

MEMORANDUM

TO: MAYOR AND CITY COMMISSION

FROM: CITY ATTORNEY'S OFFICE

DATE: September 17, 2018

RE: **Sixth Amendment to Enterprise Software License Agreement with Environmental Systems Research Institute, Inc.**

Attached hereto for your consideration is a proposed Sixth Amendment (Amendment) to the License Agreement between the City and Environmental Systems Research Institute, Inc. (ESRI), which was approved by the City Commission in August 2008. The Purchasing Department has approved ESRI as a sole source provider of such software services. The Amendment seeks to renew the existing Agreement for software licenses, data, web services, documentation and maintenance for an additional three (3) year term and update the fee schedule and product list. This Amendment will support a number of the City's technology projects in the upcoming year with regard to the significant increase in applying Geographic Information System (GIS) technology to many operational and technical areas.

This GIS software is not only used for map production, but also to track almost all of the City's assets such as roads, electric and water utilities, as well as for producing data sets for use in the Public Safety 911 system. This software and the data it manages is used by almost 500 City employees, as well as Engineering firms, Developers and many other government agencies that the City of Lakeland works with.

The term of this Amendment will be for a period of three (3) year, effective October 1, 2018, upon approval by the City Commission. Pursuant to the License Agreement, the City and all of its departments, including Electric and Water/Wastewater, will be granted access to ESRI core products without upfront capital purchase costs and maintenance on all software during the term of the License Agreement. This Enterprise Software License Agreement will provide numerous benefits to the City such as a lower cost per unit for licensed software, substantially reduced administrative/procurement expenses, maintenance on all ESRI software deployed under this Agreement and flexibility to deploy products when and where needed. Over the previous seven (7) years of this Agreement the City has saved in excess of \$1,200,000 in capital purchase costs. The project will be managed by the Information Technology Department.

The total expenses associated with this Amendment will be \$727,500 for the three (3) year term. Without this renewal, the licenses fees would revert to standard market costs and capital purchase costs for any additional seats of software needed throughout the three (3) year term, which would result in an increase of \$72,500. Thus, renewal of its current Agreement with ESRI represents a significant cost

savings for the City. The cost for the first year of the agreement is \$235,000 and has been included in the FY2019 budget.

It is recommended that the appropriate City officials be authorized to execute this Sixth Amendment to the Software License Agreement with ESRI.

attachment

Amendment No. 6

Agreement No. 2008ELA1136



This Amendment No. 6 is entered into by and between the City of Lakeland, Florida, a municipality organized and existing under the laws of the State of Florida (“**City**”) and **Environmental Systems Research Institute, Inc.** (hereinafter referred to as “**Esri**”).

WHEREAS, Esri and City entered into an Enterprise License Agreement with an effective date of August 18, 2008 (hereinafter “**ELA**”); and

WHEREAS, the parties desire to amend the Enterprise License Terms and Conditions of the Agreement to extend the term for an additional three (3) years and one (1) month from October 1, 2018 (“**Renewal Effective Date**”) through October 31, 2021 (“**2018 Renewal Term**”) for an additional Seven Hundred Twenty-Seven Thousand Five Hundred dollars (\$727,500);

NOW THEREFORE, the parties agree to the following:

1. Replace Article 5 – ORDERING, ADMINISTRATIVE PROCEDURES, DELIVERY, AND DEPLOYMENT REPORT with the following:

5.1 Purchase Orders, Invoicing, Delivery, and Deployment

a. Esri does not require City to issue purchase orders and will invoice City upon the Effective Date of the ELA and annually thereafter in accordance with the fee schedule set forth in this ELA. City may submit purchase orders in accordance with its own process requirements. If City issues purchase orders, then City will submit its initial purchase order upon execution of this ELA and any subsequent purchase order at least thirty (30) days before the anniversary date. Invoices will be due and payable within forty-five (45) days of invoice, in accordance with § 218.74, Florida Prompt Payment Act.

b. Any purchase orders that City issues will reference, incorporate, and be subject to the terms and conditions of this ELA. Additional or conflicting terms in any purchase orders, invoices, or other documents exchanged during the ordering process, other than the terms of this ELA, Product or Service descriptions, quantities, pricing, and delivery instructions, are void and of no effect. City will process all orders and deliveries pertaining to this ELA through City's centralized point of contact.

c. City will include the following information in each purchase order:

(1) Esri customer number, the ship-to address, and bill-to address as identified in Appendix D.

(2) Purchase order number.

(3) Applicable annual payment due and name of Customer. For Unit-Priced Items, the name of the product and quantity.

(4) On the face of the purchase order, the following printed statement: "Governed by and subject to Enterprise License Agreement No. 2008ELA1136."

d. Esri will provide Authorization Codes to activate the nondestructive copy protection program that enables City to download, operate, or allow access to the ELA Products listed in Appendix A.

e. Delivery of updates/new versions of ELA Products will be made in the same manner. If requested by City, Esri will deliver a limited number of sets of backup media as provided in Appendix B to the ship-to address identified in Appendix D—ELA Points of Contact, FOB destination with shipping charges prepaid. City may purchase additional backup media sets at the prices in effect at the time of purchase. Delivery or receipt of tangible media could cause prior and future license fees to be subject to taxes. Esri may invoice for and City agrees to pay any such sales or use tax associated with receipt of tangible media.

f. City shall track the Deployment status of ELA Products.

5.2 Annual Report of Deployments. At each anniversary date and ninety (90) days prior to the expiration date of this ELA, City shall provide a written report, as set forth in Appendix C, to Esri detailing all Deployments made, including preexisting and Rolled-In Software. The report will be subject to audit by an authorized representative of Esri.

5.3 Esri User Conference Registration. Esri shall provide Esri User Conference registrations to City annually during the term of this ELA in the quantities set forth in Appendix B. City is responsible for distributing the registrations to Customers. Third parties may not represent or attend on behalf of City or Eligible Agencies at any Esri User Conference.

2. Section 7.1 Term. The following new paragraph is added to Section 7.1 Term:
The term of this ELA is extended for an additional three (3) years and one (1) month period, from October 1, 2018 through October 31, 2021, unless otherwise cancelled or terminated as provided herein.
3. Appendix A – Software and Deployment Schedule, is deleted in its entirety and replaced with the attached Appendix A – Software and Deployment Schedule, which shall supersede any previously issued Appendix A – Software and Deployment Schedule.
4. Appendix B – ELA Fee Schedule, is deleted in its entirety and replaced with the attached Appendix B – ELA Fee Schedule, which shall supersede any previously issued Appendix B – ELA Fee Schedule.

Except as may be specifically modified by this Amendment No.6, all other terms and conditions of the Agreement and any Amendment(s) or Addendum(s) constitute the entire agreement between the parties and supersede all prior and contemporaneous agreements or representations, written or oral, concerning the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No.6 as of the date of the last party to sign below.

ACCEPTED AND AGREED:

CITY OF LAKELAND, FL

ENVIRONMENTAL SYSTEMS RESEARCH
INSTITUTE, INC.

(City)

(Esri)

By: _____

By: _____

Printed Name: H. William Mutz

Printed Name: _____

Title: Mayor

Title: _____

Date: _____

Date: _____

ATTEST:

BY: _____

Kelly S. Koos, City Clerk

Approved as to form and correctness:

BY: _____

Timothy J. McCausland, City Attorney

**2018 APPENDIX A
PRODUCTS AND DEPLOYMENT SCHEDULE**

City may Deploy the ELA Products up to the total quantity of licenses indicated below to Licensees during the term of this ELA.

**Table A-1
ELA Products–Uncapped Quantities**

Item	Total Qty./Seats to Be Deployed
ArcGIS Desktop: Advanced, Standard, Basic (Single and Concurrent Use)	Uncapped
ArcGIS Desktop Extensions: ArcGIS 3D Analyst, ArcGIS Data Reviewer, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Publisher, ArcGIS Schematics, ArcGIS Spatial Analyst, and ArcGIS Workflow Manager (Single and Concurrent Use)	Uncapped
ArcGIS Enterprise: Enterprise and Workgroup (Advanced and Standard)	Uncapped
ArcGIS Enterprise Extensions: ArcGIS 3D Analyst, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Spatial Analyst, and ArcGIS Workflow Manager	Uncapped
ArcGIS GIS Server: Advanced, Standard, Basic	Uncapped
ArcGIS Enterprise Additional Capability Servers: ArcGIS Image Server, ArcGIS GeoEvent Server	Uncapped
ArcGIS Engine	Uncapped
ArcGIS Engine Extensions: ArcGIS 3D Analyst, ArcGIS Geodatabase Update, ArcGIS Network Analyst, ArcGIS Schematics, and ArcGIS Spatial Analyst	Uncapped
ArcGIS Runtime Analysis Extension	Uncapped
ArcGIS Runtime: Lite and Basic	Uncapped
Mapping and Charting Solutions: Esri Production Mapping for Desktop	Uncapped

**Table A-2
 ELA Products–Limited Quantities**

Item	Rolled-In Qty. (if applicable)	Qty./Seats to Be Deployed	Total
ArcGIS Utility Network Management Server Extension – Production License		1	1
ArcGIS Utility Network Management Server Extension – Staging License		1	1
ArcGIS Developer Subscription – Professional Subscription		2	2
ArcGIS Developer Subscription – Enterprise Subscription		1	1
Insights for ArcGIS for use with ArcGIS Online – Term License		3	3
Community Analyst Single Use – Term License		5	5

Product	Number of Subscriptions	Named Users per Subscription	Annual Credits per Subscription
ArcGIS Online Subscription	1	Year 1 100 Level 1 50 Level 2 Year 2 100 Level 1 50 Level 2 Year 3 100 Level 1 25 Level 2	Year 1 25,000 Year 2 25,000 Year 3 12,500

Product	Number of Subscriptions	Named Users
ArcGIS Enterprise	1	Year 1 50 Level 2 Year 2 50 Level 2 Year 3 100 Level 2

**2018 APPENDIX B
ELA FEE SCHEDULE**

The 2018 Renewal ELA Fee is \$727,500. The 2018 Renewal EA Fee is in consideration of the ELA Products, EA Maintenance, and Esri International User Conference registrations.

	Year 1 October 1, 2018 – October 31, 2019	Year 2 November 1, 2019 – October 31, 2020	Year 3 November 1, 2020 – October 31, 2021	2018 Renewal EA Fee
Annual EA Fee	\$235,000	\$242,500	\$250,000	\$727,500

Number of Esri International User Conference Registrations per Year	5
Number of Tier 1 Help Desk Callers that may contact Esri for Tier 2 Support	6
Term of ELA	Three (3) years and one (1) month from October 1, 2018