



OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of the: **FINANCE COMMITTEE**
Date/Time: **Tuesday, February 23, 2021 at 6:00 PM**
Location: **City Hall (407 Grant Street) - *Council Chambers**
Members: Lisa Rasmussen, Michael Martens, Dawn Herbst, Deb Ryan, Sarah Watson

AGENDA ITEMS

- 1 Minutes of the previous meetings: (2/09/21)
- 2 Discussion and possible action to release the balance of the 2020 room tax funds to continuing appropriation grantees
- 3 Discussion and possible action approving a 3-year contract with Esri for GIS software.

Adjourn

Lisa Rasmussen, Chairperson

*Due to the COVID-19 pandemic, this meeting is being held in person and via teleconference. Members of the media and the public may attend in person, subject to the social distancing rules of maintaining at least 6 feet apart from other individuals, or by calling **1-408-418-9388**. The **Access Code is: 146 181 3078 Password: ABb7PyV2n5K**

Individuals appearing in person will either be seated in the Council Chambers or an overfill room, subject to the social distancing rules. Space available will be on a first come, first served basis. All public participants' phones will be muted during the meeting. Members of the public who do not wish to appear in person may view the meeting live over the internet on the City of Wausau's YouTube Channel <http://www.tinyurl.com/WAAMedia>, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at <https://tinyurl.com/WausauCityCouncil>. Any person wishing to offer public comment who does not appear in person to do so, may e-mail mary.goede@ci.wausau.wi.us with "Finance Committee public comment" in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

This Notice was posted at City Hall and faxed to the Daily Herald newsroom 2/19/21 at 11:30 AM

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6590 or ADAServices@ci.wausau.wi.us to discuss your accessibility needs. We ask your request be provided a minimum of 72 hours before the scheduled event or meeting. If a request is made less than 72 hours before the event the City of Wausau will make a good faith effort to accommodate your request.

Other Distribution: Media, (Alderspersons: Peckham, Neal, Kilian, Wadinski, McElhaney, Larson), *Rosenberg, *Jacobson, *Groat, Department Heads

FINANCE COMMITTEE

Date and Time: Tuesday, February 9, 2021 @ 5:45 pm., Council Chambers

Members Present: *In Person*: Lisa Rasmussen, Michael Martens, and Dawn Herbst; *By WebEx*: Sarah Watson, and Deb Ryan

Others Present: Leslie Kremer, Maryanne Groat, Anne Jacobson, Eric Lindman, Katie Rosenberg; Tracy Kujawa; Nathan Miller, Patrick Peckham, Jim Wadinski

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. The meeting was called to order by Chair, Lisa Rasmussen.

Minutes of the previous meeting(s). (1/26/2021)

Motion by Herbst, second by Martens to approve the minutes of the 1/26/2021 meeting. Motion carried 5-0.

Discussion and possible action regarding modifications to the Procurement Policy to reflect Federal micro-purchase threshold limit of \$10,000.

Groat explained that currently purchases over \$5,000 require documentation from the department on what procurement steps were taken in selecting the vendor, and also require the department to obtain a Purchase Order. The Federal Government has increased its threshold on procurement to \$10,000. Since several City Departments must follow federal guidelines due to funding sources, the suggestion is that the City of Wausau increase its procurement threshold to \$10,000 to match the federal guidelines.

Motion by Ryan, second by Herbst to approve modifying the Procurement Policy to reflect the Federal micro-purchase threshold limit of \$10,000. Approved 5-0.

Discussion and Approval of the Reprogramming of Homeowner Rehabilitation Revolving Loan Funds into a Public Facility Project – acquisition of 364 Grand Avenue for Community Partners Campus and the Substantial Amendment for 2020 Community Development Block Grant (CDBG) Action Plan

Rasmussen stated that Community Partners Campus has found an alternative location to run its operations from. The Citizen Panel conducted a hearing on this item and it was approved unanimously. Ryan stated she understood that Community Partners had raised \$3,000,000 for the project, however, Tammy Stratz confirmed that Community Partners has raised \$350,000, with an expected total project cost of \$3,000,000. Ryan stated that, given that information, she cannot support this agenda item. Ryan stated that the rehab dollars should instead be used to assist home owners in updating older homes.

Rasmussen stated that as a member of the Homeless Task Force, feedback has been received that people who are in need of services cite major obstacles in lack of knowledge of what services are available and service agencies being spread out instead of available at one location. Rasmussen stated that the Community Partners Campus is a key focus of the task force as a way to connect people in need of help to agencies that provide the help, all in one location. Community Partners Campus would also have the room to grow at this location. Rasmussen stated that Community Partners Campus' fundraising efforts are in an infancy stage and will likely continue to grow once its' location is established.

Martens asked Tammy Stratz to clarify whether reprogramming funds to Community Partners Campus will impact individuals on the waiting list for home rehabilitation funds. Stratz confirmed that there would be funds available, after the reprogramming of funds for this project, to still move ahead with the 6 people on the waiting list who are requesting home rehabilitation funding. Stratz and Martens discussed the timeliness test under HUD rules. If Homeowner Rehabilitation funds are not used in a timely matter, the City risks losing future funding. It is in the City's best interests to utilize the funds available now so as not to risk losing funding due to having funds left over before the next funding period.

Ryan stated that we should consider the Sears building as a location for Community Partners Campus. Ryan stated this would be a better location since it is downtown. Mayor Rosenberg stated that the Sears building is not for sale and, therefore, is not an option. Mayor Rosenberg stated that the 364 Grand Avenue property is a great location for Community Partners Campus and that this will be great for our City.

Motion by Martens, second by Watson to approve the Reprogramming of Homeowner Rehabilitation Revolving Loan Funds into a Public Facility Project – acquisition of 364 Grand Avenue for Community Partners Campus and

the Substantial Amendment for 2020 Community Development Block Grant (CDBG) Action Plan . Motion carried 4-1. *(Ryan was the dissenting vote.)*

Discussion and Approval of the Reprogramming of Rental Energy Assistance funds to a Non-Profit Energy Assistance Forgivable Loan Fund

Motion by Martens, second by Herbst to approve the Reprogramming of Rental Energy Assistance funds to a Non-Profit Energy Assistance Forgivable Loan Fund. Motion carried 4-1. *(Ryan was the dissenting vote.)*

Discussion and possible action regarding sole source request for purchase and installation of alerting system for Station 1 and 3

Rasmussen stated that when we built Fire Station No. 2, we installed a new style of security alerting system. With our CIP rankings, it was requested that similar alerting type technology be installed at our other stations for consistency.

Motion by Herbst, second by Watson to approve the sole source request for purchase and installation of alerting system for Station 1 and 3. Motion carried 5-0.

Discussion and possible action regarding November 2020 General Fund Financial Report

Groat discussed the contents of the 2020 General Fund Financial Report that was included in the meeting packet. Some revenue streams are under budget due to pandemic related issues. Groat stated that we are in a good position when it comes to expenditures. The Routes to Recovery grant funds we received helped to offset some of the decreases in revenue. Groat stated that we hope to have final numbers for the committee to review sometime in March. The report was placed on file.

Adjourn

Motion by Ryan, second by Herbst to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:11 pm.



TO: FINANCE COMMITTEE

FROM: MARYANNE GROAT

DATE: FEBRUARY 17, 2021

RE: 2020 ROOM TAX

We expected significantly less room tax collections in 2020 due to COVID 19 restrictions and precautions. Final 2020 room tax totaled \$511,025. State law allows the City to retain \$431,973 leaving the remainder to be administered by the Room Tax Commission.

The 2020 budget authorized grants to continuing appropriation entities which was funded by the room tax retained by the City. In October the Finance Committee authorized disbursement of 75% of the budget. This partial payment provided a conservative cushion due to the unknown COVID impact.

The good news is that there is sufficient room tax to fund the full budgeted amounts. I am seeking the Finance Committee's authorization to issue payments.

The Room Tax Commission has \$153,176 to distribute.

2020 ROOM TAX					
			CITY	COMMISSION	TOTAL
CARRYOVER FROM 2019			(12,228.04)	89,110.69	76,882.65
ROOM TAX REVENUE			431,973.00	79,052.24	511,025.24
ROOM TAX COMMISSION AWARDS:					
CVB					
ROOM TAX RETAINED BY HOTELS				4,987.03	4,987.03
FINANCE COMMITTEE AWARDS:	PAID IN OCT	BAL DUE	BUDGET		
Historical Society of Marathon County	\$15,371	\$5,124	\$20,495		\$20,495.00
Performing Arts - Grand Theater	\$33,305	\$11,102	\$44,407	10,000.00	54,407.00
Wausau Concert Band - No funds needed	\$0	\$0	\$6,832		6,832.00
Center for Visual Arts	\$7,686	\$2,562	\$10,248		10,248.00
Leigh Yawkey Woodson Art Museum	\$22,033	\$7,344	\$29,377		29,377.00
Main Street Program	\$19,943	\$6,648	\$26,591		26,591.00
Wausau Area Events	\$52,520	\$17,506	\$70,026		70,026.00
City of Wausau/400 Block	\$0	\$157,097	\$162,493		162,493.00
City Park Tourism Development Staff	\$21,346	\$27,930	\$49,276		49,276.00
TOTAL COMMITMENTS	\$172,204	\$235,313	\$419,745	14,987.03	434,732.03
BALANCE - SURPLUS (DEFICIT)			\$ (0)	153,175.90	153,175.86



TO: Finance Committee

FROM: Eric Lindman, P.E.
Director of Public Works & Utilities

DATE: February 23, 2021

SUBJECT: GIS Change in Contract – 3-year Contract

Historically the GIS division has shared a contract usage with Marathon County. This contract is with ESRI. To help support some of the tools we need as a municipality we also purchased GeoCortex annually. Currently we pay the following:

1. ESRI Maintenance Renewal - \$23,000
2. GeoCortex Essentials - \$3,600

Our current ESRI contract, shared with the County, is very limiting as it relates to expanding services and information. If we wanted to expand our use of ESRI software we need to purchase each software separately.

The City has many more features than a County has, we have water, sewer, storm sewer, land/zoning, etc. Being an urban area we need to be able to expand our software and continue to increase our data base of information. Staff is proposing to separate from the County's contract and enter into an ESRI Small Municipal and County Government Enterprise Agreement (SGEA) which is a 3-year agreement at a cost of \$38,500 per year. This would eliminate the need for GeoCortex Essentials and maintenance as well.

Attached you will find the SGEA contract and a summary of many additional software products and licenses we will be able to access.

ESRI SGEA			
Account		From	To
110-329141			\$38,500
	Total =		\$38,500



November 17, 2020

Mr. Dan Kerntop
City of Wausau
407 Grant St
Wausau, WI 54403-4783

Dear Dan,

The Esri Small Municipal and County Government Enterprise Agreement (SGEA) is a three-year agreement that will grant your organization access to Esri term license software. 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 (EA).

An EA will provide your organization with numerous benefits including:

- A lower cost per unit for licensed software
- Substantially reduced administrative and procurement expenses
- 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 Municipal and County Government EA terms and conditions.

- Licenses are valid for the term of the EA.

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 MUNICIPAL AND COUNTY GOVERNMENT 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
Attn: Customer Service SG-EA
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,

Jason Fetch



Quotation # Q-415394

Date: February 8, 2021

Customer # 221572 Contract #

City of Wausau
GIS Div
407 Grant St
Wausau, WI 54403-4783

ATTENTION: Dan Kerntop
PHONE: 715-261-6757
EMAIL: dan.kerntop@ci.wausau.wi.us

Environmental Systems Research Institute, Inc.
380 New York St
Redlands, CA 92373-8100
Phone: (909) 793-2853 Fax: (909) 307-3049
DUNS Number: 06-313-4175 CAGE Code: 0AMS3

To expedite your order, please attach a copy of this quotation to your purchase order.
Quote is valid from: 11/17/2020 To: 3/8/2021

Material	Qty	Term	Unit Price	Total
168178	1	Year 1	\$38,500.00	\$38,500.00
Populations of 25,001 to 50,000 Small Government Term Enterprise License Agreement				
168178	1	Year 2	\$38,500.00	\$38,500.00
Populations of 25,001 to 50,000 Small Government Term Enterprise License Agreement				
168178	1	Year 3	\$38,500.00	\$38,500.00
Populations of 25,001 to 50,000 Small Government Term Enterprise License Agreement				

No sales Tax, will
be removed

Subtotal:	\$115,500.00
Sales Tax:	\$6,352.50
Estimated Shipping and Handling (2 Day Delivery):	\$0.00
Contract Price Adjust:	\$0.00
Total:	\$121,852.50

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:

Jason Fetch

Email:

jfetch@esri.com

Phone:

651-454-0600 ext 2331 x2331

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/e300.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://go.esri.com/MAPS> 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.

FETCHJ

This offer is limited to the terms and conditions incorporated and attached herein.

Esri Use Only:

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



SMALL ENTERPRISE AGREEMENT COUNTY AND MUNICIPALITY GOVERNMENT (E214-2)

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

Uncapped Quantities**Desktop Software and Extensions** (Single Use)

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

Enterprise Software and Extensions

ArcGIS Enterprise and Workgroup
 (Advanced and Standard)
 ArcGIS Monitor
 ArcGIS Enterprise Extensions: ArcGIS 3D Analyst,
 ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst,
 ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS
 Workflow Manager

Enterprise Additional Capability Servers

ArcGIS Image 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 Analysis Extension

Limited Quantities

One (1) Professional subscription to ArcGIS Developer
 Two (2) ArcGIS CityEngine Single Use Licenses
 100 ArcGIS Online Viewers
 100 ArcGIS Online Creators
 17,500 ArcGIS Online Service Credits
 100 ArcGIS Enterprise Creators
 3 ArcGIS Insights in ArcGIS Enterprise
 3 ArcGIS Insights in ArcGIS Online
 10 ArcGIS Tracker for ArcGIS Enterprise
 10 ArcGIS Tracker for ArcGIS Online
 3 ArcGIS Parcel Fabric User Type Extensions (Enterprise)
 3 ArcGIS Utility Network User Type Extensions (Enterprise)

OTHER BENEFITS

Number of Esri User Conference registrations provided annually	3
Number of Tier 1 Help Desk individuals authorized to call Esri	3
Maximum number of sets of backup media, if requested*	2
Five percent (5%) discount on all individual commercially available instructor-led training classes at Esri facilities purchased outside this Agreement	

*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 <https://www.esri.com/en-us/legal/terms/full-master-agreement> 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 <https://support.esri.com/en/other-resources/product-life-cycle>. 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 <https://www.esri.com/en-us/legal/terms/maintenance>). 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).

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 up to thirty (30) calendar days 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 reserves the right to suspend Customer's access to and use of Products if Customer fails to pay any undisputed amount owed on or before its due date. Esri may charge Customer interest at a monthly rate equal to the lesser of one percent (1.0%) per month or the maximum rate permitted by applicable law on any overdue fees plus all expenses of collection for any overdue balance that remains unpaid ten (10) days after Esri has notified Customer of the past-due balance.

- c. Esri's federal ID number is 95-2775-732.

- d. 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.

8.2 Order Requirements. Esri does not require Customer to issue a purchase order. Customer may submit a purchase order in accordance with its own process requirements, provided that if Customer issues a purchase order, Customer will submit its initial purchase order on the Effective Date. If this is a multi-year Agreement, Customer will submit subsequent purchase orders to Esri at least thirty (30) calendar days before the annual anniversary date for each year.

- 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.