYYY>, as amended, by and between HS GovTech and Customer (the "Agreement").

Project Summary

Project Name:
Expected Start Date for the change:
Fee Structure for the change:
Estimated Duration of the change:
Estimated Total Hours for the change:
Estimated Total Charges for the change:
Estimated Expenses of the change:

Description of Change:

Impact of Change:

Cost of Change:



Description	Quantity	Unit of Measure	Price (per Unit) \$	Estimated Total \$



Appendix E: TRAINING SERVICES

Customer will be offered seventy-five (75) hours for on-site training, this includes hours for staff travel.

Training for Customer users for go-live included in this Agreement:

Administrator (EH Management), Field Inspector Staff, and Business Support / Front Office Staff

Training will consist of:

- Login procedures:
 - Basic navigation of the HS Cloud System
 - Data Structure overview for all users
- General System Usage:
 - Address Manager
 - Establishment Manager
 - Permit Manager
 - Contact Manager
 - OWTS Program Process Flow
 - List Screen features and setup
 - Time Tracking (If implemented)
 - Inspection Manager (All staff knowledge)
 - Complaint Submission
 - Additional added utilities (Will be based on finalized program list)
- Inspection Staff Training
 - Conducting Inspections for all purchased programs
 - HS Cloud
 - HSMobile
- Business Staff
 - Application processing
 - Accounting procedures
 - Invoice Creation
 - Payments
 - Bulk Invoice
 - Payment Reporting
 - Online Payments (If applicable)
- Administrative Tools
 - HS Analytics

For all training elements, if additional utilities are added as part of the contract process, a training plan will be developed to ensure that staff are trained for these utilities.

Optional Admin/Super User Training will consist of:

- Form Builder
- Permissions Controls
- Troubleshooting list screen configuration issues

Additional Hourly Rate for Training Services-

\$140.00 (Minimum of 2 hour virtual training per person per hour)

\$425.00 (in person training) per person per hour for each trainer. Travel expenses are additional.

Report of Action:
FAHR Meeting of June 1, 2026



☐ Purchase Policy
☒ Budget Adjustment/Reallocation
☐ Personnel Request
☒ Other Financial

Department: Public Works

Description: See attached Memo. In conjunction with the transition to automated water meters, Public Works requests to sell surplus old style water meters to Cass Rural Water Users District for the negotiated price of \$40,000.

Net Financial Impact: +\$40,000

At their meeting, FAHR endorsed this request.

Suggested Motion:

Approve the sale of the City's remaining inventory of new, stock water meters to Cass Rural Water Users District for the negotiated purchase price of \$40,000 as presented, along with the related budget adjustment.

May 27, 2026

TO: Board of City Commissioners

FROM: Ben Dow

RE: Request for Authorization to Sell Surplus Water Meter Inventory to Cass Rural Water Users District

As part of the City's ongoing Citywide AMI (Advanced Metering Infrastructure) meter replacement project, staff is requesting authorization to sell the City's remaining inventory of new, stock water meters to Cass Rural Water Users District.

Over the course of the AMI replacement project, the city has transitioned away from the previous meter models and standardized operations around the new AMI meter system. As a result, the city has accumulated a remaining inventory of unused water meters that are no longer anticipated to be utilized within our water distribution system. Rather than continuing to store and maintain this excess inventory, staff believes it is in the best interest of the city to liquidate these materials while they still retain value and can be utilized by another utility provider.

Cass Rural Water Users District has expressed interest in purchasing the remaining inventory and has submitted an offer in the amount of \$40,000.00 for the meters. The estimated retail value of the inventory is approximately \$80,000.00. Although the proposed sale price is below retail value, staff feels the offer is fair and reasonable considering the quantity of inventory involved, the age of stock, marketability limitations associated with older meter technology, and the City's desire to eliminate surplus inventory associated with the former metering system.

Approval of this request would allow the City to recover a substantial portion of the inventory value while also reducing storage requirements and eliminating the need to continue carrying obsolete inventory tied to the previous meter platform.

Therefore, staff respectfully requests authorization to proceed with the sale of the remaining new, stock water meters to Cass Rural Water Users District for the negotiated purchase price of \$40,000.00.

Recommended Motion:

Move to authorize the sale of the City's remaining inventory of new, stock water meters to Cass Rural Water Users District for the negotiated purchase price of \$40,000.00 as presented.

BUDGET ADJUSTMENT REQUEST

This form must be completed for all budget adjustments. Please include this form with any requests submitted to FAHR and Commission. If the requested adjustment is a reallocation of budgeted funds within the same department, the request form can be sent directly to Finance. Please email to: Finance@fargond.gov.

Finance should review this adjustment request form for validity before it is presented to ensure accuracy. Any budget adjustments that increase expenditures **MUST** be approved by City Commission to be entered.

DEPARTMENT: Public Works

REQUESTED BY: Finance/Public Works PROJECT NUMBER : _____

DATE PREPARED: 6/1/2026

DESCRIPTION OF REQUEST:

Increase budget for approved sale of surplus water meters.

NOTE: if relevant, please identify the appropriate fiscal year in the description

REVENUE ACCOUNT NUMBER:	CURRENT BUDGET	REQUESTED ADJUSTMENT	NEW BUDGET
501-3053-361.99-00 Water Meter Misc Rev		\$ 40,000 =	\$ 40,000
		=	\$ -
	+	=	\$ -
	+	=	\$ -
TOTAL REVENUE ADJUSTMENTS:		\$ 40,000	

EXPENSE ACCOUNT NUMBER:	CURRENT BUDGET	REQUESTED ADJUSTMENT	NEW BUDGET
	\$ -	=	\$ -
		=	\$ -
	+	=	\$ -
	+	=	\$ -
	+	=	\$ -
	+	=	\$ -
	+	=	\$ -
TOTAL EXPENSE ADJUSTMENTS:		\$ -	

MONTHLY ALLOCATION (if not evenly over the remaining months of the year)					
Jan	Feb	Mar	Apr	May	June
Jul	Aug	Sep	Oct	Nov	Dec

FINANCE DEPT USE ONLY:

FAHR REVIEWED ON: _____

COMMISSION APPROVED ON: _____

ENTERED BY FINANCE:

Date: _____

By: _____

BA# _____

Report of Action:
FAHR Meeting of June 1, 2026



- ☐ Purchase Policy
- ☒ Budget Adjustment/Reallocation
- ☐ Personnel Request
- ☐ Other Financial

Department: Information Services

Description: Information Services requests a budget adjustment to accurately reflect the activity associated with an approved GIS project. Earlier this year, in accordance with procurement policy, Commission approved a contract with Fugro Services for \$348,629.05 for mapping services for various government agencies, including Fargo. IS included an estimate of \$30,000 for Fargo's share in the approved 2026 capital budget. We request a budget adjustment to accurately reflect the gross expense of the project, along with the related revenue bill-backs to partner agencies. Fargo's final cost will be \$36,970.66. The nominal additional City of Fargo cost will be absorbed within the 2026 IS budget.

Net Financial Impact: \$0 impact after agency bill-backs

This is a formality only, as the net expense has already been approved through the 2026 Budget.

Suggested Motion:

Approve attached budget adjustment to reflect gross expense and agency bill-backs associated with GIS mapping project approved for Fugro Services, as presented.

BUDGET ADJUSTMENT REQUEST

This form must be completed for all budget adjustments. Please include this form with any requests submitted to FAHR and Commission. If the requested adjustment is a reallocation of budgeted funds within the same department, the request form can be sent directly to Finance. Please email to: Finance@fargond.gov.

Finance should review this adjustment request form for validity before it is presented to ensure accuracy. Any budget adjustments that increase expenditures **MUST** be approved by City Commission to be entered.

DEPARTMENT: Information Systems

REQUESTED BY: Finance/IS PROJECT NUMBER : _____

DATE PREPARED: 6/1/2026

DESCRIPTION OF REQUEST:

NOTE: if relevant, please identify the appropriate fiscal year in the description

Adjust budget to accurately reflect gross activity (full expense and agency bill backs) associated with an approve GIS project. Currently budget reflects only Fargo's share of expense. Adjustment adds agency share of expense and bill back revenue; net \$0

REVENUE ACCOUNT NUMBER:	CURRENT BUDGET	REQUESTED ADJUSTMENT	NEW BUDGET
475-0000-337.00-00 Local Govt Grants		\$ 311,658 =	\$ 311,658
		=	\$ -
	+	=	\$ -
	+	=	\$ -
TOTAL REVENUE ADJUSTMENTS:		\$ 311,658	

EXPENSE ACCOUNT NUMBER:	CURRENT BUDGET	REQUESTED ADJUSTMENT	NEW BUDGET
475-0520-510.74-10 Machinery & Equipment		\$ 311,658 =	\$ 311,658
		=	\$ -
	+	=	\$ -
	+	=	\$ -
	+	=	\$ -
	+	=	\$ -
	+	=	\$ -
TOTAL EXPENSE ADJUSTMENTS:		\$ 311,658	

PLEASE NOTE: Budget Adjustments that increase expenditures MUST be approved by Finance & Commission.

MONTHLY ALLOCATION (if not evenly over the remaining months of the year)					
Jan	Feb	Mar	Apr	May	June
Jul	Aug	Sep	Oct	Nov	Dec

FINANCE DEPT USE ONLY:

FAHR REVIEWED ON: _____

COMMISSION APPROVED ON: _____

ENTERED BY FINANCE:

Date: _____

By: _____

BA# _____