



# SAINT PAUL REGIONAL WATER SERVICES AGREEMENT

**Purchaser (Referred to as “The Board”)**

Board of Water Commissioners  
of the City of Saint Paul  
1900 Rice Street  
Saint Paul, MN 55113  
Phone: 651-266-6530

**CONTRACTOR**

Ferguson Enterprises, Inc.  
751 Lakefront Commons  
  
Newport, VA 23606

Contract No: 3942

Effective Date: February 2, 2023

Expiration Date:

Contract Description: PSA-SPRWS-UPGRADING TO ADVANCED METERING INFRASTRUCTURE (AMI)  
SUPPORTING-FERGUSON

**Contacts**

Buyer Contact Information:

Queenie Tran - Queenie.Tran@ci.stpaul.mn.us

City Project Manager Contact Information:

Martha Burckhardt - Martha.Burckhardt@ci.stpaul.mn.us

Contractor Project Manager Contact Information:

Brian Rollins - Brian.Rollins@ferguson.com  
(319) 631-3174

**CONTRACT LINES**

Item	Item Description	Unit of Measure	Base Cost
PROFESSIONAL SERVICES	PROFESSIONALS SERVICES	8P	508,000.00000

**Board of Water Commissioners of Saint Paul  
Terms and Conditions  
Professional Services Agreement (PSA)**

THIS AGREEMENT, made and entered into on the effective date above by and between the BOARD, OF WATER COMMISSIONERS OF THE CITY OF SAINT PAUL, hereinafter referred to as “The Board,” d/b/a Saint Paul Regional Water Services (“SPRWS”) and the above named Contractor, hereinafter referred to as “Contractor.” A Contractor is a party to a contract; and who contracts to do the work for another.

The Board and Contractor, in consideration of the mutual terms and conditions, promises, covenants, and payments hereinafter set forth, agree as follows:

Contractor agrees to provide the services comprised of tasks, deliverables, and timelines described in this Agreement.

**Section 1. Time For Completion.**

The services rendered by Contractor will be commenced upon execution of the Agreement and notification by the Board to proceed and will be completed in accordance with the schedule mutually agreed upon with the Board which follows, but no later than the expiration date above.

Contractor will not proceed with any task without specific authorization from the Project Manager designated by the Board ("Board's Project Manager").

In the event that there are delays caused by actions of the Board or which may be reasonably requested by the Contractor which can change the completion date, Contractor will request an extension of time for completion of the project. The Board's Project Manager will review the request and may grant to the Contractor such extensions of contract time as may be reasonable.

**Section 2. Project Management.**

The Board requires the Contractor to assign specific individuals as principal project members and to assure that the major work and coordination will remain the responsibility of these individuals during the term of the Agreement. Removal of any principal project member without replacement by equally qualified individuals or without the prior written approval of the Saint Paul Regional Water Services General Manager is grounds for termination of the Agreement by the Board.

The Board has designated the individual on Page 1, as the Board's Project Manager for this Agreement, and the individual to whom all communications pertaining to the Agreement will be addressed. The Project Manager will have the authority to transmit instructions, receive information, and interpret and define the Board's policy and decisions pertinent to the work covered by this Agreement.

**Section 3. Billings and Payment.**

That for Contractor's faithful performance of this Agreement, the Board hereby agrees to compensate Contractor in the amount(s) and according to the schedule herein.

The amounts herein will fully compensate Contractor for all work and associated costs. The Board will honor no claim for services and/or costs provided by the Contractor not specifically provided for in this Agreement. Total costs for the project will not exceed the amount referenced herein.

Contractor will submit an itemized invoice monthly or after services are complete. Upon receipt of the invoice and verification of the charges by the Board's Project Manager, the Board will make payment to Contractor within thirty five (35) days.

#### **Section 4. Board Responsibilities**

The Board agrees to provide Contractor with access to any information from Board documents, staff, and other sources needed by Contractor to complete the work described herein.

#### **Section 5. Amendment or Changes to Agreement.**

A. Board or Contractor may request changes that would increase, decrease, or otherwise modify the Scope of Services. Such changes and method of compensation must be authorized in writing in advance by the Board.

B. Any alterations, amendments, deletions, or waivers of the provisions of this Agreement will be valid only when reduced to writing and duly signed by the parties

C. Modifications or additional schedules will not be construed to adversely affect vested rights or causes of action which have accrued prior to the effective date of such amendment, modification, or supplement. The term "this Agreement" as used herein will be deemed to include any future amendments, modifications, and additional schedules made in accordance herewith.

#### **Section 6. Notices.**

Except as otherwise stated in this Agreement, any notice or demand to be given under this Agreement will be delivered in person or deposited in United States Certified Mail, Return Receipt Requested. Any notices or other communications will be addressed to the individuals and addresses listed above.

#### **Section 7. Survival of Obligations.**

A. The respective obligations of the Board and Contractor under these terms and conditions, which by their nature would continue beyond the termination, cancellation, or expiration hereof, will survive termination, cancellation or expiration hereof.

B. If a court or governmental agency with proper jurisdiction determines that this Agreement, or a provision herein is unlawful, this Agreement or that provision, will terminate. If a provision is so terminated but the parties legally, commercially, and practicably can continue this Agreement without the terminated provision, the remainder of this Agreement will continue in effect.

#### **Section 8. Entire Agreement.**

It is understood and agreed that this entire Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matters herein.

### **Section 9. Commencement of Work.**

Contractor will not perform any work pursuant to this contract without the specific prior agreement of the designated representative of the BOARD OF WATER COMMISSIONERS OF THE CITY OF SAINT PAUL ("the Board"). No claim for services or products provided by the Contractor not specifically provided for in this contract, or not specifically agreed to in advance will be honored by the Board.

### **Section 10. Invoicing and Payment.**

Contractor will submit invoices clearly itemizing all goods and/or services provided to the Board department making the purchase. The Board will make payment in accordance with Chapter 471.425. Such payment may be made using a pay voucher, purchase order, or authorized procurement card, or department will notify Contractor of any problems, omissions, or defects in the goods and/or services received.

### **Section 11. Records, Dissemination of Information.**

A. For purposes of this Agreement, the following words and phrases will have the meanings set forth in this section, except where the context clearly indicates that a different meaning is intended.

“Work product” will mean any report, recommendation, paper, presentation, drawing, demonstration, or other materials, whether in written, electronic, or other format that results from Contractor’s services under this Agreement.

“Supporting documentation” will mean any surveys, questionnaires, notes, research, papers, analyses, whether in written, electronic, or in other format and other evidences used to generate any and all work performed and work products generated under this Agreement.

“Business records” will mean any books, documents, papers, account records and other evidences, whether written, electronic, or in other format, belonging to Contractor and pertaining to work performed under this Agreement.

B. All deliverable work products and supporting documentation that directly result from the Contractor’s services under this Agreement will be delivered to the Board and will become the property of the Board after final payment is made to the Contractor with no right, title, or interest in said work products or supporting documentation vesting in Contractor, except as provided in this section. Contractor will retain the right to all its software, intellectual property and templates that are not a project specific deliverable as well as to individual features of the design which Contractor would reasonably expect to be able to recreate in whole or in part in other projects.

C. In the event that deliverable work products include drawings, Contractor will provide a complete set of as-built record drawings in AutoCAD or ESRI GIS format (plan view only in GIS), as may be determined appropriate by Board’s Project Manager. AutoCAD drawings will include any customized Plot Style Tables (.ctb or .stb) or line types (.lin) and will not require links to other drawings. Whether required as an incidental or specifically addressed in the Proposal, final payment to Contractor for work of this Agreement will not be approved until as-built record drawings are received and approved by Board’s Project Manager.

D. The Contractor agrees not to release, transmit, or otherwise disseminate information associated with or generated as a result of the work performed under this Agreement without prior knowledge and written consent of the Board.

E. In the event of termination, all documents finished or unfinished, and supporting documentation prepared by the Contractor under this Agreement, will be delivered to the Board by Contractor by the termination date and there will be no further obligation of the Board to Contractor except for payment of amounts due and owing for work performed and expenses incurred to the date and time of termination.

F. When remotely accessing the Board's electronic resources, the Contractor agrees to abide by the requirements outlined in "SPRWS Policy for Remote Access to Electronic Resources by Outside Parties", available from Board's Project Manager upon request.

G. The Contractor agrees to maintain all business records in such a manner as will readily conform to the terms of this Agreement and to make such materials available at its office at all reasonable times during this Agreement period and for six (6) years from the date of the final payment under the contract for audit or inspection by the City, the Board, the Auditor of the State of Minnesota, or other duly authorized representative.

H. The Contractor agrees to abide strictly by Chapter 13, Minnesota Government Data Practices Act, and in particular Minn. Stat. §§ 13.05, subd. 6 and 11; and 13.37, subd. 1 (b) and Minn. Stat §§ 138.17 and 15.17. All of the data created, collected, received, stored, used, maintained, or disseminated by the Contractor in performing functions under this Agreement is subject to the requirements of the Minnesota Government Data Practices Act and Contractor must comply with those requirements as if it were a governmental entity. If any provision of this Agreement is in conflict with the Minnesota Government Data Practices Act or other Minnesota state laws, state law will control.

#### **Section 12. Human Rights/Affirmative Action/Equal Economic Opportunity.**

Contractors must comply with the City of Saint Paul's Human Rights Department's Affirmative Action Requirements in Employment pursuant to Section 183.04 of the Saint Paul Legislative Code, the Rules Governing Affirmative Requirements in Employment, and Chapter A-17 of the Saint Paul Administrative Code governing racial harassment. The Contractor agrees to comply with all federal, state and local laws, resolutions, ordinances, rules, regulations and executive orders pertaining to unlawful discrimination on account of race, creed, religion, color, sex, sexual or affectional orientation, national origin, ancestry, familial status, age, disability, marital status, or status with regard to public assistance and will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to the same.

#### **Section 13. Affirmative Action Contract Specifications.**

Every contractor or subcontractor whose total accumulated contract awards from the City of Saint Paul over the preceding twelve months have met or exceeded \$50,000 must complete and submit to the Department an Affirmative Action Program Registration form along with a \$75 registration fee (City of Saint Paul Administrative Code Ordinance 86.06 and City of Saint Paul Legislative Code Ordinance 183.04).

#### **Section 14. Compliance With Applicable Law.**

The Contractor agrees to comply with all federal, state and local laws or ordinances, and all applicable rules, regulations and standards established by any agency of such governmental units, insofar as they relate to the Contractor's performance of the provisions of this Contract. It will be the obligation of the Contractor to apply for, pay for and obtain all permits and/or licenses required.

**Section 15. Conflict of Interest.**

Contractor's acceptance of this agreement indicates compliance with Chapter 24.03, City of Saint Paul Administrative Code: "Except as permitted by law, no city official or employee will be a party to or have a direct financial interest in any sale, lease, or contract with the City." The contractor also affirms that to the best of the Contractor's knowledge, their involvement in this contract does not result in a conflict of interest with any part or entity which may be affected by the terms of this contract. The Contractor agrees that should any conflict or potential conflict of interest become known to the contractor, they will immediately notify the Purchasing Systems Manager of the situation so that a determination can be made about Contractor's ability to continue performing services under this Agreement.

**Section 16. Hold Harmless.**

The Contractor will indemnify, save and hold harmless, protect and defend the City of Saint Paul, its officers, agents, and employees and the Board of Water Commissioners of the City of Saint Paul, its officers, agents and employees, from all claims, actions, or suits of any character brought for or on account of any claimed or alleged injuries or damages received by any person or property, to the extent caused by the negligent act or omission by any person employed by Contractor in carrying out the terms of this Contract.

**Section 17. Assignment.**

The Board and Contractor each binds itself and its successors, legal representatives, and assigns of such other party, with respect to all covenants of this Contract; and neither the Board nor the Contractor will assign or transfer their interest in this Contract without the written consent of the other.

**Section 18. Termination.**

This Agreement will continue in full force and effect until completion of the project as described herein unless either party terminates early for cause.

A. With Cause. The Board reserves the right to terminate this Agreement if the Contractor violates any of the terms or does not fulfill, in a timely and proper manner, its obligations under this Agreement as determined by the Board. In the event that the Board exercises its right to withhold payment or terminate under this Section, it will submit written notice to the Contractor, specifying the extent of such withholding or termination under this Section, the reasons therefore, and the date upon which such withholding or termination becomes effective. Upon receipt of such notice, the Contractor will take all actions necessary to discontinue further commitments of funds to the extent that they relate to the terminated portions of this Agreement.

B. In the event of termination, the Board will pay Contractor for all services and/or products, actually, timely, and faithfully rendered up to the receipt of the notice of termination and thereafter until the date of termination. The Contractor will deliver all work products and supporting documentation developed up to the time of termination prior to the Board rendering final payment for service.

**Section 19. Amendments or Changes.**

Any alteration, variation, modification or waiver of the provisions of the specifications that may have occurred during the bidding process or amendments to this Contract will be valid only when reduced to writing and duly signed by the Contractor and the Board.

**Section 20. Interpretation of Agreement, Venue.**

This Contract will be interpreted and construed according to the laws of the State of Minnesota. All litigation regarding this agreement will be venued in the District Court of the County of Ramsey, Second Judicial District, State of Minnesota.

**Section 21. Independent Contractor.**

It is agreed by the parties, that at all times and for all purposes, within the scope of the Agreement resulting from this solicitation, the relationship of the Contractor to the Board is that of independent contractor and not that of employee. No statement contained in the specification or resulting Agreement will be construed so as to find the Contractor an employee of the Board, and Contractor will be entitled to none of the rights, privileges, or benefits of Saint Paul employees.

**Section 22. Waiver.**

The waiver by the Board of any breach under the terms of this Agreement or the foregoing by the Board of any of the rights or remedies arising under the terms of this Agreement will not constitute a waiver of the Board's right to any rights and/or remedies with respect to any subsequent breach or default of the terms of the contract. The rights and remedies of the Board provided or referred to under the terms of the contract are cumulative and not mutually exclusive

**Section 23. Additions.**

During the contract period, the Board reserves the right to request pricing for and add to the contract a limited number of like items to accommodate the need for any items that may have been inadvertently omitted from the lists included in this request document.

**Section 24. Subcontracting.**

The Contractor agrees not to enter into any subcontracts for any of the work contemplated under this Agreement without obtaining prior written approval of the Board.

**Section 25. Force Majeure.**

Neither the Board nor the Contractor will be held responsible for performance if its performance is prevented by acts or events beyond the party's reasonable control, including, but not limited to: severe weather and storms, earthquake or other natural occurrences, strikes and other labor unrest, power failures, electrical power surges or current fluctuations, nuclear or other civil military emergencies, or acts of legislative, judicial, or executive authorities.

**Section 26. Entire Agreement.**

The specifications and other solicitation materials associated with this Agreement and these General Terms and Conditions will constitute the entire Agreement between the parties and will supersede all prior oral or written negotiations.

**Section 27. Insurance.**

Contractor will be required to carry insurance of the kind and in the amounts shown below for the life of the contract. Certificates for General Liability Insurance must state that the City of Saint Paul, its officials, employees, agents and representatives, and the Saint Paul Board of Water Commissioners, its officials, employees, agents and representatives are Additional Insureds. Policy must include an "all services, products, or completed operation endorsement as a sublimit to the General Liability Policy Errors and omissions coverage must be included if the Contractor will be providing services for the City as a sublimit of the General Liability policy. Agent must state on the certificate if company carries errors and omissions coverage.

## 1. General or Business Liability Insurance

\$1,500,000 per occurrence

\$2,000,000 aggregate per project

\$2,000,000 products/completed operations total limit

\$1,500,000 personal injury and advertising

Errors and Omissions

\$1,000,000 per occurrence

\$1,000,000 aggregate

## 2. Automobile Insurance.

a. Commercial Vehicles. When commercial vehicles will be used in connection with a contract, these minimum coverage amounts are required:

Bodily Injury

\$750,000 per person

\$1,000,000 per accident

Property Damage

Not less than \$50,000 per accident

Coverage will include: hired, non-owned and owned auto

b. Personal Vehicles. When personal vehicles are used in connection with a contract, the City is not required to be named as Additional Insureds, but proof of insurance is required prior to commencement of activities. Contractor must provide the Board and the City with Endorsements from insurance company

Bodily Injury

\$30,000 per person

\$60,000 per accident

Property Damage

\$20,000 per accident

c. Rental Vehicles. When rental vehicles are used in connection with a contract, the Contractor will either purchase insurance from the rental agency, or provide the City with proof of insurance as stated above.

3. Worker's Compensation and Employer's Liability. Worker's Compensation coverage is required per Minnesota Statutes. Employer's Liability will have a minimum of:

\$500,000 per accident

\$500,000 per employee;

\$500,000 per disease policy limit.

a. Contractors with 10 or fewer employees who do not have Worker's Compensation coverage are required to provide the City and the Board with a completed "Certificate of Compliance" (State of Minnesota form MN LIC 04) verifying their number of employees and the reason for their exemption.

4. Professional Services Coverage. Professional Liability Insurance is required when a contract is for service for which professional liability insurance is available for purchase. Professional Liability will have minimum liability limits of:

\$1,000,000 per occurrence

\$1,000,000 aggregate

Higher liability limits may be required at the discretion of the City or the Board depending on project scope.

5. Reserved.



#### 6. General Insurance Requirements

- a. All policies will be written on an occurrence basis or as acceptable to the City of Saint Paul and the Board. Certificates of insurance must indicate that the policy is issued on an occurrence basis
- b. The Contractor may not commence any work until Certificates of Insurance covering all of the insurance required for this project is approved and the Project manager has issued a notice to proceed. Insurance must remain in place for the duration of the original contract and any extension periods.
- c. The City and the Board reserve the right to review Contractor's insurance policies at any time, with reasonable notice provided, to verify that City requirements have been met.
- d. Nothing will preclude the the City and/or the Board from requiring Contractor to purchase and provide evidence of additional insurance if the scope of services change, if the amount of the contract is significantly increased, or if the exposure to the City or its citizens is deemed to have increased.
- e. Satisfaction of policy limits required above for General Liability and Automobile Liability Insurance, may be met with the purchase of an umbrella or excess policy. Any excess or umbrella policy will be written on an occurrence basis, and if such policy is not written by the same insurance carrier, the proof of underlying policies (endorsement) will be provided with any certificate of insurance.

#### **Section 28. Counterparts.**

The parties may sign this Agreement in counterparts, each of which constitutes an original, but all of which together constitute one instrument

#### **Section 29. Electronic Signatures.**

The parties agree that the electronic signature of a party to this Agreement will be as valid as an original signature of such party and will be effective to bind such party to this Agreement. The parties further agree that any document (including this Agreement and any attachments or exhibits to this Agreement) containing, or to which there is affixed, an electronic signature will be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, "electronic signature" also means a manually signed original signature that is then transmitted by any electronic means, including without limitation a faxed version of an original signature or an electronically scanned and transmitted version (e.g., via PDF) of an original signature. Any party's failure to produce the original signature of any electronically transmitted signature will not affect the enforceability of this Agreement

#### **Section 30. Additional Terms and Conditions Incorporated by Reference**

The City and/or the Board may incorporate by reference Federal, State, and/or project specific specifications or proposals. Except as otherwise provided in this Agreement, if any provision contained in the Federal, State, or project specific specifications or proposal is in conflict with, or inconsistent with, any provision in these general Terms and Conditions, the more restrictive provision will control.

#### **Section 31. Warranty.**

"Warranty: All materials are covered by manufacturer warranties only and Contractor will provide warranty service under the manufacturer's warranty. Contractor only warrants installation to the extent applicable to its scope."

## **EXHIBIT A**

### **Scope of Work**

The purpose of this SOW is to describe the work, services, tasks and/or deliverables that Contractor will provide to [the Board] under the Board Terms and Conditions agreed upon by the Parties, (the “**Agreement**”). Additional terms and conditions may be set forth in this SOW. To the extent the terms and conditions of this SOW are inconsistent with those of the Agreement, the terms of this SOW will control with respect to the work, services, tasks and/or deliverables described herein. Capitalized terms used herein shall have the same meaning as those used in the Agreement. This SOW is an attachment to and is incorporated by this reference into the Agreement as if fully set forth therein and made a part thereof. This SOW, together with the Agreement, represents the complete and total understanding of the parties regarding the Services to be provided by Contractor hereunder.

#### **I. Project Description and Purpose:**

Saint Paul Regional Water Services (SPRWS) needs: *Cloud based meter reading solution to support SPRWS’ water metering system upgrade to an Advanced Metering Infrastructure (AMI). AMI will provide near real time water metering data for SPRWS’ customer accounts.*

#### **II. Scope of Work:**

##### **1. Description of Services:**

The Neptune 360 Software-as-a-Service subscription provides the customer with a non-transferable license to access the Neptune 360 application for all internal personnel. The Customer shall not permit the use of the Service by any unauthorized third parties, unless mutually agreed in writing. The subscription includes the following services:

- Secure access to the Neptune 360 Platform which includes:
  - o Neptune 360 Web App
  - o Neptune 360 Mobile App
  - o Neptune 360 Sync (required for Trimble Handheld compatibility) and
  - o Application Programming Interfaces (if applicable)
  - o Ferguson/Neptune will assist SPRWS/Utility Billing (UB) with creating the new file format that can be used with Neptune 360. If changes are needed on UB’s end, the UB company may charge SPRWS for those changes.
- 24x7 Application and security monitoring
- Database preventive maintenance and scalability monitoring
- Software upgrades and updates, with prior notice via email
- Providing all server operating system and hardware updates requirements
- Data back-up and replication
- Data Security and Business Continuity Plan (BCP) processes
- Providing telephone support at 1-800-647-4832 Monday-Friday from 7:00am-5:00pm Central time, excluding corporate holidays, and email support at support@neptunetg.com.

Neptune Technology Group will provide Single Sign-On (SSO) capability to St. Paul MN Regional Water Services. SSO will function by sharing and verifying login credentials between Neptune 360 SaaS application and the utility’s chosen identity provider (Microsoft Azure Active Directory). As a result, approved utility users will be allowed to sign into Neptune 360 using only one set of credentials. Multifactor Authentication (MFA) is available in Neptune 360 and is included in the annual Neptune 360 pricing.

## **2. Service Level Objectives**

- **Availability.** Neptune will use commercially reasonable efforts to provide at least 99% uptime of the SaaS Application, less Maintenance Windows.
- **Ticket Issuance.** Neptune will open a trouble ticket upon the earlier to occur of: (i) when Neptune first observes an issue; or (ii) when Customer first reports the issue. If an issue relates to Customer's system and Neptune becomes aware of the issue, Neptune will promptly report this information to Customer. Technical support hours are Monday-Friday from 7am-5pm Central Time. Neptune's commitment is to open a ticket and respond to said ticket within 24 hours of issue identification.
- **Response Time.** The urgency and time to correct will be dependent upon the issue itself and its impact to the Customer to perform billing functions (a "Billing Impediment"). Neptune shall prioritize the correction of any Billing Impediment and shall endeavor to correct such problems within 72 hours after issue identification. Other issues are considered a bug and fixes will be implemented upon an assigned software major or minor release schedule

## **3. Data Ownership.**

All data that is received from Neptune 360 cloud platform is captured, processed, stored, and accessed within the country in which the utility customer resides. Any data and information provided to Neptune by Customer, or its Consumers ("Customer Data") remains the property of Customer. Customer grants to Neptune the right and license to host, access, store, and use the Customer Data for the purposes of providing and maintaining the Service. Upon expiration or failure to renew the Software-as-a-Service Subscription, Neptune will no longer provide the Service and Customer may no longer use the Application. Following such expiration, so long as Customer is current in all payments to Neptune, upon the written request of the Customer made within thirty (30) days after the effective date of the expiration, Neptune will use commercially reasonable efforts to provide an export or download of any Customer Data in a mutually agreed format. After such thirty (30) day period, Neptune has no obligation to maintain or provide the Customer Data, unless otherwise required to do so by law.

## **4. Application Programming Interfaces**

- **License.** For the sole purpose of creating an interface between the Application and software or applications licensed by Customer from third parties, the Subscription includes a non-exclusive, nontransferable license to use APIs as well as related documentation required for their implementation.
- **Limitations on Rights of Use.** Customer shall not use the API for any other purpose except as expressly authorized in writing. Customer has no rights to the object code or source code of the API. Customer may not disassemble, decompile, reverse translate or apply any other procedure to a non- source code delivered API. Any rights in API(s) and the Documentation not expressly granted to Customer in writing shall remain with Neptune.
- **Upgrades.** Neptune may make changes to the APIs from time to time. Neptune will make commercially reasonable efforts to maintain backward compatibility of the APIs but makes no guarantees and assumes no obligation to ensure backward compatibility. APIs may not remain compatible with third party software or programs after changes to the APIs, changes to third-party software or programs, or changes to the SaaS. Neptune will provide notifications ahead of time if changes to the API affect backwards compatibility.
- **Third-Party Use.** Customer acknowledges and agrees that the license shall not extend to any third-party of Customer and if Customer desires to engage third parties to utilize Neptune's APIs for development or any other purposes, Neptune's prior written consent must be obtained. Upon receiving consent, the third-party must enter into a separate agreement with Neptune prior to using the APIs.

## **III. Compensation Terms:**

Neptune 360 software will allow meter readings in two modalities:

- N13980109 - Automated Meter Reading (AMR) at an initial cost of \$ 0.6 per account per year

- N13980209 - Advanced Meter Infrastructure (AMI) at an initial cost of \$1.29 per account per year, beginning year 2.

The cost for the first year will be \$ 0.60 for all 95,000 accounts for both AMR and AMI meter readings.

Year two will include an increase of 3% for each modality as follows,

System/Price per Account	Year 1	Year 2	Year 3	Year 4	Year 5
Neptune 360 AMR - 3% annual increase	\$0.60	\$0.62	\$0.64	\$0.66	\$0.68
Neptune 360 AMI - 3% annual increase	\$0.60	\$1.29	\$1.33	\$1.37	\$1.41

The conversion plan for the 95,000 water accounts from AMR to AMI is illustrated below, for a total of \$508,500 after 5 years.

The fees will be invoiced and paid on an annual basis.

Item	Description	Quantity	Net Price	UM	Total
N13980109	YEAR 1 NEPTUNE 360 AMR NEPTUNE 360 AMR - 100000+ TOTAL	95000	0.600	EA	57000.00 57000.00
N13980109	YEAR 2 NEPTUNE 360 AMR NEPTUNE 360 AMR - 100000+ YEAR 2 NEPTUNE 360 AMI	45000	0.620	EA	27900.00
N13980209	NEPTUNE 360 AMI - 100000+ TOTAL	50000	1.290	EA	64500.00 92400.00
N13980109	YEAR 3 NEPTUNE 360 AMR NEPTUNE 360 AMR - 100000+ YEAR3 NEPTUNE 360 AMI	30000	0.640	EA	19200.00
N13980109	NEPTUNE 360 AMR - 100000+ TOTAL	65000	1.330	EA	86450.00 105650.00
N13980109	YEAR 4 NEPTUNE 360 AMR NEPTUNE 360 AMR - 100000+ YEAR 4 NEPTUNE 360 AMI	15000	0.660	EA	9900.00
N13980209	NEPTUNE 360 AMI - 100000+ TOTAL	80000	1.370	EA	109600.00 119500.00
N13980209	YEAR 5 NEPTUNE 360 AMI NEPTUNE 360 AMI - 100000+ TOTAL	95000	1.410	EA	133950.00 133950.00
<b>Net Total:</b>					\$508500.00
<b>Tax:</b>					\$0.00
<b>Freight:</b>					\$0.00
<b>Total:</b>					\$508500.00

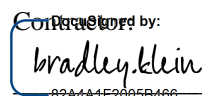
**IV. Requested Reimbursable Expenses and Details:**

There will be no request for reimbursable expenses under this contract.

Board of Water Commissioners  
of the City of Saint Paul  
1900 Rice Street  
Saint Paul, MN 55113

Ferguson Enterprises, Inc.  
751 Lakefront Commons  
Newport, VA 23606

Board of Water Commissioners  
of the City of Saint Paul:  
This Agreement has been duly executed by the  
Board of Water Commissioners of the City of Saint Paul  
via electronic approval

Completed by:  
  
02A4A1F2005B460...  
\_\_\_\_\_  
Signature

bradley.klein  
\_\_\_\_\_  
Printed Name

Area Sales Manager  
\_\_\_\_\_  
Title

February 28, 2023 | 11:54 AM EST  
\_\_\_\_\_  
Date