HIGHLINE WATER DISTRICT  
King County, Washington  
RESOLUTION 19-1-22A

RESOLUTION WAIVING COMPETITIVE BIDDING REQUIREMENTS OF RCW 57.08.050 FOR PURCHASE LIMITED TO A SINGLE SOURCE OF SUPPLY AND AUTHORIZING THE GENERAL MANAGER OR DESIGNEE TO PURCHASE AND EXECUTE THE ESRI SMALL UTILITY ENTERPRISE AGREEMENT FOR UPDATING, UPGRADED, AND EXPANDING THE DISTRICT’S GEOGRAPHIC INFORMATION SYSTEM (GIS).

WHEREAS, Highline Water District (“District”) owns and operates a public water system pursuant to Title 57 Revised Code of Washington (“RCW”), including water lines, wells, pump stations and reservoirs; and

WHEREAS, RCW 57.08.050(5) authorizes the Board of Commissioners to waive competitive bidding requirements for purchases if an exemption identified in RCW 39.04.280 applies to the purchase; and

WHEREAS, RCW 39.04.280(1)(a) authorizes the District to waive the competitive bidding process for purchases limited to a single source of supply; and

WHEREAS, the District currently owns and uses ArcGIS, a Geographic Information System (GIS) software that is manufactured and supported by Environmental Systems Research Institute, Inc. (ESRI); and

WHEREAS, ESRI is the sole-source provider for software and maintenance of ESRI products, including ArcGIS, in the commercial, state, and local government marketplace; and

WHEREAS, the District desires and has allocated resources in the 2019 Budget to upgrade, expand and expand its current GIS system for integration with other existing District software in operational and technical areas; and

WHEREAS, ESRI provides a packaged Small Utility Term Enterprise Agreement for software and support specifically designed for utilities, which provide a lower per unit cost for licensed software, reduces administrative and procurement expenses, includes maintenance services for all ESRI products under one agreement and provides flexibility to deploy software products when and where needed; and

WHEREAS, the District requested a quotation from ESRI to upgrade the District’s existing ArcGIS software to the Enterprise Agreement and to provide other support services as identified in Attachment A, attached hereto and incorporated herein by this reference (“Proposal”); and

WHEREAS, District staff reviewed the quotation from ESRI and recommend approval of the Proposal.
HIGHLINE WATER DISTRICT  
King County, Washington  

RESOLUTION 19-1-22A  

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Highline Water District, King County, Washington, as follows:

1. The competitive bidding requirements as set forth in RCW 57.08.050 are hereby waived, pursuant to the exemption of RCW 39.04.280(1)(a), and

2. The General Manager or designee is hereby authorized and directed to proceed with the purchases as identified in Attachment A.

3. The General Manager and/or the District’s legal counsel are authorized to make minor changes to the contract if required.

ADOPTED BY THE BOARD OF COMMISSIONERS of Highline Water District, King County, Washington, at an open public meeting held on the 22nd day of January, 2019.

BOARD OF COMMISSIONERS

Kathleen Quong-Vermeire, President

Vince Koester, Secretary

Todd Fultz, Commissioner

Daniel Johnson, Commissioner

George Landon, Commissioner
December 19, 2018

Logan Wallace  
Highline Water District  
23828 30th Ave S  
Kent, WA 98032

Dear Logan,

The Esri Small Utility Enterprise Agreement (EA) is a three-year agreement that will grant your organization access to Esri® term license software on an unlimited basis including maintenance on all software offered through the EA for the term of the agreement. The EA will be effective on the date executed and will require a firm, three-year commitment.

Based on Esri's work with several organizations similar to yours, we know there is significant potential to apply geographic information system (GIS) technology in many operational and technical areas within your organization. For this reason, we believe that your organization will greatly benefit from an enterprise agreement.

An EA will provide your organization with numerous benefits including:

- A lower cost per unit for licensed software
- Substantially reduced administrative and procurement expenses
- Maintenance on all Esri software deployed under this agreement
- Complete flexibility to deploy software products when and where needed

The following business terms and conditions will apply:

- All current departments, employees, and in-house contractors of the organization will be eligible to use the software and services included in the EA.

- If your organization wishes to acquire and/or maintain any Esri software during the term of the agreement that is not included in the EA, it may do so separately at the Esri pricing that is generally available for your organization for software and maintenance.

- The organization will establish a single point of contact for orders and deliveries and will be responsible for redistribution to eligible users.

- The organization will establish a Tier 1 support center to field calls from internal users of Esri software. The organization may designate individuals as specified in the EA who may directly contact Esri for Tier 2 technical support.

- The organization will provide an annual report of installed Esri software to Esri.
Esri software and updates that the organization is licensed to use will be automatically available for downloading.

The fee and benefits offered in this EA proposal are contingent upon your acceptance of Esri’s Small Utility EA terms and conditions.

Licenses are valid for the term of the EA.

The terms and conditions in this Small Utility EA offer are for utilities with a total meter/subscriber count which falls under the applicable tier in the Esri EA Small Utility Program. By accepting this offer, you confirm that your organization’s meter count falls within this range on the date of signature and that you are therefore eligible for this pricing. If your organization’s meter/subscriber count does not fall within this range, please confirm your current meter/subscriber count, and Esri will provide a revised quotation.

This program offer is valid for 90 days. To complete the agreement within this time frame, please contact me within the next seven days to work through any questions or concerns you may have. To expedite your acceptance of this EA offer:

1. Sign and return the EA contract with a Purchase Order or issue a Purchase Order that references this EA Quotation and includes the following statement on the face of the Purchase Order: "THIS PURCHASE ORDER IS GOVERNED BY THE TERMS AND CONDITIONS OF THE ESRI SMALL UTILITY EA, AND ADDITIONAL TERMS AND CONDITIONS IN THIS PURCHASE ORDER WILL NOT APPLY." Have it signed by an authorized representative of the organization.

2. On the first page of the EA, identify the central point of contact/agreement administrator. The agreement administrator is the party that will be the contact for management of the software, administration issues, and general operations. Information should include name, title (if applicable), address, phone number, and e-mail address.

3. In the purchase order, identify the "Ship to" and "Bill to" information for your organization.

4. Send the purchase order and agreement to the address, email or fax noted below:

   Esri                                  e-mail: service@esri.com fax
   Attn: Customer Service SU-EA          documents to: 909-307-3083
   380 New York Street
   Redlands, CA 92373-8100

I appreciate the opportunity to present you with this proposal, and I believe it will bring great benefits to your organization.

Thank you very much for your consideration.

Best Regards,

Jeremiah Ervin

Small Utility Enterprise Agreement
<table>
<thead>
<tr>
<th>Material</th>
<th>Qty</th>
<th>Description</th>
<th>Unit Price</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>114761</td>
<td>1</td>
<td>Year 1 (2019) - Meter Counts of 10,001 to 50,000 Small Utility Term Enterprise License Agreement</td>
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<td>25,000.00</td>
</tr>
<tr>
<td>161877</td>
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<td>Year 1 (2019) - Small Government and Local Utility EA Esri Enterprise Advantage Program (EEAP): 50 Technical Advisor Hours/ 50 Learning and Services Credits - Annual subscription designed to provide enterprise-wide visioning and geospatial enablement through technical advisory, an annual planning meeting, a collaboratively developed technical work plan, and access to exclusive quarterly technology webcasts. The program also provides access to a combination of consulting, premium support, and training services. This configuration includes a one day annual planning session; up to 50 Technical Advisor hours; Quarterly Technology Webcasts and 50 Learning and Services Credits. The Esri Advantage Program terms and conditions shall apply. If not attached, or already incorporated into an existing and current Esri master contract, these terms and conditions can be viewed on the web at <a href="https://www.esri.com/en-us/legal/terms/services">https://www.esri.com/en-us/legal/terms/services</a>.</td>
<td>47,000.00</td>
<td>47,000.00</td>
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<td>126959</td>
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Item Total: 127,750.00  
Subtotal: 127,750.00  
Sales Tax: 7,500.00  
Estimated Shipping & Handling(2 Day Delivery): 0.00  
Contract Pricing Adjust: 0.00  
Total: $135,250.00

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Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

For questions contact: Jeremiah Ervin  
Email: jervin@esri.com  
Phone: (909) 793-2853 x8264

The items on this quotation are subject to and governed by the terms of this quotation, the most current product specific scope of use document found at https://assets.esri.com/content/dam/esrisites/media/legal/product-specific-terms-of-use/es300.pdf, and your applicable signed agreement with Esri. If no such agreement covers any item quoted, then Esri's standard terms and conditions found at https://assets.esri.com/content/dam/esrisites/media/legal/ma-full/ma-full.pdf apply to your purchase of that item. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Supplemental terms and conditions found at https://www.esri.com/en-us/legal/terms/state-supplemental apply to some state and local government purchases. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's offerings. Acceptance of this quotation is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. Unless prohibited by law, the quotation information is confidential and may not be copied or released other than for the express purpose of system selection and purchase/license. This information may not be given to outside parties or used for any other purpose without consent from Esri. Delivery is FOB Origin.

If sending remittance, please address to: Esri, P.O. Box 741076, Los Angeles, CA 90074-1076

ERVINJ  
This offer is limited to the terms and conditions incorporated and attached herein.
Quotation # 20542027
Date: December 13, 2018
Customer # 23434  Contract # ENTERPRISE AGREEMENT
Highline Water District
23828 30th Ave S
Kent, WA 98032
ATTENTION: Logan Wallace
PHONE: (206) 592-8920
FAX: (206) 824-0806

If you have made ANY alterations to the line items included in this quote and have chosen to sign the quote to indicate your acceptance, you must fax Esri the signed quote in its entirety in order for the quote to be accepted. You will be contacted by your Customer Service Representative if additional information is required to complete your request.

If your organization is a US Federal, state, or local government agency; an educational facility; or a company that will not pay an invoice without having issued a formal purchase order, a signed quotation will not be accepted unless it is accompanied by your purchase order.

In order to expedite processing, please reference the quotation number and any/all applicable Esri contract number(s) (e.g. MPA, ELA, SmartBuy, GSA, BPA) on your ordering document.

By signing below, you confirm that you are authorized to obligate funds for your organization, and you are authorizing Esri to issue an invoice for the items included in the above quote in the amount of $______ plus sales taxes if applicable. Do not use this form if your organization will not honor and pay Esri’s invoice without additional authorizing paperwork.

Please check one of the following:

___ I agree to pay any applicable sales tax.

___ I am tax exempt, please contact me if exempt information is not currently on file with Esri.

Signature of Authorized Representative __________________________ Date ____________

Name (Please Print) __________________________

Title __________________________

The quotation information is proprietary and may not be copied or released other than for the express purpose of system selection and purchase/license. This information may not be given to outside parties or used for any other purpose without consent from Environmental Systems Research Institute, Inc. (Esri).

Any estimated sales and/or use tax reflected on this quote has been calculated as of the date of this quotation and is merely provided as a convenience for your organization’s budgetary purposes. Esri reserves the right to adjust and collect sales and/or use tax at the actual date of invoicing. If your organization is tax exempt or pays sales tax directly, then prior to invoicing, your organization must provide Esri with a copy of a current tax exemption certificate issued by your state’s taxing authority for the given jurisdiction.

Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

For questions contact: Jeremiah Ervin  Email: jervin@esri.com  Phone: (909) 793-2853 x8264

The items in this quotation are subject to and governed by the terms of this quotation, the most current product specific scope of use document found at https://assets.esri.com/content/dam/esrisites/media/legal/product-specific-terms-of-use/300.pdf, and your applicable signed agreement with Esri. If no such agreement covers any item quoted, then Esri’s standard terms and conditions found at https://assets.esri.com/content/dam/esrisites/media/legal/termsofuse/300.pdf apply to your purchase of that item. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri’s GSA Federal Supply Schedule. Supplemental terms and conditions found at https://www.esri.com/en-us/legal/terms/state-supplemental apply to some state and local government purchases. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri’s offerings. Acceptance of this quotation is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. Unless prohibited by law, the quotation information is confidential and may not be copied or released other than for the express purpose of system selection and purchase/license. The information may not be given to outside parties or used for any other purpose without consent from Esri. Delivery is FOB Origin.

If sending remittance, please address to: Esri, P.O. Box 741076, Los Angeles, CA 90074-1076

ERVINJ This offer is limited to the terms and conditions incorporated and attached herein.
SMALL ENTERPRISE AGREEMENT

SMALL UTILITY

(E215-2)

This Agreement is by and between the organization identified in the Quotation ("Customer") and Environmental Systems Research Institute, Inc. ("Esri").

This Agreement sets forth the terms for Customer's use of Products and incorporates by reference (i) the Quotation and (ii) the Master Agreement. Should there be any conflict between the terms and conditions of the documents that comprise this Agreement, the order of precedence for the documents shall be as follows: (i) the Quotation, (ii) this Agreement, and (iii) the Master Agreement. This Agreement shall be governed by and construed in accordance with the laws of the state in which Customer is located without reference to conflict of laws principles, and the United States of America federal law shall govern in matters of intellectual property. The modifications and additional rights granted in this Agreement apply only to the Products listed in Table A.

Table A
List of Products

<table>
<thead>
<tr>
<th>Uncapped Quantities</th>
<th>Developer Tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desktop Software and Extensions (Single Use)</td>
<td>ArcGIS Engine</td>
</tr>
<tr>
<td>ArcGIS Desktop Advanced</td>
<td>ArcGIS Engine Extensions: ArcGIS 3D Analyst,</td>
</tr>
<tr>
<td>ArcGIS Desktop Standard</td>
<td>ArcGIS Spatial Analyst, ArcGIS Engine Geodatabase</td>
</tr>
<tr>
<td>ArcGIS Desktop Basic</td>
<td>Update, ArcGIS Network Analyst, ArcGIS Schematics</td>
</tr>
<tr>
<td>ArcGIS Desktop Extensions: ArcGIS 3D Analyst,</td>
<td>ArcGIS Runtime (Standard)</td>
</tr>
<tr>
<td>ArcGIS Spatial Analyst, ArcGIS Geostatistical</td>
<td>ArcGIS Runtime Analysis Extension</td>
</tr>
<tr>
<td>Analyst, ArcGIS Publisher, ArcGIS Network</td>
<td></td>
</tr>
<tr>
<td>Analyst, ArcGIS Schematics, ArcGIS Workflow</td>
<td></td>
</tr>
<tr>
<td>Manager, ArcGIS Data Reviewer</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Limited Quantities</th>
</tr>
</thead>
<tbody>
<tr>
<td>One (1) Professional subscription to ArcGIS Developer*</td>
</tr>
<tr>
<td>Two (2) Esri CityEngine Advanced Single Use Licenses</td>
</tr>
<tr>
<td>50 ArcGIS Online Viewers</td>
</tr>
<tr>
<td>50 ArcGIS Online Creators</td>
</tr>
<tr>
<td>10,000 ArcGIS Online Service Credits</td>
</tr>
<tr>
<td>50 Level 2 ArcGIS Enterprise Named Users</td>
</tr>
<tr>
<td>2 Insights for ArcGIS for use with ArcGIS Enterprise</td>
</tr>
<tr>
<td>2 Insights for ArcGIS for use with ArcGIS Online</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Enterprise Software and Extensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>ArcGIS Enterprise and Workgroup (Advanced and Standard)</td>
</tr>
<tr>
<td>ArcGIS Enterprise Extensions: ArcGIS 3D Analyst,</td>
</tr>
<tr>
<td>ArcGIS Spatial Analyst, ArcGIS Geostatistical</td>
</tr>
<tr>
<td>Analyst, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Enterprise Additional Capability Servers</th>
</tr>
</thead>
<tbody>
<tr>
<td>ArcGIS Image Server</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OTHER BENEFITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Esri User Conference Registrations provided annually</td>
</tr>
<tr>
<td>Number of Tier 1 Help Desk Individuals authorized to call Esri</td>
</tr>
<tr>
<td>Maximum number of sets of backup media, if requested**</td>
</tr>
<tr>
<td>Self-Paced e-Learning</td>
</tr>
<tr>
<td>Five percent (5%) discount on all individual commercially available instructor-led training classes at Esri facilities purchased outside this Agreement (Discount does not apply to Small Enterprise Training Package)</td>
</tr>
</tbody>
</table>

*Maintenance is not provided for these items
**Additional sets of backup media may be purchased for a fee
Customer may accept this Agreement by signing and returning the whole Agreement with (i) the Quotation attached, (ii) a purchase order, or (iii) another document that matches the Quotation and references this Agreement ("Ordering Document"). ADDITIONAL OR CONFLICTING TERMS IN CUSTOMER'S PURCHASE ORDER OR OTHER DOCUMENT WILL NOT APPLY, AND THE TERMS OF THIS AGREEMENT WILL GOVERN. This Agreement is effective as of the date of Esri's receipt of an Ordering Document, unless otherwise agreed to by the parties ("Effective Date").

**Term of Agreement: Three (3) years**

This Agreement supersedes any previous agreements, proposals, presentations, understandings, and arrangements between the parties relating to the licensing of the Products. Except as provided in Article 4—Product Updates, no modifications can be made to this Agreement.

Accepted and Agreed:

(Customer)

By:  

Authorized Signature

Printed Name: ________________________________

Title: ________________________________

Date: ________________________________

**CUSTOMER CONTACT INFORMATION**

Contact: ________________________________  Telephone: ________________________________

Address: ________________________________  Fax: ________________________________

City, State, Postal Code: ________________________________  E-mail: ________________________________

Country: ________________________________

Quotation Number (if applicable): ________________________________
1.0—ADDITIONAL DEFINITIONS

In addition to the definitions provided in the Master Agreement, the following definitions apply to this Agreement:

"Case" means a failure of the Software or Online Services to operate according to the Documentation where such failure substantially impacts operational or functional performance.

"Deploy", "Deployed" and "Deployment" mean to redistribute and install the Products and related Authorization Codes within Customer's organization(s).

"Fee" means the fee set forth in the Quotation.

"Maintenance" means Tier 2 Support, Product updates, and Product patches provided to Customer during the Term of Agreement.

"Master Agreement" means the applicable master agreement for Esri Products incorporated by this reference that is (i) found at http://www.esri.com/legal/software-license and available in the installation process requiring acceptance by electronic acknowledgment or (ii) a signed Esri master agreement or license agreement that supersedes such electronically acknowledged master agreement.

"Product(s)" means the products identified in Table A—List of Products and any updates to the list Esri provides in writing.

"Quotation" means the offer letter and quotation provided separately to Customer.

"Technical Support" means the technical assistance for attempting resolution of a reported Case through error correction, patches, hot fixes, workarounds, replacement deliveries, or any other type of Product corrections or modifications.

"Tier 1 Help Desk" means Customer's point of contact(s) to provide all Tier 1 Support within Customer's organization(s).

"Tier 1 Support" means the Technical Support provided by the Tier 1 Help Desk.

"Tier 2 Support" means the Esri Technical Support provided to the Tier 1 Help Desk when a Case cannot be resolved through Tier 1 Support.

2.0—ADDITIONAL GRANT OF LICENSE

2.1 Grant of License. Subject to the terms and conditions of this Agreement, Esri grants to Customer a personal, nonexclusive, nontransferable license solely to use, copy, and Deploy quantities of the Products listed in Table A—List of Products for the Term of Agreement (i) for the applicable Fee and (ii) in accordance with the Master Agreement.

2.2 Consultant Access. Esri grants Customer the right to permit Customer's consultants or contractors to use the Products exclusively for Customer's benefit. Customer will be solely responsible for compliance by consultants and contractors with this Agreement and will ensure that the consultant or contractor discontinues use of Products upon completion of work for Customer. Access to or use of Products by consultants or contractors not exclusively for Customer's benefit is prohibited. Customer may not permit its consultants or contractors to install Software or Data on consultant, contractor, or third-party computers or remove Software or Data from Customer locations, except for the purpose of hosting the Software or Data on Contractor servers for the benefit of Customer.

3.0—TERM, TERMINATION, AND EXPIRATION

3.1 Term. This Agreement and all licenses hereunder will commence on the Effective Date and continue for the duration identified in the Term of Agreement, unless this Agreement is terminated earlier as provided herein. Customer is only authorized to use Products during the Term of Agreement. For an Agreement with a limited term, Esri does not grant Customer an indefinite or a perpetual license to Products.

3.2 No Use upon Agreement Expiration or Termination. All Product licenses, all Maintenance, and Esri User Conference registrations terminate upon expiration or termination of this Agreement.

3.3 Termination for a Material Breach. Either party may terminate this Agreement for a material breach by the other party. The breaching party will have thirty (30) days from the date of written notice to cure any material breach.

3.4 Termination for Lack of Funds. For an Agreement with government or government-owned entities, either party may terminate this Agreement before any subsequent year if
Customer is unable to secure funding through the legislative or governing body's approval process.

3.5 Follow-on Term. If the parties enter into another agreement substantially similar to this Agreement for an additional term, the effective date of the follow-on agreement will be the day after the expiration date of this Agreement.

4.0—PRODUCT UPDATES

4.1 Future Updates. Esri reserves the right to update the list of Products in Table A—List of Products by providing written notice to Customer. Customer may continue to use all Products that have been Deployed, but support and upgrades for deleted items may not be available. As new Products are incorporated into the standard program, they will be offered to Customer via written notice for incorporation into the Products schedule at no additional charge. Customer's use of new or updated Products requires Customer to adhere to applicable additional or revised terms and conditions in the Master Agreement.

4.2 Product Life Cycle. During the Term of Agreement, some Products may be retired or may no longer be available to Deploy in the identified quantities. Maintenance will be subject to the individual Product Life Cycle Support Status and Product Life Cycle Support Policy, which can be found at http://support.esri.com/en/content/productlifecycles. Updates for Products in the mature and retired phases may not be available. Customer may continue to use Products already Deployed, but Customer will not be able to Deploy retired Products.

5.0—MAINTENANCE

The Fee includes standard maintenance benefits during the Term of Agreement as specified in the most current applicable Esri Maintenance and Support Program document (found at http://www.esri.com/legal). At Esri’s sole discretion, Esri may make patches, hot fixes, or updates available for download. No Software other than the defined Products will receive Maintenance. Customer may acquire maintenance for other Software outside this Agreement.

a. Tier 1 Support

1. Customer will provide Tier 1 Support through the Tier 1 Help Desk to all Customer’s authorized users.

2. The Tier 1 Help Desk will be fully trained in the Products.

3. At a minimum, Tier 1 Support will include those activities that assist the user in resolving how-to and operational questions as well as questions on installation and troubleshooting procedures.

4. The Tier 1 Help Desk will be the initial point of contact for all questions and reporting of a Case. The Tier 1 Help Desk will obtain a full description of each reported Case and the system configuration from the user. This may include obtaining any customizations, code samples, or data involved in the Case.

5. If the Tier 1 Help Desk cannot resolve the Case, an authorized Tier 1 Help Desk individual may contact Tier 2 Support. The Tier 1 Help Desk will provide support in such a way as to minimize repeat calls and make solutions to problems available to Customer's organization.

6. Tier 1 Help Desk individuals are the only individuals authorized to contact Tier 2 Support. Customer may change the Tier 1 Help Desk individuals by written notice to Esri.

b. Tier 2 Support

1. Tier 2 Support will log the calls received from Tier 1 Help Desk.

2. Tier 2 Support will review all information collected by and received from the Tier 1 Help Desk including preliminary documented troubleshooting provided by the Tier 1 Help Desk when Tier 2 Support is required.

3. Tier 2 Support may request that Tier 1 Help Desk individuals provide verification of information, additional information, or answers to additional questions to supplement any preliminary information gathering or troubleshooting performed by Tier 1 Help Desk.

4. Tier 2 Support will attempt to resolve the Case submitted by Tier 1 Help Desk.
5. When the Case is resolved, Tier 2 Support will communicate the information to Tier 1 Help Desk, and Tier 1 Help Desk will disseminate the resolution to the user(s).

c. If requested, Esri will ship backup media to the ship-to address identified on the Ordering Document, FOB Destination, with shipping charges prepaid. Customer acknowledges that should sales or use taxes become due as a result of any shipments of tangible media, Esri has a right to invoice and Customer will pay any such sales or use tax associated with the receipt of tangible media.

6.0—ENDORSEMENT AND PUBLICITY

This Agreement will not be construed or interpreted as an exclusive dealings agreement or Customer's endorsement of Products. Either party may publicize the existence of this Agreement.

7.0—ADMINISTRATIVE REQUIREMENTS

7.1 OEM Licenses. Under Esri's OEM or Solution OEM programs, OEM partners are authorized to embed or bundle portions of Esri products and services with their application or service. OEM partners' business model, licensing terms and conditions, and pricing are independent of this Agreement. Customer will not seek any discount from the OEM partner or Esri based on the availability of Products under this Agreement. Customer will not decouple Esri products or services from the OEM partners' application or service.

7.2 Annual Report of Deployments. At each anniversary date and ninety (90) calendar days prior to the expiration of this Agreement, Customer will provide Esri with a written report detailing all Deployments. Upon request, Customer will provide records sufficient to verify the accuracy of the annual report.

8.0—ORDERING, ADMINISTRATIVE PROCEDURES, DELIVERY, AND DEPLOYMENT

8.1 Orders, Delivery, and Deployment

a. Upon the Effective Date, Esri will invoice Customer and provide Authorization Codes to activate the nondestructive copy protection program that enables Customer to download, operate, or allow access to the Products. If this is a multi-year Agreement, Esri may invoice the Fee before the annual anniversary date for each year.

b. Undisputed invoices will be due and payable within thirty (30) calendar days from the date of invoice. Esri's federal ID number is 95-2775-732.

a. All orders pertaining to this Agreement will be processed through Customer's centralized point of contact.

b. The following information will be included in each Ordering Document:

(1) Customer name; Esri customer number, if known; and bill-to and ship-to addresses
(2) Order number
(3) Applicable annual payment due

9.0—MERGERS, ACQUISITIONS, OR DIVESTITURES

If Customer is a commercial entity, Customer will notify Esri in writing in the event of (i) a consolidation, merger, or reorganization of Customer with or into another corporation or entity; (ii) Customer's acquisition of another entity; or (iii) a transfer or sale of all or part of Customer's organization (subsections i, ii, and iii, collectively referred to as "Ownership Change"). There will be no decrease in Fee as a result of any Ownership Change.

9.1 If an Ownership Change increases the cumulative program count beyond the maximum level for this Agreement, Esri reserves the right to increase the Fee or terminate this Agreement and the parties will negotiate a new agreement.

9.2 If an Ownership Change results in transfer or sale of a portion of Customer's organization, that portion of Customer's organization will transfer
the Products to Customer or uninstall, remove, and destroy all copies of the Products.

9.3 This Agreement may not be assigned to a successor entity as a result of an Ownership Change unless approved by Esri in writing in advance. If the assignment to the new entity is not approved, Customer will require any successor entity to uninstall, remove, and destroy the Products. This Agreement will terminate upon such Ownership Change.
Advantage Program Agreement

Agreement No. 

This Advantage Program Agreement ("Agreement") is between the entity shown below ("Customer") and Environmental Systems Research Institute, Inc. ("Esri"), a California corporation with a place of business at 380 New York Street, Redlands, California 92373-8100 USA.

This Agreement sets forth the terms under which Esri provides the Advantage Program to the Customer. This Agreement does not apply to Software, Online Services, Data, or Maintenance, or to development Professional Services. The terms of use for these Esri Offerings are set forth in the applicable signed master agreement or, if the Customer has no such agreement, the terms of Esri's Master Agreement found at http://www.esri.com/legal/software-license.

This Agreement is the sole and entire agreement of the parties as to the subject matter of this Agreement and supersedes any previous agreements, understandings, and arrangements relating to such subject matter. Neither party has relied on any statement, representation, or warranty not expressly stated in this Agreement. The Agreement comprises this signature page, the terms and conditions that begin on the following page, and all referenced attachments and addendums. Except for Product or Service descriptions, quantities, pricing, and delivery instructions, or as agreed in an Ordering Document signed by both parties, all terms included in any Ordering Document are void and of no effect. Any modification(s) or amendment(s) to this Agreement must be in writing and signed by both parties.

The parties may sign this Agreement in counterparts or via electronic signatures; such execution is valid even if an original paper document bearing both parties' original signatures is not delivered. This Agreement is executed and effective as of the last date signed below.

The authorized representatives of each party accept and agree to the terms of this Agreement by signing below:

(Customer) 

Legal Address: 

By: 

Authorized Signature

Title: 

Date: 

EVENMENTAL SYSTEMS RESEARCH INSTITUTE, INC. (Esri) 

380 New York Street, Redlands, CA 92373-8100

By: 

Authorized Signature

Printed Name: 

Title: 

Date: 

Customer Contact Information

Contact: 

Telephone: 

Address: 

Fax: 

City, State, ZIP: 

Email: 

E204AP

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April 6, 2018
Attachment A contains definitions of capitalized terms used throughout this Agreement. Each section of this Agreement may include additional definitions that are used exclusively within that section.

1.0 GENERAL GRANT OF RIGHTS AND RESTRICTIONS

1.1 Grant of Rights. In consideration of Customer's payment of all applicable fees and in accordance with this Agreement, Esri

   a. Provides Services as set forth in this Agreement;
   b. Grants to Customer a nonexclusive, nontransferable right and license or subscription to access and use Esri Offerings as set forth in the Specifications and applicable Ordering Documents; and
   c. Authorizes Customer to copy and make derivative works of the Documentation for Customer's own internal use in conjunction with Customer's authorized use of Deliverables or Esri Offerings. Customer will include the following copyright attribution notice acknowledging the proprietary rights of Esri and its licensors in any derivative work:

   "Portions of this document include intellectual property of Esri and its licensors and are used under license. Copyright © [Customer will insert the actual copyright date(s) from the source materials.] Esri and its licensors. All rights reserved."

The grants of rights in this section (i) continue for the duration of the subscription or applicable Term or perpetually if no Term is applicable or identified in the Ordering Documents and (ii) are subject to additional rights and restrictions in this Agreement including Attachment B.

1.2 Consultant or Contractor Access. Customer may authorize its consultants or contractors to (i) host Esri Offerings for Customer's benefit and (ii) use Esri Offerings exclusively for Customer's benefit. Customer will be solely responsible for its consultants' and contractors' compliance with this Agreement and will ensure that each consultant or contractor discontinues use of the Esri Offerings upon completion of work for Customer. Access to or use of Esri Offerings by consultants or contractors that is not exclusively for Customer's benefit is prohibited.

1.3 Reservation of Rights. All Esri Offerings are the copyrighted works of Esri or its licensors; all rights not specifically granted in this Agreement are reserved.

2.0 PROFESSIONAL SERVICES

2.1 Definitions. The following definitions supplement the definitions provided in Attachment A:

   a. "Invention(s)" means a patentable invention, discovery, innovation, or improvement, excluding Deliverables, relating to the subject matter of a Task Order.
   b. "Inventor(s)" means a party's principal, employee, consultant, or independent contractor that solely or jointly develops Inventions during Esri's performance under a Task Order.

2.2 Ownership of Deliverables and Inventions

   a. Esri or its licensors own and retain ownership of the Deliverables.
   b. Each party will retain title to any Inventions made or conceived solely by its Inventors during the Term of this Agreement, including, but not limited to, such Inventions that Esri's Inventors solely make or conceive while providing technical assistance pursuant to this Agreement. The parties will jointly own any Inventions made or conceived jointly by Inventors from both parties.
   c. The parties will negotiate in good faith and cooperate reasonably in (i) deciding whether or not to seek or maintain, or to continue to seek or maintain, patent protection in any country on any invention and the extent and scope of such protection and (ii) protecting and enforcing any patents issued on such invention.
3.0 ESRI MANAGED CLOUD SERVICES

3.1 Definitions. The following definitions supplement the definitions provided in Attachment A:

a. "EMCS Environment" means the hardware, software, data, and network platform that Esri or its third-party supplier provides as part of Esri Managed Cloud Services (EMCS).

b. "Hosting" means the business of housing and making accessible Customer Content via the Internet.

3.2 Provision of EMCS

a. Generally. Use of EMCS is subject to the Cloud Services terms found in Attachment B of this Agreement.

b. Requirements Planning. It is Customer's responsibility to plan for and address with Esri changes to Customer's requirements, such as the need for additional capacity, the update of an application or dataset, or increased level of system availability.

c. Compensation and Expenses. Esri will invoice Customer for the one-time setup fee upon Task Order execution. Thereafter, Esri will invoice Customer for the EMCS to be provided for the following month. Customer will pay invoices within 30 days of receipt. Customer is responsible for any shipping or temporary storage costs incurred during the delivery of Customer Content to Esri or removal of Customer Content from the EMCS Environment. This paragraph does not apply to EMCS provided under the Advantage Program (see the section entitled "Advantage Program" in this Agreement.)

d. Risk of Loss. Risk of loss for all Customer Content shall at all times remain with Customer, and it is Customer's sole responsibility to maintain regular backups of Customer Content. Risk of loss for the EMCS Environment shall at all times remain with Esri.

e. Personally Identifiable Information. Prior to providing any Customer Content under this Agreement, Customer shall notify Esri if Customer Content includes personally identifiable information.

f. Public Software. Customer may not use, and may not authorize its end users or contractors to Combine or use any Esri Offerings with any software (including any underlying dependencies), documentation, or other material distributed under an open source or other similar licensing or distribution model that requires as a condition of such model that any component of the Esri Offering be (1) disclosed or distributed in source code form, (2) made available free of charge to third parties, or (3) modifiable without restriction by third parties.

g. Monitoring. Customer will provide information and other materials related to its Customer Content as reasonably requested by Esri or its Hosting partner to verify Esri's or Customer's compliance with this Agreement. Esri or its Hosting partner, as applicable, may browse, index, or otherwise monitor the external interfaces of any Customer Content solely for the purpose of verifying compliance with this Agreement.

4.0 TRAINING

4.1 Definitions. The following definitions supplement the definitions provided in Attachment A:

a. "Customer-Supplied Training Data" means any digital dataset(s) including, but not limited to, geographic vector data, coordinates, raster data reports, or associated tabular attributes supplied by Customer for use in training.

b. "Esri Mobile Lab" means Esri equipment consisting of laptops preconfigured with Esri Software, Training Materials, hard drives, power cords, and network switches provided to Customer for use in conjunction with scheduled Esri Training Events only.

c. "Esri Training Event(s)" means an Esri site class, an Esri instructor-led online class, a Customer site/private class or coaching services.

d. "Esri Training Event Assistant" means Customer's primary Esri liaison in organizing private Esri Training Events.

e. "Student(s)" means a Customer employee or agent who is a registered participant in a specific Esri Training Event, or Training-related services. If Customer is an individual, then Student means Customer.

f. "Training Pass" means a non-refundable, non-transferable block of prepaid training days with a fixed price per day training price throughout the term of the Training Pass.
4.2 Permitted and Prohibited Uses

a. Esri provides Training Materials for Training purposes only and for the exclusive use of the Student who attends the training course for which the Training Materials are provided.
b. The Customer may reproduce copies of Training Materials for registered Students.
c. Customer may not and may not permit any Student to (i) separate the component parts of the Training Materials for any use or (ii) use audio or video recording equipment during an Esri Training Event.
d. Esri may issue temporary Product authorizations if Customer has an insufficient number of Products available for Training. Customer may use such Products as Training Materials under the terms of this Agreement. Customer will uninstall all deployed Products and return any media provided by Esri upon conclusion of the Esri Training Event.
e. Customer will retain ownership of any Customer-Supplied Training Data.

4.3 Esri’s Responsibilities

Esri will

a. Provide an instructor qualified to conduct the Training;
b. Provide all necessary Training Materials for Student; and
c. Confirm Esri Training Events approximately 10 business days prior to the scheduled start date. Esri will only confirm Student registrations that include a payment method. Registrations without a confirmed payment method are placed on the reservation waiting list. All reservations on the waiting list are subject to availability. Customer site/Private class and coaching services confirmation is also dependent on receipt of the completed Customer site training request form.

4.4 Customer’s Responsibilities

Customer will

a. Ensure that all Students have received confirmation from Esri to participate in an Esri Training Event. Esri reserves the right to disconnect any Student who permits unregistered student access to an online classroom Esri Training Event. In such case the full Esri Training Event fee will be invoiced and payable;
b. Ensure that all Students meet the minimum prerequisites for the applicable Esri Training Event as listed on Esri’s training website;
c. Submit Student registrations in Esri site classes with payment method information at least 15 business days before the scheduled start date.
d. Provide the Esri Training Event Assistant with a list of the names and email addresses of any Students who are to attend an Esri Training Event at least 3 business days before the scheduled start date, for compliance with the US embargoed country lists and the various US Government Lists of Parties of Concern or Specially Designated Nationals lists.
e. For classes held at the Customer-designated facility, complete a client site training request form; consult with Esri personnel to determine classroom, computer, and network requirements; and provide all such required classrooms, computers, and network access;
f. Ensure that Student use of Training Materials provided by Esri complies with the terms of this Agreement; and
g. Assume full liability and responsibility for Student attending Training course(s) under this Agreement.
h. If the Esri Mobile Lab is used, Customer will

1. Immediately report any previously damaged Esri Mobile Lab equipment to the Esri Training Event Assistant upon receipt of the equipment;
2. Keep Esri Mobile Lab equipment in a secure, locked area between Esri Training Event sessions;
3. Be responsible for loss of, damage to, or theft of Esri Mobile Lab equipment while in Customer’s possession;
4. Allow the Esri instructor to check all Esri Mobile Lab equipment following the completion of an Esri Training Event. Esri will notify Customer in writing of any damage to Esri Mobile Lab equipment due to Customer use, excluding normal wear and tear. Customer will be financially responsible for any repair or replacement of equipment resulting from such damage; and
5. Make Esri Mobile Lab equipment available for freight pickup upon the conclusion of the Esri Training Event.

4.5 Student Registration and Training Event Change Policy

a. Customer will provide written notice to the Esri Customer Service department at service@esri.com of any student substitution, before class commencement. A replacement Student must be from the same Customer organization as the Student being replaced.

b. If Customer reschedules an Esri Training Event three or fewer days before the scheduled start date, Esri will charge Customer 50 percent of the fee plus the cost of the rescheduled Esri Training Event.

c. If the Customer (i) cancels an Esri Training Event 3 or fewer days before the scheduled start date without concurrently rescheduling or (ii) is absent without notice from the Esri Training Event, the Customer will be liable for the full Esri Training Event fee.

d. If cancellation of an Esri Training Event is necessary due to causes beyond the party’s reasonable control, the affected party may reschedule or cancel the Training without incurring any liability.

e. *Termination of Agreement.* Students who are currently registered for an Esri Training Event as of the date of termination of this Agreement may attend the scheduled Training, subject to the terms and conditions of this Agreement.

4.6 Invoicing; Prepaid Fees

a. Esri will invoice Customer upon completion of the Esri Training Event or on purchase of a Training Pass. On Customer request, Esri will invoice in advance for an Esri Training Event.

b. If Customer is invoiced and pays that invoice prior to the scheduled Esri Training Event, then Customer has 1 year from the date of the invoice to consume the Training days. For a multiyear order, the Training days must be consumed by the end date specified on the Esri quotation. Thereafter, all prepaid fees are forfeited.

c. Training Pass exchange rates are described at https://www.esri.com/training/training-for-organizations/.

This paragraph does not apply to Training provided under the Advantage Program.

5.0 ADVANTAGE PROGRAM

5.1 Definitions. The following definitions supplement the definitions provided in Attachment A:

a. *Activity Description* means a mutually agreed upon written statement that confirms the number of Learning and Services Credits that Esri estimates is required to perform an activity and authorizes Esri to begin work based on such estimate. The Activity Description serves as the Task Order for Services provided under the Advantage Program.

b. *Advantage Program* means either the BPAP or the EEAP.

c. *Authorized Contact* means the Customer point of contact for the Advantage Program identified below.

d. *BPAP* means the Business Partner Advantage Program as described at www.esri.com/partners/bpap/components

e. *EEAP* means the Esri Enterprise Advantage Program as described at www.esri.com/services/eeap/components

f. *Learning and Services Credits* means a contracted unit of exchange that Customer may use to acquire Professional Services, Training, PSS, EMCS, or related travel expenses as described below.

g. *Premium Support Services* or *PSS* means a prioritized incident management and technical support program further described at http://support.esri.com/en/support/premium.

h. *Technical Advisor* means an Esri consultant assigned to work with Customer to provide Professional Services comprising advising on GIS strategies, facilitating annual account planning, and developing and coordinating a collaborative technical work plan under the Advantage Program.

5.2 Advantage Program Description. The Advantage Program is provided on an order-by-order, annual subscription basis allowing access to Professional Services, Training, PSS, and EMCS offerings that provides
Customer with the flexibility to select the offerings that best meet its needs with guidance from the Technical Advisor. The Advantage Program may change from time to time. The Advantage Program includes:

a. **Technical Advisor.** Customer will receive up to the number of Technical Advisor hours ordered. Customer may elect to retain additional Technical Advisor hours for a supplemental price.
b. **Annual Account Planning Session.** A 1-day annual account planning and review meeting is included.
c. **Technical Work Plan.** A collaboratively developed document designed to drive the program’s implementation through definition of Customer’s GIS vision, goals, and objectives.
d. **Learning and Services Credits.** Customer will receive the number of Learning and Services Credits ordered. Customer may use the credits toward any combination of Professional Services, Training, PSS, EMCS or related travel expenses. Customer may order, for an additional price, additional Learning and Services Credits. Learning and Services Credits may be exchanged as described at the BPAP or EEAP website. Esri will provide a monthly report outlining usage of Learning and Services Credits to date to the Authorized Contact.
e. **Quarterly Technology Webcast.** Esri will provide an email invitation to the Authorized Contact for a quarterly webcast presenting business and technical information related to enterprise GIS.
f. **No Project Services.** The Advantage Program is not designed for Esri to provide project-specific Professional Services such as custom application or database development for solutions or applications. Esri will not provide these types of Professional Services under the Advantage Program and does not warrant that Deliverables provided under an Advantage Program will comply with Specifications.

5.3 **Authorized Contact Information.** Customer identifies the following person as its initial Authorized Contact.

(to be completed by Customer):

Contact Name: ____________________________
Telephone: _________________________________
Address: ________________________________
Fax: _________________________________
City, State, ZIP: ____________________________
Email: _________________________________

5.4 **Current on Maintenance.** Customer must remain current on standard Software Maintenance during the Advantage Program term.

5.5 **Authorization of Learning and Services Credits Use.** Customer will contact its account manager or Technical Advisor to consume Learning and Services Credits for a particular request. Esri will submit an Activity Description by email to Customer for confirmation and authorization to use the Learning and Services Credits. Customer may authorize the consumption of Learning and Services Credits by submitting an email. Esri will begin work and deduct the estimated credit amount stated in the Activity Description from the unused Learning and Services Credits available.

5.6 **Activity Descriptions for EMCS.** The Activity Description for EMCS orders must include the following:

a. **The EMCS Term**—The time period in which Esri provides the EMCS to Customer. The EMCS term does not begin until setup and deployment of the data and application are complete.
b. **Targeted System Availability**—The minimum percentage of time that Customer has external access to the application and associated Customer Content through the Internet. Examples of supported levels of system availability are 95 percent, 99 percent, and 99.9 percent. Not all EMCS offerings include a Targeted System Availability.
c. **Number of Anticipated Requests**—The number of requests made by an end user through a client (e.g., desktop computer, web application, mobile device) and sent to a server(s) that is set up in the EMCS Environment by Esri and performs computational tasks on behalf of the end user. An example of a common request used in a GIS is a map request. A map request is made every time a user pans, zooms, or queries a map service.
d. **Amount of Data Storage**—The storage capacity required to retain digital data, which is to be used and consumed in Customer GIS applications or Cloud Services.

e. **Learning and Services Credits Consumption**—The price for the EMCS in Learning and Services Credits.

The Data storage location may be defined in the Activity Description.

5.7 **Travel and Per Diem Expenses.** Any Esri travel and per diem expenses will be quoted separately. Travel expenses will include a 15 percent burden and per diem will be determined in accordance with the full daily limits specified on the government General Services Administration (GSA) website at http://gsa.gov/. Customer may direct Esri to use Learning and Services Credits for travel and per diem expenses, or Customer may issue a purchase order and Esri will invoice Customer for the travel and per diem expenses as set forth in the "Professional Services" section of this Agreement.

5.8 **Notification of Consumed Credits.** Esri will notify Customer if the authorized Learning and Services Credits are consumed prior to completion of the requested work. Customer may elect to direct the use of additional Learning and Services Credits, if available; procure additional Learning and Services Credits; or notify Esri to stop work on such requested work. Esri reserves the right to stop work if Customer has consumed all of its Learning and Services Credits.

5.9 **Review of Proposed Activities.** Any activities proposed to be completed under the Advantage Program will be subject to Esri’s review and approval to ensure alignment with the intent of the program.

5.10 **Invoicing**

a. Esri shall invoice Customer as quoted for the Advantage Program subscription, additional Learning and Services Credits, or Technical Advisor services upon receipt of Customer’s order. Subsequently, Esri will invoice annually at least 30 days in advance of the Advantage Program subscription expiration date. Esri will extend the Advantage Program subscription for a subsequent annual term upon receipt of Customer’s payment of the renewal invoice. Esri will invoice fees for additional Learning and Services Credits or Technical Advisor services upon receipt of Customer’s order.

b. Pricing for annual program renewals and new or additional Services will be in accordance with Esri’s standard pricing at the time of purchase or renewal.

5.11 **Termination and Expiration.** Upon termination or expiration of an Advantage Program subscription:

a. Services will end as of the expiration or termination date stated; and

b. Unless either party terminates the Advantage Program subscription for cause, Customer may apply any unused Learning and Services Credits toward any Professional Services, Training, PSS, or related travel expenses that are scheduled as of the termination or expiration date, provided that the Learning and Services Credits are used within 3 months after the termination or expiration date. Any other unused Learning and Services Credits will expire 30 days after the expiration or termination date; if Customer renews the Advantage Program subscription within this time period, any unused Learning and Services Credits will remain valid for up to 2 years from the purchase date or termination of this Agreement, whichever comes first.
ATTACHMENT A
GLOSSARY OF TERMS FOR SERVICES

"Affiliate" means any entity that directly or indirectly (i) Controls; (ii) is Controlled by; or (iii) is under common Control with a party; where "Control" means having more than 50 percent of the voting stock or other voting interest in the Controlled entity.

"API" means application programming interface.

"Authorization Code(s)" means any key, authorization number, enablement code, login credential, activation code, token, user name and password, or other mechanism required for use of Esri Offerings.

"Beta" means any alpha, beta, or other prerelease Product.

"Cloud Services" means Online Services and EMCS.

"Content" means data, images, photographs, animations, video, audio, text, maps, databases, data models, spreadsheets, user interfaces, graphics components, icons, software, and other resources.

"Control" means having more than 50 percent of the voting stock or other voting interest in the Controlled entity.

"Customer Content" means any Content that Customer provides, uses, or develops in connection with Customer's use of Esri Offerings or Services. Customer Content excludes any feedback, suggestions, or requests for improvements that Customer provides to Esri.

"Data" means any commercially available digital dataset(s) including, but not limited to, geographic vector data, raster data reports, or associated tabular attributes, that Esri bundles with other Esri Offerings or delivers independently.

"Deliverables" means anything that Esri delivers to a Customer as a result of performance of Professional Services.

"Documentation" means all user reference documentation that Esri provides with a Deliverable or an Esri Offering.

"Esri Managed Cloud Services" or "EMCS" means a Customer-specific cloud infrastructure, Software, Data, and network platform that Esri hosts, manages, and makes available to Customer or Customer's end users via the Internet.

"Esri Offering(s)" means Deliverables provided on a firm fixed price basis and Training Materials. Esri Offerings exclude Services and Third-Party Content.

"GIS" means geographic information system.

"Maintenance" means a subscription program that Esri provides and that entities Customer to Product updates and other benefits such as access to technical support and self-paced, web-based learning resources.

"Malicious Code" means software viruses; worms; time bombs; Trojan horses; or any other computer code, files, denial of service, or programs designed to interrupt, destroy, or limit the functionality of any computer software, hardware, or telecommunications equipment.

"Online Services" means any commercially available, Internet-based geospatial system that Esri provides, including applications and associated APIs for storing, managing, publishing, and using maps, data, and other information. Online Services exclude Data and Content.

"Ordering Document(s)" means a sales quotation, Maintenance renewal quote, purchase order, proposal, Task Order, or other document identifying the Esri Offerings, updates, or Services that Customer orders.

"Perpetual License" means a license to use a version of the Esri Offering for which applicable license fees have been paid, indefinitely, unless terminated by Esri or Customer as authorized under this Agreement.
"Product(s)" means Software, Data, and Online Services.

"Professional Services" means any development or consulting services that Esri provides to Customer.

"Sample(s)" means sample code, sample applications, add-ons, or sample extensions of Products.

"Service(s)" means EMCS, Training, and Professional Services.

"Software" means any proprietary commercial off-the-shelf software, excluding Data, accessed or downloaded from an Esri-authorized website or that Esri delivers on any media in any format including backups, updates, service packs, patches, hot fixes, or permitted merged copies.

"Specification(s)" means (i) the scope of work set forth in any Task Order or (ii) Esri's published course descriptions for Training.

"Task Order(s)" means an Ordering Document for Services.

"Term License" means a license for use of an Esri Offering for a limited time period ("Term").

"Third-Party Content" means any Content that Customer may obtain from a third-party website or that persons other than Esri employees, suppliers, or contractors may directly contribute to Esri's website.

"Training" means standard Product training that Esri provides under this Agreement.

"Training Materials" means digital or printed content required to complete Training, which may include, but is not limited to, workbooks, data, concepts, exercises, and exams.
ATTACHMENT B
GENERAL TERMS AND CONDITIONS

The following general terms and conditions apply to all Esri Offerings and Services that Esri may offer to its customers. Certain Esri Offerings or Services may not be available under this Agreement. Please disregard any terms that are not applicable to Esri Offerings or Services offered under this Agreement.

ARTICLE 1—GENERAL USE RESTRICTIONS

Except as expressly permitted in this Agreement, Customer will not

a. Sell, rent, lease, sublicense, distribute, lend, time-share, or assign Esri Offerings;

b. Distribute or provide direct access to Esri Offerings to third parties, in whole or in part, including, but not limited to, extensions, components, or DLLs;

c. Distribute Authorization Codes to third parties;

d. Reverse engineer, decompile, or disassemble any Product or Deliverable delivered in compiled form;

e. Make any attempt to circumvent the technological measure(s) that controls access to or use of Esri Offerings;

f. Store, cache, use, upload, distribute, or sublicense Content or otherwise use Esri Offerings in violation of Esri's or a third-party's rights, including intellectual property rights, privacy rights, nondiscrimination laws, export laws, or any other applicable law or regulation;

g. Remove or obscure any Esri or its licensors' patent, copyright, trademark, proprietary rights notices, or legends contained in or affixed to any Esri Offerings, output, metadata file, or online or hard-copy attribution page of any Data or Documentation;

h. Unbundle or independently use individual or component parts of Esri Offerings;

i. Incorporate any portion of Esri Offerings into a product or service for third-party use that competes with the Esri Offerings;

j. Publish or in any other way communicate the results of benchmark tests run on Beta Products without the prior written permission of Esri and its licensors; or

k. Use, incorporate, modify, distribute, provide access to, or combine any Esri Offerings in a manner that would subject any part of the Esri Offerings to open-source or open-database license terms that require any part of the Esri Offerings to be:

   1. Disclosed in source code form to third parties;
   2. Licensed to third parties for the purpose of making derivative works; or
   3. Redistributable to third parties at no charge.

These restrictions will not apply to the extent that they conflict with applicable law or regulation.

ARTICLE 2—TERM AND TERMINATION

2.1 Customer may terminate this Agreement or any Esri Offerings license or subscription at any time upon written notice to Esri. Termination without cause does not entitle Customer to receive any refund of fees paid. Any right to terminate pending Services engagements for convenience is set forth in the applicable section in the body of this Agreement. Either party may terminate this Agreement or any license or subscription for a material breach that is not cured within 30 days of written notice to the breaching party. Upon any termination of this Agreement for breach, Esri will stop providing Services. Any licenses in Esri Offerings that survive termination of this Agreement continue under the terms of this Agreement.

2.2 If Esri terminates this Agreement following Customer's breach, then Esri may also, at its election, terminate Customer's licenses or subscriptions in Esri Offerings. If Customer terminates this Agreement for cause or convenience, then Customer may, at its election, also terminate Customer's licenses or subscriptions to Esri Offerings.

2.3 Upon any termination of a license or subscription, Customer will

a. Stop accessing and using the terminated Esri Offerings;

b. Clear any client-side data cache derived from the terminated Cloud Services; and
c. Stop using and uninstall, remove, and destroy all copies of affected Esri Offerings in Customer’s possession or control, including any modified or merged portions thereof, in any form, and execute and deliver evidence of such actions to Esri or its authorized distributor.

Esri may stop performing Services immediately upon written notice to Customer if a bankruptcy or insolvency proceeding is commenced by or against Customer until the trustee cures any existing defaults and provides adequate assurance of future performance under this Agreement. This Agreement terminates upon the insolvency, liquidation, or dissolution of either party.

ARTICLE 3—LIMITED WARRANTIES AND DISCLAIMERS

3.1 Limited Warranties. Except as disclaimed below, Esri warrants to Customer that (i) Products and Training will substantially comply with the applicable Specifications and (ii) Services will substantially conform to the professional and technical standards of the industry. The warranty period for Esri Offerings and Services offered under a Perpetual License runs for 90 days from the date of delivery or from the date of acceptance if this Agreement provides an acceptance period. The warranty period for Esri Offerings and Services offered under a subscription or Term License basis runs for the lesser of (i) the duration of the subscription or term or (ii) 90 days from delivery or acceptance if this Agreement provides an acceptance period.

3.2 Special Disclaimer. Third-Party Content; Data; Samples; hot fixes; patches; updates; Online Services provided at no charge; and trial, evaluation and Beta Products are delivered “as is” and without warranty of any kind.

3.3 General Disclaimer. Except for the express limited warranties set forth in this Agreement, Esri disclaims all other warranties or conditions of any kind, whether express or implied, including, but not limited to, warranties or conditions of merchantability, fitness for a particular purpose, and noninfringement of intellectual property rights. Esri is not responsible for any nonconformities caused by Customer’s modification of any Esri Offering other than as specified in the Documentation. Esri does not warrant that Esri Offerings, or Customer’s operation of the same, will be uninterrupted, error free, fault tolerant, or fail-safe or that all nonconformities can or will be corrected. Esri Offerings are not designed, manufactured, or intended for use in environments or applications that may lead to death, personal injury, or physical property or environmental damage. Customer should not follow any navigational route suggestions that appear to be hazardous, unsafe, or illegal. Any such uses will be at Customer’s own risk and cost.

3.4 Disclaimers

a. Internet Disclaimer. Neither party will be liable for damages under any theory of law related to the performance or discontinuance of operation of the Internet or to regulation of the Internet that might restrict or prohibit the operation of Cloud Services.

b. Third-Party Websites; Third-Party Content. Esri is not responsible for any third-party website or Third-Party Content that appears in or is referenced by Esri Offerings or Esri websites, including www.esri.com and www.arcgis.com. Providing links to third-party websites and resources does not imply an endorsement, affiliation, or sponsorship of any kind.

3.5 Exclusive Remedy. Customer’s exclusive remedy and Esri’s entire liability for breach of the limited warranties in this section will be to replace any defective media and to (i) repair, correct, or provide a workaround for the applicable Esri Offering or Services or (ii) at Esri’s election, terminate Customer’s right to use and refund the fees paid for Esri Offerings or Services that do not meet Esri’s limited warranties.

ARTICLE 4—LIMITATION OF LIABILITY

4.1 Disclaimer of Liability. Neither Customer, Esri, nor any Esri distributor or licensor will be liable for any indirect, special, incidental, or consequential damages; lost profits; lost sales; loss of goodwill; costs of procurement of substitute goods or services; or damages exceeding the applicable license or current subscription fees paid or owed to Esri for the Esri Offerings giving rise to the cause of action.
4.2 The limitations and exclusions of liability in the preceding paragraph do not apply to Customer's infringement, misuse, or misappropriation of Esri's or Esri's licensors' intellectual property rights, either party's indemnification obligations, gross negligence, willful misconduct, or violations of the Export Compliance clause of this Agreement or any applicable law or regulation.

4.3 Applicability of Disclaimers and Limitations. Esri or its authorized distributor has set its fees and entered into this Agreement in reliance on the disclaimers and limitations in this Agreement; the fees reflect an allocation of risk that is an essential basis of the bargain between the parties. These limitations will apply whether or not a party is aware of the possibility of any damage and notwithstanding any failure of essential purpose of any exclusive, limited remedy.

4.4 The foregoing disclaimers, limitations, and exclusions may be invalid in some jurisdictions and apply only to the extent permitted by applicable law or regulation in Customer's jurisdiction. Customer may have additional rights that may not be waived or disclaimed. Esri does not seek to limit Customer's warranty or remedies to any extent not permitted by law.

ARTICLE 5—INDEMNIFICATIONS

5.1 Definitions. The following definitions supplement the definitions provided in Attachment A:

a. "Claim" means any claim, action, or demand by a third party.

b. "Indemnitees" means Customer and its directors, officers, and employees.

c. "Infringement Claim(s)" means any Claim alleging that Customer's use of or access to Esri Offerings or Services infringe a patent, copyright, trademark, or trade secret.

d. "Loss(es)" means out-of-pocket loss, damage award, settlement amount, cost, or expense, including awarded attorneys' fees.

5.2 Infringement Indemnity

a. Esri will defend and hold all Indemnitees harmless from any Infringement Claim and indemnify any Loss arising out of an Infringement Claim as set forth in the following paragraphs.

b. If Esri determines that an Infringement Claim is valid, Esri may, at its expense, either (i) obtain rights for Customer to continue using the Esri Offerings or Services or (ii) modify the Esri Offerings or Services while maintaining substantially similar functionality. If neither alternative is commercially reasonable, Esri may terminate Customer's right to use the Esri Offerings or Services and will refund any (a) license fees that Customer paid for the infringing Esri Offerings or Services acquired under a Perpetual License, prorated on a 5-year, straight-line depreciation basis beginning from the initial date of delivery or (b) unused portion of fees paid for Term Licenses, Subscriptions, and Maintenance.

c. Esri has no obligation to defend an Infringement Claim or to indemnify Customer to the extent the Infringement Claim arises out of (i) the combination or integration of Esri Offerings or Services with a product, process, system, or element that Esri has not supplied or specified in the Specification; (ii) alteration of Esri Offerings or Services by anyone other than Esri or its subcontractors; (iii) compliance with Customer's specifications; or (iv) use of Esri Offerings or Services after Esri either provides a modified version to avoid infringement or terminates Customer's right to use the Esri Offerings or Services.

5.3 General Indemnity. Esri will defend and hold all Indemnitees harmless from, and indemnify any Loss arising out of, any Claim for bodily injury, death, or tangible or real property damage brought against any of the indemnified parties to the extent arising from any negligent act or omission or willful misconduct by Esri or its directors, officers, employees, or agents performing Services while on Customer's site.

5.4 Conditions for Indemnification. As conditions for indemnification, Indemnitee will (i) promptly notify Esri in writing of the Claim, (ii) provide all available documents describing the Claim, (iii) give Esri sole control of the defense of any action and negotiation related to the defense or settlement of any Infringement Claim, and (iv) reasonably cooperate in the defense of the Infringement Claim at Esri's request and expense.
5.5 This section sets forth the entire obligation of Esri, its authorized distributor, and its licensors regarding any Claim for which Esri must indemnify Customer.

ARTICLE 6—INSURANCE

If Esri is providing Services, Esri will carry, at a minimum, the following coverage:

a. Comprehensive general liability or commercial general liability with a minimum coverage of $1,000,000.00 combined single limit per occurrence for bodily injury, including death, and property damage liability to include the following:
   1. Premises and operations;
   2. Blanket contractual liability;
   3. Broad form property damage;
   4. Independent contractors;
   5. Personal injury, with employee exclusion deleted; and
   6. Completed operations.

b. Workers' compensation insurance, with waiver of subrogation, in an amount that complies with statutory limits.

ARTICLE 7—SECURITY AND COMPLIANCE

7.1 Security. Esri publishes its security capabilities at http://trust.arcgis.com. Customer may give Esri personnel access to Customer systems or to Customer or third-party personal information, controlled information, or sensitive data if access is essential for Esri's performance of Services and if Esri expressly agrees to such access. Esri will use reasonable administrative, technical, and physical safeguards to protect such data and guard against unauthorized access. Customer bears responsibility to (i) confirm that Esri's published security and privacy controls meet all applicable legal requirements for protection of Customer Content and (ii) upload or share Customer Content through Cloud Services only when it is legal to do so. Esri is not responsible to review Customer Content to ensure compliance with applicable laws and regulations. Customer must contact Esri at secure.support@esri.com for further instruction before providing any Customer Content that requires security measures other than Esri's published security capabilities.

7.2 Malicious Code. Esri will use commercially reasonable efforts to ensure that Esri Offerings will not transmit any Malicious Code to Customer. Esri is not responsible for Malicious Code that Customer introduces to Esri Offerings or that is introduced through Third-Party Content.

7.3 Export Compliance. Each party will comply with all applicable export laws and regulations, including the US Department of Commerce's Export Administration Regulations (EAR), the US Department of State's International Traffic in Arms Regulations (ITAR), and other applicable export laws. Customer will not export, reexport, transfer, release, or otherwise dispose of, in whole or in part, or permit access to or transfer or use of Services or Esri Offerings to any United States embargoed countries or denied entities or persons except in accordance with all then-current applicable US government export laws and regulations. Customer will not export, reexport, transfer, or use Services or Esri Offerings for certain missile, nuclear, chemical, or biological activities or end uses without proper authorization from the US government. Customer shall immediately notify Esri in writing if any US government entity or agency denies, suspends, or revokes Customer's export privileges. Customer will not upload, store, or process in Cloud Services any Customer Content that (i) has an Export Control Classification Number (ECCN) other than EAR99 or (ii) is controlled for export from the United States under ITAR. Customer will notify Esri in advance if Esri's performance of any Services or provision of any Esri Offerings is related to any defense article, defense service, or technical data, as defined under the ITAR Sections 120.6, 120.9, and 120.10, respectively; Esri will not perform any such Services or provide any such Esri Offerings until Esri obtains any necessary export license from the US government. Customer will reasonably assist Esri in applying for and obtaining an export license if needed.
ARTICLE 8—CLOUD SERVICES

8.1 Prohibited Uses. Customer shall not provide Customer Content or otherwise access or use Cloud Services in a manner that

a. Spams, spoofs, or phishes email; transmits junk email or offensive or defamatory material; or stalks or makes threats of physical harm;

b. Stores or transmits any Malicious Code;

c. Violates any law or regulation;

d. Infringes or misappropriates the rights of any third party;

e. Probes, scans, or tests the vulnerability of Cloud Services or breach any security or authentication measures used by Cloud Services without written approval from Esri’s product security officer; or

f. Benchmarks the availability, performance, or functionality of Cloud Services for competitive purposes.

8.2 Service Interruption. System failures or other events beyond Esri’s reasonable control may interrupt Customer’s access to Cloud Services. Esri may not be able to provide advance notice of such interruptions.

8.3 Customer Content.

a. Customer grants Esri and its subcontractors a nonexclusive, nontransferable, worldwide right to host, run, modify and reproduce Customer Content as needed to provide Cloud Services to Customer. Esri will not access, use, or disclose Customer Content without Customer’s written permission except as reasonably necessary to support Customer’s use of Cloud Services. Except for the limited rights granted to Esri under this Agreement, Customer retains all its rights, title, and interest in the Customer Content.

b. If Customer accesses Cloud Services with an application provided by a third party, Esri may disclose Customer Content to such third party as necessary to enable interoperation between the application, Cloud Services, and Customer Content.

c. Esri may disclose Customer Content if required to do so by law or regulation or by order of a court or other government body, in which case Esri will reasonably attempt to limit the scope of disclosure.

d. When Customer’s use of Cloud Services ends, Esri will either:

   (i) Make Customer Content available to Customer for download for a period of 30 days unless Customer requests a shorter window of availability or Esri is legally prohibited from doing so; or

   (ii) Download all Customer Content in Esri’s possession to a medium of Customer’s choosing and deliver such Customer Content to Customer.

Esri will have no further obligations to store or return Customer Content at the conclusion of the Cloud Services.

8.4 Removal of Customer Content. Esri may remove or delete Customer Content if there is reason to believe that uploading Customer Content to or using it with Cloud Services materially violates this Agreement. If reasonable under these circumstances, Esri will notify Customer before removing Customer Content. Esri will respond to any Digital Millennium Copyright Act takedown notices in accordance with Esri’s copyright policy, available at www.esri.com/legal/dmca_policy.

8.5 Service Suspension. Esri may suspend access to Cloud Services (i) if Customer materially breaches this Agreement and fails to timely cure the breach; (ii) if Esri reasonably believes that Customer’s use of Cloud Services will subject Esri to immediate liability or adversely affect the integrity, functionality, or usability of the Cloud Services; (iii) for scheduled maintenance; (iv) to enjoin a threat or attack on Cloud Services; or (v) if Cloud Services become prohibited by law or regulated to a degree that continuing to provide them would impose a commercial hardship. When feasible, Esri will notify Customer of any Cloud Services suspension beforehand and give Customer reasonable opportunity to take remedial action.

Esri is not responsible for any damages, liabilities, or losses that may result from any interruption or suspension of Cloud Services or removal of Customer’s content as described above.

8.6 Notice to Esri. Customer will promptly notify Esri if Customer becomes aware of any unauthorized use of Customer’s subscription or any other breach of security regarding Cloud Services.
ARTICLE 9—GENERAL PROVISIONS

9.1 Payment. Customer will pay each correct invoice no later than 30 days after receipt and will remit payment to the address stated on the invoice. Customers outside the United States will pay the distributor’s invoices in accordance with the distributor’s payment terms.

9.2 Feedback. Esri may freely use any feedback, suggestions, or requests for Product improvement that Customer provides to Esri.

9.3 Patents. Customer may not seek, and may not permit any other user to seek, a patent or similar right worldwide that is based on or incorporates any Products. This express prohibition on patenting will not apply to Customer’s software and technology except to the extent that Products, or any portion thereof, are part of any claim or preferred embodiment in a patent application or a similar application.

9.4 Restrictions on Solicitation. Neither party will solicit for hire any employee of the other party who is associated with the performance of Services during the performance of the Services and for a period of 1 year thereafter. This does not restrict either party from publicly advertising positions for hire in newspapers, professional magazines, or Internet postings.

9.5 Taxes and Fees; Shipping Charges. Fees that Esri quotes to Customer are exclusive of any and all applicable taxes or fees including, but not limited to, sales tax, use tax, or value-added tax (VAT); customs, duties, or tariffs; and shipping and handling charges. Esri will add any such taxes that it is required to remit to the total amount of its invoice to the Customer. For Customers outside the United States, the distributor may quote taxes or fees in accordance with its own policies.

9.6 Compliance Review. Customer will keep accurate and complete records and accounts pertaining to its compliance with its obligations under this Agreement. Esri or its authorized distributor may conduct a compliance review of these records and accounts with no less than 14 business days’ written notice or may appoint an independent third party to conduct such a compliance review on its behalf. Customer will promptly correct any noncompliance identified during the compliance review. Neither Esri nor Esri’s distributor may conduct a compliance review of Customer within 12 months after the conclusion of any prior compliance review that does not reveal any material Customer noncompliance.

9.7 No Implied Waivers. The failure of either party to enforce any provision of this Agreement is not a waiver of the provisions or of the right of such party thereafter to enforce that or any other provision.

9.8 Severability. If any provision of this Agreement is held to be unenforceable for any reason, (i) such provision will be reformed only to the extent necessary to make the intent of the language enforceable, and (ii) all other provisions of this Agreement will remain in effect.

9.9 Successor and Assigns. Customer will not assign, sublicense, or transfer Customer’s rights or delegate Customer’s obligations under this Agreement without Esri’s and its authorized distributor’s prior written consent, and any attempt to do so without consent will be void. This Agreement will be binding on the respective successors and assigns of the parties to this Agreement. Notwithstanding, a contractor under contract to the government to deliver Products may assign this Agreement and Products acquired for delivery to its government customer upon written notice to Esri, provided the government customer assents to the terms of this Agreement. Upon mutual agreement, Esri’s Affiliates may provide Services under the terms of this Agreement; in such cases, the Ordering Documents will identify the Affiliate as the party that provides the Services. Esri’s distributors are not Affiliates of Esri.

9.10 Survival of Terms. The Glossary of Terms and provisions of the following Articles of these General Terms and Conditions will survive the expiration or termination of this Agreement: "Limited Warranties and Disclaimers," "Limitation of Liability," "Indemnifications," and "General Provisions."

9.11 US Government Customer. The Products are commercial items, developed at private expense, provided to Customer under this Agreement. If Customer is a US government entity or US government contractor, Esri licenses or provides subscriptions to Customer in accordance with this Agreement under FAR

a. **Government Entities.** If Customer is a government entity, the applicable laws of Customer's jurisdiction govern this Agreement.

b. **Non-government Entities.** US federal law and the law of the State of California exclusively govern this Agreement, excluding their respective choice of law principles.

9.13 **Dispute Resolution.** The parties will use the following dispute resolution processes:

a. **Equitable Relief.** Either party will have the right to seek an injunction, specific performance, or other equitable relief in any court of competent jurisdiction without the requirement of posting a bond or proving injury as a condition for relief.

b. **US Government Agencies.** This Agreement is subject to the Contract Disputes Act of 1978, as amended (41 USC 601–613).

c. **Other Government Entities.** Esri will comply with mandatory dispute resolutions under applicable law.

d. **Arbitration.** Except as noted above, the parties will submit to binding arbitration to resolve any dispute arising out of or relating to this Agreement that cannot be settled through negotiation. If Customer is in the United States or one of its territories or outlying areas, the Commercial Arbitration Rules of the American Arbitration Association will govern the arbitration proceedings. If Customer is outside the United States, the Rules of Arbitration of the International Chamber of Commerce will govern the proceedings. The parties will select a single arbitrator in accordance with the applicable arbitration rules. The language of the arbitration will be English. Arbitration will be at an agreed-upon location. Either party will, at the request of the other, make available documents or witnesses relevant to the major aspects of the dispute.

9.14 **Force Majeure.** A party will not be liable for any failure of or delay in the performance of this Agreement for the period that such failure or delay is due to causes beyond the party's reasonable control. Such causes may include, but are not limited to, acts of God, war, strikes, labor disputes, cyber attacks, laws, regulations, government orders, or any other force majeure event.

9.15 **Independent Contractor.** Esri is and at all times will be an independent contractor. Nothing in this Agreement creates an employer/employee, principal/agent, or joint venture relationship between Esri or its authorized distributor and Customer. No party has any authority to enter into contracts on behalf of another party or otherwise act on behalf of another party.

9.16 **Notice.** Customer may send notices required under this Agreement to Esri at the following address:

Environmental Systems Research Institute, Inc.
Attn: Contracts and Legal Department
380 New York Street
Redlands, CA 92373-8100
USA
Tel.: 909-793-2853
Email: LegalNotices@esri.com
SOLE SOURCE LETTER
Environmental Systems Research Institute, Inc. (Esri)
380 New York Street
Redlands, CA 92373
Telephone: 909-793-2853, Ext. 1-1990
Email: jricks@esri.com

DATE: December 19, 2018
TO: Highline Water District
FROM: Jackie Ricks, Esri Contracts and Legal Services
RE: Esri Sole Source Justification for Small Utility Enterprise Agreement

This letter confirms Esri, as owner and manufacturer, is the sole source provider of all U.S. domestic Small Utility Enterprise Agreements (EA). The Small Utility EA is a bundled package of term limited software licenses and maintenance that includes the right to copy.

Esri is the only source that can grant a right to copy and deploy Enterprise Software within your organization (Enterprise). Also, domestically Esri is the only source of maintenance (updates and technical support) for all Esri® software.

If you have further questions, please feel free to call our Contracts and Legal Services Department at 909-793-2853, extension 1990.

Sincerely,

[Signature]
Jackie Ricks
Contract Coordinator

Contracts & Legal Services Dept.
380 New York Street
Redlands, CA 92373
Voice 909.793.2853 Ext. 1-1990
jricks@esri.com
SOLE SOURCE LETTER
Environmental Systems Research Institute, Inc. (Esri)
380 New York Street
Redlands, CA 92373
Telephone: 909-793-2853, extension 1990
E-mail: jricks@esri.com

DATE: December 19, 2018
TO: Highline Water District
FROM: Jackie Ricks, Esri Contract Coordinator
RE: Sole Source Justification for Esri Enterprise Advantage Program (EEAP)

This letter confirms Esri is the sole-source provider of all U.S. domestic based Esri Enterprise Advantage Programs (EEAP). The program offers customers focused account and technical management, a flexible spending program for Esri services support, and other exclusive advantages. While some training and services are available through value-added resellers on a unit priced basis, Esri is the only source for a packaged broad-based support program of this type.

If you have further questions, please feel free to call me at Contracts and Legal Services Department at 909-793-2853, extension 1990.

Sincerely,

Jackie Ricks
Contract Coordinator

Contracts & Legal Services Dept.
380 New York Street
Redlands, CA 92373
Voice 909.793.2853 Ext. 1-1990
jricks@esri.com
RE: Resolution waiving competitive bidding requirements of RCW 57.08.050 for purchase limited to a single source of supply and authorizing the General Manager or designee to purchase and execute the ESRI Small Utility Enterprise Agreement for updating, upgrading, and expanding the District’s Geographic Information System (GIS)

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>FINANCIAL</th>
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<tbody>
<tr>
<td>Executive</td>
<td>Expenditures? Yes [x] No [ ] N/A [ ]</td>
</tr>
<tr>
<td>Administrative</td>
<td>Budgeted? Yes [x] No [ ] N/A [ ]</td>
</tr>
<tr>
<td>Engineering/Operations [x]</td>
<td>Amount: $135,250.00 [ ] Includes Tax</td>
</tr>
</tbody>
</table>

ATTACHMENTS:

1. Resolution 19-1-22A w/Attachment A
2.

COMMENTS:

RCW 39.04.280(1)(a) authorizes the District to waive the competitive bidding process for purchases limited to a single source of supply.

ESRI is the sole-source provider for software and maintenance of ESRI Products, including ArcGIS, in the commercial, state, and local government marketplace.

District staff reviewed the quotation from ESRI and recommend approval of the Proposal