

City of Fayetteville Staff Review Form

2015-0007

Legistar File ID

1/20/2015

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Greg Mitchell

1/2/2015

Information Technology /
Finance & Internal Services Department

Submitted By

Submitted Date

Division / Department

Action Recommendation:

WAIVE COMPETITIVE BIDDING AND APPROVE A THREE YEAR CONTRACT WITH ESRI, INC. FOR ENTERPRISE LICENSE AGREEMENT (ELA) FOR USE OF GIS SOFTWARE. TOTAL COST IS \$150,000 PAYABLE OVER THREE YEARS.

Budget Impact:

1010.1710.5416.00		General	
Account Number		Fund	
Project Number		Project Title	
Budgeted Item?	Yes	Current Budget	\$ 354,083.00
		Funds Obligated	\$ -
		Current Balance	\$ 354,083.00
Does item have a cost?	Yes	Item Cost	\$ 50,000.00
Budget Adjustment Attached?	No	Budget Adjustment	
		Remaining Budget	\$ 304,083.00

V20140710

Previous Ordinance or Resolution # 5396

Original Contract Number: _____

Approval Date: _____

Comments:

MEETING OF JAN 20, 2015

TO: Mayor and City Council
THRU: Don Marr, Chief of Staff
FROM: Greg Mitchell, GIS Coordinator
DATE: 1/2/2015
SUBJECT: Approving three year contract with ESRI, Inc. for GIS software

RECOMMENDATION:

Staff recommends approval of the Resolution.

BACKGROUND:

The Geographic Information Systems (GIS) Office in the Information Technology Department provides a wide variety of mapping and other geographic services to all City departments. This is accomplished by using software from ESRI, Inc. which is the world leader in this field. We have been using their software, also known as "ArcMap", since the City first established a GIS Office in 1998. Existing City Ordinance 5396 waives the requirements of Formal Competitive Bidding for GIS software.

The City currently licenses a specific list of software products from ESRI, including server and desktop products. This software is used by City staff and to provide maps to the public. This proposal would move the city to an Enterprise License which provides for unlimited use of several core products that we already use, plus access to several other products that we do not currently license.

DISCUSSION:

In recent years there has been an explosion of interest in mapping as evidenced by the popularity of Google Maps. This is not an accident, but a logical result of the power of interactive mapping on computers. The GIS Office is striving to keep up with the demand for modern, efficient mapping products that enable our staff and citizens to stay informed and productive. This requires, among other things, updated software technology to ensure continued reliable service.

ESRI offers an "Enterprise License Agreement" ("ELA") for cities under 100,000 population for \$50,000 a year on a three year contract; our current ESRI licensing cost is approximately \$30,000 per year. The ELA gives us:

- **Unlimited desktop licenses.**

“Desktop” licenses provide the core capacity for City staff to view and edit geographic information. These licenses are used by GIS, Planning, Engineering, Police, Fire, Parks and Recreation, Transportation, Sustainability and Resilience, and Recycling and Trash Collection.

- i. We currently do not have enough licenses for all the users who need them. Some have had to do without, while others have Virtual Machines (VM) that are shared among multiple users. This uses up IT resources for the VMs, and means that only one person at a time can use that license.
- ii. Utility Department: We are ramping up here to catch up with water and sewer improvements that have not been entered into the GIS, which will likely require additional seats.
- iii. Water Modeling: Our water modeling software is currently being run by an outside consultant; when we bring it in-house we will need at least one more ESRI license.
- iv. We also have very limited capacity in several other divisions that likely could use more: Transportation has one license, Recycling and Trash has one, for example. A staff member in the Fire Marshal’s office has obtained a license at his own expense.
- v. We could also provide licenses to Council members, Planning Commission member, etc. should they want one.

- **Unlimited server licenses.**

GIS “Servers” are used to store data used by the GIS, and to create and store geographic data that can be displayed by web pages and mobile apps. We currently have two servers, one dedicated to data storage, the other to web mapping.

- i. It is standard IT operating procedure to have “staging” servers where changes, upgrades, etc. can be tested before going live – we don’t have these, as each requires an additional \$10,000 server license. As we become more and more dependent on our web maps, this testing become critical, not just a nice option.
- ii. For example, our water and sewer repair crews, meter readers, and others use specialized web maps on their phones and tablets as they work in the field; they are really hampered when they don’t work.
- iii. Our web maps are serious work tools for professionals as well: surveyors, real estate professionals, engineers, and others depend on our web capabilities to perform their jobs effectively.
- iv. Even more critically, the Fire Department has tablets in all their vehicles that supplies them with locations of hydrants, key boxes, alarm

locations, and other information that they have mapped during their pre-fire inspections. This is worthless if the servers are down.

v. We have budgeted \$35,000 this year for a new map data server. This license will allow us to take full advantage of that investment.

- **ArcGIS Online licenses** – This will continue the ability we already have to leverage the online capabilities that ESRI offers. For example, our new Fayetteville Art Walk app is hosted by ArcGIS Online. This will continue to increase in importance as ESRI improves its functionality.
- Other products we don't currently have:
 - i. **Image server** – Speeds up processing and access of imagery and other scanned documents (plats, as-builts). We have been interested in this product for several years as it should reduce the many hours we spend every year processing aerial imagery, and possibly speed up some of our other operations as well.
 - ii. **Routing Server extensions** – that would allow us to host our own routing software. We currently use a routing service available through ArcGIS Online, but hosting our own would allow us to customize it for biking or walking routes, which we currently can't do.
 - iii. **CityEngine** – this is a 3D program that can be used for planning and visualization. For example, it can produce interactive 3D maps of proposed high-rise buildings, allowing a virtual view of how they would impact their surroundings.
 - iv. **ArcGIS Data Reviewer** – Helps define workflows for Quality Control purposes.

COST COMPARISON

The following table compares products and costs between two ways of purchasing ESRI software. Our current annual cost is approximately \$30,000; an ELA costs \$50,000. Listed under "Description" are software products that we might reasonably use in the next year if they were within budget. The ELA allows unlimited licenses of these products, so they are included in the ELA. Under our current contract, each of these products has an additional purchase cost, and then a maintenance cost that is typically 20% of the purchase cost – these are shown in the second and third columns.

Based on the estimates in the table, if we were to purchase all these products in one year, the ELA would save us \$47,000 that year. Thereafter, we would be paying \$5,300 a year more for the ELA than we would to pay the maintenance on those products. It would take about nine years to use up the savings we made, assuming no other products were used. If, after three years we discontinue the ELA, we can keep the products we're using by continuing to pay the

maintenance fee for it. This ends up a plus for us because the initial purchase cost was included in the ELA.

<u>Description</u>	<u>Year 1 Cost</u>	<u>Year 2, 3: Maintenance</u>	<u>ELA</u>
Base cost	30,000	30,000	50,000
Desktop licenses			
Engineering (3)	4,500	1,200	
Police (3)	4,500	1,200	
Fire (2)	3,000	800	
Planning (1)	1,500	400	
Utilities (2)	3,000	800	
GIS (1)	5,000	1,200	
Network Analyst	2,500	500	
3D Analyst	2,500	500	
ArcServer (Staging)	10,000	2,000	
ArcSDE (Staging)	10,000	2,000	
ArcServer Routing	4,000	800	
Data Reviewer	2,500	500	
CityEngine	4,000	800	
ImageServer	10,000	2,000	
TOTAL	\$97,000	\$44,700.00	\$50,000

BUDGET/STAFF IMPACT:

Included in 2015 IT budget request.

Attachments:

ESRI Contract



December 19, 2014

Mr. Greg Mitchell
City of Fayetteville
113 W. Mountain
Fayetteville, AR 72701

Dear Greg,

The Esri Small Municipal and County Government Enterprise License Agreement (ELA) 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 ELA for the term of the agreement. The ELA 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 license agreement.

An ELA 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 ELA.
- If your organization wishes to acquire and/or maintain any Esri software during the term of the agreement that is not included in the ELA, 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 ELA 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 organization will act as an Esri reference site and will permit Esri to publicize its use of Esri software and services.
- The fee and benefits offered in this ELA proposal are contingent upon your acceptance of Esri's Small Municipal and County Government ELA terms and conditions.
- Licenses are valid for the term of the ELA.

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 ELA offer:

1. Sign and return the signature page of the ELA with a Purchase Order or issue a Purchase Order that references this ELA 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 MUNICIPAL AND COUNTY GOVERNMENT ELA, 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 ELA, 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
 Attn: Customer Service SG-ELA
 380 New York Street
 Redlands, CA 92373-8100

e-mail: service@esri.com
 fax documents to: 909-307-3083

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,



Jean Jeannotte



Quotation # 20461697

Date: December 19, 2014

ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.
St Louis Regional Office, 3060 Little Hills Expressway
St Charles, MO 63301

Phone: (636) 949-6620 Fax: (636) 949-6735
DUNS Number: 06-313-4175 CAGE Code: 0AMS3

Customer # 23472 Contract #

City of Fayetteville
Information Technology Dept
113 W Mountain
Fayetteville, AR 72701

ATTENTION: Greg Mitchell
PHONE: (479) 444-3431
FAX: (479) 575-8316

To expedite your order, please attach a copy of this quotation to your purchase order.

Quote is valid from: 12/19/2014 To: 03/19/2015

Material	Qty	Description	Unit Price	Total
110037	1	Populations of 50,001 to 100,000 Small Government Term Enterprise License Agreement - Year 1	50,000.00	50,000.00
110037	1	Populations of 50,001 to 100,000 Small Government Term Enterprise License Agreement - Year 2	50,000.00	50,000.00
110037	1	Populations of 50,001 to 100,000 Small Government Term Enterprise License Agreement - Year 3	50,000.00	50,000.00
			Item Total:	150,000.00
			Subtotal:	150,000.00
			Sales Tax:	0.00
			Estimated Shipping & Handling(2 Day Delivery) :	0.00
			Contract Pricing Adjust:	0.00
			Total:	\$150,000.00

The following items are optional items listed for your convenience. These items are not included in the totals of this quotation.

Material	Qty	Description	Unit Price	Total
116996	1	Small Enterprise License Agreement Training Package Add-On at ESRI Site 15 Days Prepaid ILT / ILV, Over 3 Year Term, per Student Seat, 5 Days per Annum Over 3 Year Term Instructor Led Training	2,500.00	2,500.00
116997	1	Small Enterprise License Agreement Training Package at ESRI Site 21 Days Prepaid ILT / ILV, Over 3 Year Term, Per Student Seat, 7 Days per Annum Instructor Led Training	3,500.00	3,500.00
116998	1	Small Enterprise License Agreement Training Package Add-On at ESRI Site 30 Days Prepaid ILT / ILV, Over 3 Year Term, Per Student Seat, 10 Days per Annum Instructor Led Training	5,000.00	5,000.00

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: Jean Jeannotte

Email: ijeannotte@esri.com

Phone: (636) 949-6620 x8526

The items on this quotation are subject to the terms set forth herein and the terms of your signed agreement with Esri, if any, or, where applicable, Esri's standard terms and conditions at www.esri.com/legal, which are incorporated by reference. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Acceptance 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. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's products and services.

If sending remittance, please address to: Esri, File No. 54630, Los Angeles, Ca 90074-4630



**SMALL
ENTERPRISE LICENSE AGREEMENT
COUNTY AND MUNICIPALITY**

Authorized Distributor/Esri Use

Only:
Cust. Name _____
Cust. # _____
PO # _____
Esri Agreement # _____

Esri, 380 New York St., Redlands, CA 92373-8100 USA • TEL 909-793-2853 • FAX 909-793-5953

This Small Enterprise License Agreement ("ELA") is by and between the organization listed on the signature page ("**Licensee**"); **Environmental Systems Research Institute, Inc. ("Esri")**; and, if Licensee is located outside the United States of America (USA), the Authorized Distributor listed on the signature page ("**Authorized Distributor**"). Authorized Distributor is authorized by Esri to provide access to Online Services and provide ELA Maintenance for Enterprise Products and other benefits, as described herein, to Licensee located outside the USA.

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

**Table A
List of Enterprise Products**

Unlimited Quantities

Desktop Software and Extensions

ArcGIS for Desktop Advanced
ArcGIS for Desktop Standard
ArcGIS for Desktop Basic
ArcGIS for Desktop Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Publisher, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Desktop, ArcGIS Data Reviewer

Server Software and Extensions

ArcGIS for Server Workgroup and Enterprise (Advanced, Standard, and Basic)
ArcGIS for Server Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Server, ArcGIS Image Extension for Server

Developer Tools

ArcGIS Engine
ArcGIS Engine Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Engine Geodatabase Update, ArcGIS Network Analyst, ArcGIS Schematics
ArcGIS Runtime Standard
ArcGIS Runtime Standard Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Network Analyst

Limited Quantities

One (1) Annual Subscription to Esri Developer Network (EDN) Standard*
One (1) Esri CityEngine Advanced Single Use License
One (1) Esri CityEngine Advanced Concurrent Use License
One (1) ArcGIS Online Subscription

Other Benefits

One (1) ArcGIS Online subscription with specified named users and credits as determined in the program description	Level 4
Number of Esri User Conference registrations provided annually	4
Number of Tier 1 Help Desk individuals authorized to call Esri	4
Maximum number of sets of backup media, if requested**	2
Virtual Campus Annual User License allowance	10,000
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.)	

*ELA Maintenance is not provided for these items.

**Additional sets of backup media may be purchased for a fee.

Licensee may accept this ELA by signing and returning it with an Ordering Document that matches the ELA Quotation and references this ELA. **ADDITIONAL OR CONFLICTING TERMS IN LICENSEE'S ORDERING DOCUMENT WILL NOT APPLY, AND THE TERMS OF THIS ELA WILL GOVERN.** Unless otherwise mutually agreed to, this ELA is effective as of the date of the last signature on the signature page ("Effective Date"), or if no date is provided with the signature, the date of Esri's receipt of Licensee's Ordering Document incorporating this ELA by reference.

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

This ELA may be executed in duplicate by the parties. An executed separate signature page transmitted through electronic means, such as fax or e-mail, is valid and binding even if an original paper document bearing each party's original signature is not delivered.

Accepted and Agreed:

(Licensee)

By: _____
Authorized Signature

Printed Name: _____

Title: _____

Date: _____

LICENSEE CONTACT INFORMATION

Contact: _____

Telephone: _____

Address: _____

Fax: _____

City, State, Postal Code: _____

E-mail: _____

Country: _____

ELA Quotation Number (if applicable): _____

1.0—ADDITIONAL DEFINITIONS

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

"Deploy" means to redistribute and install the Enterprise Products and related Authorization Codes within Licensee's organization(s).

"ELA Maintenance" means Tier 2 Support, updates, and patches provided by Esri or its Authorized Distributor to Licensee for the Enterprise Products.

"ELA Quotation" means the Small Enterprise License Agreement offer letter and quotation provided separately by Esri or its Authorized Distributor to Licensee.

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

"Enterprise Products" means the Products identified in Table A—List of Enterprise Products and any updates to such list provided in writing by Esri or its Authorized Distributor.

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

"License Agreement" means the applicable license agreement incorporated by this reference that is (i) found at <http://www.esri.com/legal/software-license>; composed of the General License Terms and Conditions (E204) and Exhibit 1, Scope of Use (E300); and available in the installation process requiring acceptance by electronic acknowledgment or (ii) a signed license agreement between Esri, Distributor (if applicable), and Licensee that supersedes such electronically acknowledged license agreement.

"Technical Support" means a process to attempt to resolve reported Incidents through error correction; patches; hot fixes; workarounds; replacement deliveries; or any other type of Enterprise Product corrections or modifications.

"Tier 1 Help Desk" means Licensee's point of contact from which all Tier 1 Support will be given to Licensee.

"Tier 1 Support" means the Technical Support provided by the Tier 1 Help Desk as the primary contact to Licensee in attempted resolution of reported Incidents.

"Tier 2 Support" means the Technical Support provided by Esri or its Authorized Distributor to the Tier 1 Help Desk when the Incident cannot be resolved through Tier 1

Support. Licensees located in the USA will receive Tier 2 Support from Esri. Licensees outside the USA will receive Tier 2 Support from an Authorized Distributor located in the Licensee's region.

2.0—ADDITIONAL GRANT OF LICENSE

2.1 Grant of License. Subject to the terms and conditions of this ELA, Esri grants to Licensee a personal, nonexclusive, nontransferable Term License solely to use, copy, and Deploy quantities of the Enterprise Products listed in Table A for the term provided in Section 3.1—Term (i) for which the applicable license fees have been paid and (ii) in accordance with the License Agreement.

2.2 Consultant Access. Esri grants Licensee the right to permit Licensee's consultants or contractors to use the Enterprise Products exclusively for Licensee's benefit. Licensee shall be solely responsible for compliance by consultants and contractors with this ELA and shall ensure that the consultant or contractor discontinues use of Enterprise Products upon completion of work for Licensee. Access to or use of Enterprise Products by consultants or contractors not exclusively for Licensee's benefit is prohibited. Licensee 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 Licensee.

3.0—TERM, TERMINATION, AND EXPIRATION

3.1 Term. The term of this ELA and all licenses hereunder shall commence on the Effective Date and continue for three (3) years, unless this ELA is terminated earlier as provided herein. Licensee is only authorized to use Deployed Enterprise Products during the term of this ELA. No indefinite term or perpetual license grants are provided with this ELA.

3.2 No Use upon Expiration or Termination. All Deployed Enterprise Product licenses and all ELA Maintenance, Virtual Campus access, and User Conference Registrations terminate on expiration or termination of this ELA.

3.3 Termination for a Material Breach. Either party may terminate this ELA for a material breach by the other party. The breaching party shall be given a period of ten (10) days from the date of written notice to cure any material breach.

3.4 Termination for Lack of Funds. For government or government-owned entities only, either party may terminate this ELA for Lack of Funds. Lack of Funds is the inability of Licensee to secure appropriation of funds through the legislative or governing body's approval process for annual payments due.

4.0—ENTERPRISE PRODUCT UPDATES

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

4.2 Product Life Cycle. During the term of this ELA, some Enterprise Products may be retired or may no longer be available for unlimited quantity Deployment. ELA Maintenance shall 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 Enterprise Products in the mature and retired phases may not be available; however, Licensee may continue to use Deployed Enterprise Products for the term of this ELA, but Licensee will not be able to Deploy retired Enterprise Products.

5.0—ELA MAINTENANCE

ELA Maintenance is included with the ELA Fee. ELA Maintenance includes standard maintenance benefits specified in either (i) the most current applicable Esri Standard Maintenance Program document (found at <http://www.esri.com/legal>) for USA-based Licensees or (ii) the applicable Authorized Distributor software maintenance policy as modified by this Article 5.0—ELA Maintenance. At Esri's sole discretion, Esri may make patches, hot fixes, or updates available for download. No Software other than the defined Enterprise Products will receive ELA Maintenance. Licensee may acquire maintenance for other Software (non-Enterprise Products) outside this ELA.

a. Tier 1 Support Provided by Licensee

1. Licensee shall provide Tier 1 Support through the Tier 1 Help Desk to all Licensee's authorized users.
2. The Tier 1 Help Desk will use analysts fully trained in the Software they are supporting.
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. Tier 1 Support analysts will be the initial points of contact for all questions and Incidents. Tier 1 Support analysts shall obtain a full description of each reported Incident and the system configuration from the user. This may include obtaining any customizations, code samples, or data involved in the Incident. The analyst may also use any other information and databases that may be developed to satisfactorily resolve Incidents.
5. If the Tier 1 Help Desk cannot resolve the Incident, an authorized Tier 1 Help Desk individual may contact Tier 2 Support. The Tier 1 Help Desk shall provide support in such a way as to minimize repeat calls and make solutions to problems available to Licensee.
6. Tier 1 Help Desk individuals identified by Licensee are the only individuals authorized to contact Tier 2 Support. Licensee may revise named individuals by written notice.

b. Tier 2 Support Provided by Esri or Its Authorized Distributor

1. Tier 2 Support shall log the calls received from Tier 1 Help Desk individuals.
2. Tier 2 Support shall review all information collected by and received from Tier 1 Help Desk individuals including preliminary documented troubleshooting provided by 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 shall attempt to resolve the Incidents submitted by Tier 1 Help Desk by assisting Tier 1 Help Desk individuals.
5. When the Incident is resolved, Tier 2 Support shall communicate the information to Tier 1 Help Desk individuals, and Tier 1 Help Desk shall disseminate the resolution to the user.

6.0—ENDORSEMENT AND PUBLICITY

This ELA shall not be construed or interpreted as an exclusive dealings agreement or Licensee's endorsement of Esri or its Authorized Distributor. Licensee agrees that Esri and its Authorized Distributor may publicize the existence of this ELA upon execution.

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 ELA. Licensee shall not seek any discount from the OEM partner or Esri based on the availability of Enterprise Products under this ELA. Licensee shall 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 date of this ELA, Licensee shall provide a written report detailing all Deployments to either (a) Esri if Licensee is located in the USA or (b) Authorized Distributor if Licensee is located outside the USA. The report will be subject to audit.

7.3 Renewal. Any follow-on ELA will be offered in accordance with then-current ELA pricing and license terms and conditions.

8.0—ORDERING, ADMINISTRATIVE PROCEDURES, DELIVERY, AND DEPLOYMENT

8.1 Orders, Delivery, and Deployment

- a. Licensee shall issue an Ordering Document upon execution of this ELA and annually thereafter in accordance with the ELA Quotation. Payment shall be due and payable within thirty (30) calendar days

of the anniversary date of the Effective Date, with the initial payment due within thirty (30) calendar days of execution of this ELA. Esri's Federal ID Number is 95-2775-732.

- b. Upon receipt of the initial Ordering Document from Licensee, Esri shall authorize download of the Enterprise Products to Licensee for its Deployment activities. If requested, Esri will ship backup media to the ship-to address identified on the Order, FOB Destination, with shipping charges prepaid. For those entities that avoid sales tax by downloading deliverables, request for delivery or receipt of tangible media may cause license fees to be subject to taxes. Licensee acknowledges that should such taxes become due, Esri has a right to invoice and Licensee agrees to pay any such sales or use tax associated with its receipt of tangible media.
- c. Esri shall provide Authorization Codes to activate the nondestructive copy protection program that enables the Enterprise Products to operate.
- d. Licensee shall Deploy, install, configure, and track the Deployment status of the Enterprise Products.

8.2 Order Requirements

- a. All orders pertaining to this ELA shall be processed through Licensee's centralized point of contact.
- b. The following information shall be included in each Order (or Ordering Document):
 - (1) Licensee name; Esri customer number, if known; and bill-to and ship-to addresses
 - (2) Order number
 - (3) Applicable annual payment due

9.0—TRAINING

9.1 Training Description. Esri offers instructor-led training related to the use of its proprietary GIS software. Esri will provide to Licensee a fixed number of training days to use for Instructor-Led Training, as defined in this Small Enterprise Training Package, if purchased. Instructor-Led Training events occur at an Esri Learning Center or via the web in a cloud environment. The Esri software training course(s) to be conducted, location, schedule dates, and registration requirements are set forth in the *Esri Training* catalog located on Esri's Training website (<http://training.esri.com>). All courses are conducted in substantial conformity with course descriptions outlined on the Esri Training website. Esri reserves the right to modify course content when necessary due to software technical capabilities or limitations.

9.2 Unique Terms for the Small Enterprise Training Package

- a.** To order training, Licensee must include training in the Ordering Document for the ELA or provide an Ordering Document as required and specified within the ELA that matches the Esri quotation.
- b.** Where Licensee submits an additional Ordering Document to purchase training days for additional year(s), any unused training days will automatically roll over.
- c.** An Ordering Document is required annually for each three (3)-year term. Failure to submit an annual Ordering Document will result in the forfeit of unused training days.
- d.** Licensee must assign an individual within its organization to the role of Training Administrator to serve as liaison between Licensee's organization and Esri as well as internally manage and authorize allocated training days.
- e.** The training days are available for a period of twelve (12) months, commencing on the Effective Date, and ending when all training days are consumed, whichever is sooner.
- f.** Esri will invoice for outstanding training expenses where applicable.
- g.** Training days are not transferable and not refundable for any other Esri products or services.