

EXHIBIT 2

INTERLOCAL AGREEMENT

This Interlocal Agreement (the "Agreement") is made and entered into this _____, 2016, between The City of Denton, Texas, a political subdivision of the State of Texas (hereinafter "CITY") and THE UNIVERSITY OF NORTH TEXAS, , and an agency of the State of Texas (hereinafter "UNT").

WHEREAS, both the City and the State of Texas have the authority to enter into this Agreement pursuant to Chapter 791, Texas Government Code; and

WHEREAS, the professional development program ("TTDS Corporate Partners Program") contemplated under this Agreement is of mutual interest and benefit to UNT and to the CITY and will further the instructional and technical objectives of UNT in a manner consistent with its status as an agency of the State of Texas; and provide professional development training and instruction for twelve (12) selected City staff members.

WHEREAS, it is mutually beneficial to both parties to execute this Agreement whereby each entity can achieve common objectives relating to the health, safety, and welfare of the citizens of Texas, and in the interest of saving the City of Denton and State of Texas taxpayer funding; and

NOW THEREFORE, in consideration of the mutual representations, terms and covenants hereafter set forth, the parties hereby agree as follows:

1. **STATEMENT OF WORK.** UNT agrees to use its reasonable efforts to perform the professional development program described in the Statement of Work appended hereto and incorporated as Appendix A.
2. **PRINCIPAL COORDINATORS.** The program will be provided by Dr. Jerry Dake, and Dr. Donna Lohr, both Lecturers with UNT.
3. **PERIOD OF PERFORMANCE.** UNT will conduct the program during the period of **September 1, 2016 through June 30th, 2018**. This Agreement may be renewed only by written agreement executed by both parties.
4. **TOTAL AMOUNT OF THE CONTRACT.** The City agrees to pay UNT the fixed price of \$15,375, as agreed to in the payment schedule, listed below.
5. **PAYMENT SCHEDULE.** The City shall make payments upon receipt of invoices, in accordance with the statutory provisions of Texas Government Code; Chapter 2251. The payment schedule identified below, strictly follows a milestone performance schedule, in meeting of the stated DELIVERABLES (Attachment 1), and in the approval of invoices submitted to the City.

\$7,500 due upon completion of deliverables in Year 1, and receipt of invoice

\$7,875 due upon completion of deliverables in Year 2, and receipt of invoice

\$250 per hour for additional consultative services, as requested, and receipt of invoice; no later than June 30, 2018.

Invoices shall be sent to the following address:

Name: City of Denton, Accounts Payable Department

Address: 215 East McKinney Street

City State Zip: Denton, TX 76201

Company Rep Name: Alma Vigil Phone: 940-349-8223

Email: accountspayable@cityofdenton.com

6. **TERMINATION.** This agreement may be terminated by either party, upon sixty (60) days prior written notice.
7. **BREACH / OPPORTUNITY TO CURE.** The parties hereto expressly covenant and agree that in the event either party is in default of its obligations herein, the party not in default shall provide to the party in default at least thirty (30) days written notice to cure said default before exercising any of its rights as provided for in this Agreement.
8. **LIABILITY.** The parties to this Agreement and their respective officers and employees shall not be deemed to assume any liability for the acts, omissions and negligence of the other party.
9. **DISCLAIMER OF LIABILITY.** THE SERVICE PROVIDER MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED IN CONNECTION WITH THE TECHNICAL REPORTS, INVENTION DISCLOSURES OR RESEARCH DATA FURNISHED UNDER THIS AGREEMENT. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR

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PURPOSE, OR THAT USE OF SUCH MATERIALS OR MODIFICATION OF SUCH MATERIALS WILL NOT INFRINGE ON ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER PROPRIETARY RIGHT.

10. **FORCE MAJUERE.** Except for the obligation for the payment of money, if either party fails to fulfill its obligations hereunder when such failure is due to an act of God, or other circumstance beyond its reasonable control, then said failure shall be excused for the duration of such event and for such a time thereafter as is reasonable to enable the parties to resume performance under this Agreement.
11. **DISPUTE RESOLUTION.** The City must use the dispute resolution process provided in Chapter 2260 of the Texas Government Code to attempt to resolve a dispute arising under this contract and such process is a required prerequisite to suit in accordance with Chapter 107, Texas Civil Practice and Remedies Code. The City must submit written notice of a claim of breach of contract under this chapter to Dr. Jerry L. Dake, PhD, Senior Lecturer Decision Sciences, University of North Texas College of Business Administration, P.O. Box 305249, Denton, Texas 76203-5249. UNT is an agency of the State of Texas and nothing in this Agreement waives or relinquishes the right of UNT to claim any exemptions, privileges and immunities as may be provided by law.
12. **REMEDIES.** This Agreement shall be construed by and governed by the laws of the State of Texas. Venue for any legal action necessary to enforce the Agreement will be in Denton County, Texas. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy hereunder shall preclude any other or further exercise thereof.
13. **ENTIRE REPRESENTATION.** This Agreement contains the entire agreement between the parties and supersedes any prior oral or written agreements, commitments, understandings, or communications with respect to the subject matter of the Agreement. No amendments or modification of this Agreement shall be effective unless set forth in writing executed by duly authorized representatives of each party. This Agreement shall be construed in accordance with the laws of the State of Texas.
14. **WAIVER.** No waiver of any provision hereof or of any right or remedy hereunder shall be effective unless in writing and signed by the party against whom such waiver is sought to be enforced. No delay in exercising, no course of dealing with respect to, or no partial exercise of any right or remedy hereunder shall constitute a waiver of any right or remedy, or future exercise thereof.
15. **ASSIGNMENT.** This Agreement may not be assigned in whole or in part by any of the Parties without prior written consent of the other Party.
16. **SEVERABILITY.** In the event that any section, paragraph, sentence, clause or provision hereof is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.
17. **AMENDMENTS.** This Agreement may be amended from time to time by written amendment by both parties.
18. **NOTICE.** Any notice required to be given in connection with this Agreement shall be in writing and shall be deemed effective if hand delivered, or if sent by United States certified mail, return receipt requested, postage prepaid, or if sent by private receipted courier guaranteeing same-day or next-day delivery, addressed to the respective party at its address provided below. If sent by U.S. certified mail in accordance with this Section, such notices shall be deemed given and received on the earlier of (a) actual receipt at the address of the named addressee, or (b) on the third (3rd) business day after deposit with the United States Postal Service. Notice given by any other means shall be deemed given and received only upon actual receipt at the address of the named addressee.

University of North Texas College of Business Administration P.O. Box 305249 Attn: Dr. Jerry L. Dake, Ph.D. Telephone: 940-369-7218 Email: Jerry.Dake@unt.edu	City of Denton Purchasing Department 901B Texas Street Denton, Texas 76201 Attn: Purchasing Manager Telephone: 940-349-7133 Email: purchasing@cityofdenton.com
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19. **NO THIRD PARTY BENEFICIARIES.** For purposes of this Agreement, including its intended operation and effect, the parties specifically agree and contract that: (1) the Agreement only affects matters/disputes between the parties to this Agreement, and is in no way intended by the parties to benefit or otherwise affect any third person or entity notwithstanding the fact that such third person or entity may be in contractual relationship with the State or City, or both; and (2) the terms of this Agreement are not intended to release, either by contract or by operation of law, any third person or entity from obligations owed by them to either the State or City.
20. **ENTIRETY OF AGREEMENT.** This Agreement represents the entire understanding between UNT and the CITY and supersedes all other negotiations, representations or agreement, written or oral, relating to this Agreement.

EXHIBIT 2

The parties have caused this Agreement to be executed by their duly authorized representative.

UNIVERSITY OF NORTH TEXAS

City of Denton, Texas

By: _____



By: _____

Title: Bob Brown
VP for Finance
& Administration

Title: _____

Date: _____

8/2/16

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS

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COUNTY OF DENTON

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This instrument was acknowledged before me on the _____ day of _____, 2016 by _____, on behalf of the City of Denton, Texas.

Notary Public in and for the State of Texas

Attachment 1

University of North Texas - Service Agreement

ITDS Corporate Partners Program

UNT

Customer: City of Denton
Human Resources Department
601 E. Hickory, Suite A
Denton, TX 76205

Program Title: Process Improvement (PI)

The ITDS Corporate Partners Program (CPP) at the University of North Texas will deliver through its associates, a professional development program for the employees of the City of Denton on their premises located at 601 E. Hickory, Denton TX 76205. The program consists of six modules. Process Improvement will be the central theme of these modules. This set of six modules (Workshop) will be presented two times; the first set in the fall of 2016 (September – December) and the second set in the spring of 2017 (January – June). Exact dates and times are to be scheduled in conjunction with the City of Denton

REPRESENTATIONS AND UNDERSTANDINGS

The agreement begins with City of Denton's acceptance of this proposal and ends with the delivery of all the modules by the ITDS Partners Program. Each program will consist of 6 Modules and the actual classes offered by UNT will typically be conducted within a consecutive 9 - 10 month period. Based on the City's needs, this agreement may extend to cover two programs, with the first program under this Agreement beginning on September 1, 2016.

We have agreed to provide consultative services on an as needed basis to the project teams. As such, the CPP and City of Denton agree to begin this Agreement on September 1, 2016 with completion by June 30, 2018 (in anticipation of four programs beginning September 1, 2016, and continuing for 2 fiscal years). The City of Denton's fiscal year starts each October. These dates may be altered by mutual agreement of the parties.

The City of Denton is responsible for providing appropriate facilities, adequate audio-visual, computer equipment, city employee computer access, projection systems, etc., for successful delivery of the program. PowerPoint Masters will be provided by The CPP. The City of Denton is responsible for participant binders and copying the Masters for inclusion in participant binders. Participants are responsible for their own computers and any other learning support materials they choose to bring to the sessions.

Drs. Jerry Dake and Donna Lohr, Lecturers, UNT, will be the Program Coordinators. They will be responsible for managing, and coordinating the professional development. Modules will be delivered by Drs. Dake and Lohr. Should the CPP supplement the professional development resources, such alterations will be made at no additional charge, to the City of Denton.

The cost for the delivery of training will be a fixed price for a maximum of 12 City of Denton participants for each Workshop. The price includes all services and professional development materials described herein. The total cost of a PI Program Workshop to the City of Denton is \$7,500 (seven thousand five hundred dollars) for the first program year (City FY 16-17). The cost for training for subsequent programs will increase by 5% for each fiscal year program (\$7,875 for City FY 17-18). Payment is due at the milestones as described in the "Agreement".

In addition to the training classes, PI project teams may need consultative services by the professors. A consultant fee of \$250 per hour will be billed in the event such services are needed.