

CONTRACT FOR PURCHASE/INSTALLATION OF AMR SYSTEM
between the City of Olympia and Itron, Inc.

1. **PARTIES.**

This is a contract (the "Contract") between the City of Olympia, Washington, hereafter referred to as the "City" and Itron, Inc., hereafter referred to as "Contractor" or "Itron."

The Contractor is a: Corporation Limited Liability Company General Partnership LLP
(to be completed by contractor) Sole Proprietor Unincorporated Association Other: _____.

2. **PURPOSE.**

The purpose of this Contract is as set forth in Section 3.

3. **SCOPE OF SERVICES AND SCHEDULE OF PAYMENTS.**

The purpose of this Contract is for Contractor to develop, design, install, implement, and provide consulting, training and other services related to an Automated Meter Reading System (AMR) with related software solution(s) and equipment installation, designed by Contractor for the City, using Itron's software and other products, and one or more third party software products, as more particularly described in the Contract and Scope of Work and the Exhibits listed in this section.

A. Contractor will perform the services according to the Scope of Work set forth in Section C of this Contract and the following documents, incorporated by reference:

- Exhibit I:** Itron Sales Agreement – governing the license of Itron software products, the sale of equipment, warranties for both, and related terms of service.
- Exhibit II:** Labor, Equipment, and Installation Costs.
- Exhibit III:** Propagation Map.
- Exhibit IV:** Itron Warranty Terms.
- Exhibit V:** Payment Schedule.
- Exhibit VI*:** Work Plan dated June 6, 2012 and all addenda and appendices ("Work Plan").
- Exhibit VII:** Statement of Compliance with Non-Discrimination.
- Exhibit VIII:** Equal Benefits Compliance Declaration.
- Exhibit IX:** Payment and performance Bond Forms (2).

B. **Integration of documents:** The parties intend for this Contract and all of the Exhibits hereto to be harmonized and read together to the extent possible to accomplish the purpose of this Contract, with the following exceptions:

*The Work Plan is a document drafted by Itron, with the input of City staff, which is intended to detail how best to implement the Scope of Work set forth in Section C of this Contract. The Work Plan may be amended by mutual agreement of Itron and City staff, provided a Change Order is executed and the amendments do not conflict with the ultimate responsibility of Itron to deliver the AMR system in accordance with the Scope of Work set forth in this Contract and, provided further that the amendments do not result in an increase in costs to the City, unless authorized pursuant to the contract authority outlined in Olympia Municipal Code 3.16.

In the event of a conflict between the terms of this Contract for Purchase of an AMR System and any Exhibit, this Contract for Purchase/Installation of AMR System shall control, with the exception of the term of the Maintenance Agreement, which shall remain in effect in accordance with the terms of that Agreement.

C. **Scope of Work/Services:**

Itron shall have the following responsibilities to deploy the AMR System, which is comprised of the Software and Equipment set forth on Exhibit II, within the project limits illustrated on Exhibit III- Propagation Map, with the responsibilities of the City where noted below:

1. Itron will furnish and install mobile radio interrogator units and/or fixed network AMR system *Data Collection Units* (DCUs). The AMR System shall provide for 100% coverage of City's meters, comprised of 85% or better network coverage and the remainder covered via mobile AMR. For installation and operation of DCU's, the City will provide all necessary permits, site access and uninterrupted 120/240v power on City owned facilities for the locations identified in Exhibit III.
2. Itron will furnish and install Itron 100W water endpoints ("ERT's) for all meter locations. ERTs shall be capable of transmitting information to mobile radio interrogators and/or fixed location DCUs installed as part of this contract. The City is responsible for (i) providing the meter/ERT installation file in a mutually agreed upon format, (ii) accepting an electronic file of completed work orders, (iii) all customer communication materials in support of the deployment activities, and (iv) storage and salvage of meters removed from service.
3. For those meters installed in 2001 or prior, that are to be fully replaced, Itron will furnish and install meter bodies and meter registers compatible with the furnished ERTs and provide all required cabling, splice kits, and all equipment necessary to connect meter registers to ERTs.
4. For those meters installed after 2001, that are to be retrofitted, furnish and install meter registers compatible with existing City meter bodies and with the furnished ERTs. Itron will provide all required cabling, splice kits, and all equipment necessary to connect meter registers to ERTs.
5. The City will provide and maintain wireless communication connectivity (Verizon) and data transfer ("backhaul") capable of transferring data from DCUs to a meter reading system control computer located at City offices. Itron will provision DCUs for connectivity at the time of installation.
6. Itron will furnish and install the Software into which the data from the ERTs and other information necessary to operate and maintain the AMR System may be input and stored. The City is responsible for (i) acquisition and set-up of server hardware and third party software as specified by Itron, (ii) performing end to end software acceptance testing, and (iii) network access required for Itron to support installation and testing of the Software.

7. Itron will furnish the Software which communicates meter reading data to the City's City information and billing systems. The City will develop and test the interface for meter reading and utility billing using Itron-provided standard MVRS file formats. Itron's MVRS software is compatible with City's HTE CIS system without customization.
8. The City is responsible for defining business continuity plan for the AMR System, including disaster recovery and back-up strategy. The City is responsible for providing installation and configuration of software environments other than production.
9. Itron will provide all necessary technical and installation support to the City during AMR System deployment. The City is responsible for (i) meter/ERT installations where safe and reliable operation cannot be guaranteed, and (ii) for installation of meter/ERT after the steps defined in the meter access program have been met, as described in Exhibit VI (Work Plan).
10. Itron will provide Documentation, for use by the City, its employees, and agents in accordance with the Contract.
11. Itron will provide training (in "train the trainer" format) sufficient to enable City personnel to configure, implement, and properly operate and maintain the AMR System. The City is responsible for ongoing AMR System operations.
12. Provided City is under an Itron Maintenance Agreement, Itron will provide technical support for the AMR System, including on-site and telephone support for City personnel, as well as Software releases.
13. Itron is responsible for the installation and configuration of ERT's, meters, registers, Software, etc., and will be the City's single point of contact for resolution of issues during the project. After the project is complete, Itron will support those products eligible for Itron maintenance services under the Itron Maintenance Agreement.
14. The City is responsible for review and sign-off of the Technical Architecture Document and the Business Solutions Document which will be provided by Itron. The Technical Architecture Document is an IT facing document which includes: server sizing, environments (Production, Test, etc.) required and the specifications for each; security; long-term backup; and recovery requirements of the system. The Business Solutions Document ("BSD") maps business design requirements to the functional design of the solution and documents this mapping. The BSD also includes core (high level) business operating procedures to address the approach the project team will use to integrate the solution functionality into the City's business practices.

D. **Definitions:** Capitalized words used within this Contract shall be as defined within the particular section in which the term is used, or as defined in Exhibit I (Itron Sales Agreement) or in Exhibit VI (Work Plan).

4. **TERM AND EFFECTIVE DATE.**

This Contract shall become effective upon execution by both Itron and the City of Olympia ("Effective Date"), however, in no case shall work commence before Notice to Proceed is given by the City of Olympia. The term of this Contract shall be from the Effective Date, and, except for the Software License granted in Section 2.b. of Exhibit I shall continue until all work is completed as provided under Section 8 ("Prosecution and Progress"), unless the Contract is terminated earlier under the termination procedures specified elsewhere in this Contract, except that the term of the Software License shall be as stated in Exhibit I. This Contract may be renewed or extended for a specified period of time upon the mutual written agreement of both parties in the form of a contract amendment. Itron understands that, except where otherwise explicitly authorized in this Contract, the City's ability to renew, extend or amend this Contract beyond the duration and scope specified herein is subject to the City's policies, budgetary authority, municipal code, and may also require approval of the Olympia City Council.

5. **ENTIRE AGREEMENT.**

This Contract and the Exhibits outlined in Section 3 constitute the entire agreement between the parties with respect to the subject matter of this Contract and supersede all previous agreements pertaining to such subject matter. All prior agreements, representations, warranties, statements, negotiations, understandings, and undertakings are superseded. Neither party shall be bound by terms and conditions imprinted on or embedded in purchase orders, order acknowledgments, click-through end user license terms, or other communications between the parties subsequent to the execution of this Contract.

6. **ASSIGNABILITY/SUBCONTRACTING.**

All of the services required hereunder will be performed by Itron employees or Itron's authorized subcontractors. The subcontractor for installation of all meters shall be Pacific Meter Services, Inc., Itron subcontractors are subject to the same standards as Itron and Itron shall ensure that its subcontractors meet the responsibility criteria defined in RCW 39.04.350 and are properly qualified to perform the work. The City has the right to approve or reject any change in Itron subcontractors. Once a subcontractor is approved by the City, Itron must submit requests for change in subcontractor to the City's Project Manager at least sixty (60) days prior to any such proposed change.

Neither party will assign this Contract, directly or indirectly, without the prior written consent of an authorized executive officer of the other party, which shall not be unreasonably withheld, delayed or conditioned, provided that either party may assign all or any part of this Contract to its successor in a merger, consolidation or comparable transaction or to the purchaser of all or substantially all of its assets (or the assets associated with a particular line of business) so long as such successor or purchaser agrees in writing to comply with the terms and conditions of this Contract and, provided further that Itron may assign this Contract to an affiliate, including to a parent, subsidiary or sister entity.

7. **DESIGNATED REPRESENTATIVE.**

A. Assigned Personnel. The Project Manager for the City is **Meliss Maxfield, Program and Planning Supervisor**, and other assigned personnel.

B. Contractor's resources will be assigned pursuant to the procedures in Exhibit VI, (Work Plan). In the event Contractor or subcontractor resources involved in critical activities perform services deemed unsatisfactory by the City in its reasonable discretion, Contractor will be given an opportunity to evaluate such resources. The City will notify Contractor's Project Manager of the problem in writing, and give a reasonable length of time, as determined by the City in its reasonable discretion, to evaluate and correct the situation to the satisfaction of the City's Project Manager. If the situation is not corrected to the City's satisfaction, it will be submitted to the dispute resolution process in Section 33. The solution may require Contractor to remove the personnel in question and assign new personnel of equal or better qualifications.

8. **PROSECUTION AND PROGRESS.**

A. Work under this Contract shall commence upon the Notice to Proceed and all work on both phases shall be completed within three hundred sixty five (365) days from the Notice to Proceed with Phase One date, unless the Parties agree to an extension of time as provided in this Contract.

1. Phase One. Notice to Proceed with Phase One – Pilot System- will be given within five (5) business days after the Contract has been executed and an acceptable bond and evidence of insurance have been received by the City. Pilot System is defined below.

Pilot System Acceptance. Pilot System Acceptance will be given after the Pilot System Acceptance Test has been completed and has met the following criteria:

- a) The Software is processing and posting meter information; and
- b) ERTs on the test meters are accepted as follows:
 - i. Electronic submission of completed work order that includes the premise identification number, address, meter serial number, old meter reading, outside remote register reading, ERT serial number, location of meter and ERT, installer's name, inspector's name, and all other information relevant to the installation; and
 - ii. Receipt of GPS coordinates; and
 - iii. Receipt of or access to required digital photographs of the locations; and
 - iv. Successful capture of the register read for two consecutive days by the network or a register reading capture with the Mobile Collector 3 for those endpoints outside of the network coverage. Note: For efficiency, endpoint acceptance activities that require Mobile Collector acceptance will be processed on fully saturated routes; and
- c) Register reading data successfully delivered to the City's Utility Billing System.

The Pilot System Acceptance Test begins upon Itron's notification to the City that the Software, the Network Devices and ERT's on approximately five hundred (500) meters located in close proximity to each other ("Pilot System") have been installed and have met the Pilot System Acceptance Test criteria as defined above. The City shall, within thirty (30) business days of such Test criteria being met, provide Itron with notification of Pilot System Acceptance of the Pilot System. During the Pilot System Acceptance Test, ERTs, meters and registers will continue to be installed not to exceed two hundred fifty (250) a day. Pilot System Acceptance shall be deemed to have occurred if City fails to either accept or reject the Pilot within 30 business days from the date the Pilot System Acceptance Test begins. A full-scale installation shall not proceed without the City's approval and acceptance of the Pilot System.

2. Phase Two. Notice to Proceed with Phase Two - Full System – will be given within five (5) business days after the City has accepted Phase One.

Final System Acceptance. Final System Acceptance will occur when the AMR System meets the following criteria.

- 85% Network Coverage and balance Mobile Collector 3 Coverage Demonstrates 100% system coverage of Available Endpoints.
- Billing Read Performance; capture of 99% of reads over a consecutive 3 day billing period
- Daily Read Performance; capture of 98% of daily reads via network or Mobile Collector 3.

The preparation process leading to Final System Acceptance includes the following:

- The City and Itron agree on Final System Acceptance start date
- Endpoint baseline to be included in Final System Acceptance defined for all Available endpoints. An Available Endpoint (i) has been Accepted, (ii) has not been damaged or vandalized (iii) is one for which the City has provided Itron with accurate and up-to-date account information, (iv) is, if installed by the City, mounted according to agreed-upon installation processes, (v) does not have a pending investigation or maintenance work order (i.e. is not a previously reported non-responding ERT, (vi) is part of a network system, where the backhaul is properly functioning, and (vii) is part of a system where the Software is on-line and communicating with collection devices.
- Available Endpoint excludes any ERT where unanticipated RF blocking has occurred since installation (examples include building and other permanent or semi-permanent structures; temporary signal block impacting communications capability of the Endpoint).
- Updated device maintenance file provided by the City
- The City reviews and approves unavailable endpoints
- Performance monitoring begins
- Itron produces daily reports to track performance
- Daily meetings conducted to review status
- After 30 calendar days, final report produced

Itron will notify the City in writing that the AMR System has met the criteria as set forth in this Section 2 and the City shall, within 30 days of receipt of such notice, provide Itron with Final System Acceptance of the AMR System.

If the AMR System does not meet the aforementioned criteria, the City will provide written notice of its rejection of Itron's request for Final System Acceptance. Any rejection notice shall include a description of the deficiency that is sufficiently detailed to permit Itron to rectify the deficiency. Notwithstanding the foregoing, Final System Acceptance shall be deemed to have occurred (i) if the City fails to either accept or reject it following the required thirty (30) day period and (ii) if the City has successfully used the AMR System for billing purposes for a period of 30 days following Itron's complete deployment of the meters and ERT's contemplated to be deployed in Exhibit B.

B. Delay. The Contractor shall complete all Work and provide all services under this Contract within the time for completion specified in this Contract, including any amendments or Change Orders. The time for completion shall not be extended because of any delay attributable solely to the Contractor, but it may be extended by the City in the event of a delay attributable to the City, or in the event of unavoidable delay or force majeure event (as defined in Section 28) beyond the control of the Contractor. If Contractor believes the time for completion of the work should be extended for a force majeure event, Contractor shall notify the City in writing as soon as possible but not later than ten (10) working days after the force majeure event and shall identify the amount of time requested to complete the delayed work.

C. Delay attributed to the City. If at any time the Contractor believes that the time for completion of the work should be extended because of a delay attributable to the City, the Contractor shall notify the City as soon as possible, but not later than ten (10) working days after such an

event. Such notice shall include any justification for an extension of time and shall identify the amount of time claimed to be necessary to complete the work.

D. Services by the Contractor shall proceed continuously and expeditiously through completion of each phase of the work.

E. Progress reports documenting the extent of completed services shall be prepared by the Contractor and submitted to the City at each Project Meeting.

F. The Contractor shall notify the City in writing when the Contractor has determined that each Phase of the Work under this Contract, as set forth in 8.A., has been completed.

9. **AMENDMENT.**

This Contract shall be binding on the parties hereto, their respective heirs, devisees, and successors, and cannot be varied or waived by any oral representations or promise of any agent or other person of the parties hereto. Any change in any provision of this Contract shall be made through the Change Control/Order Process outlined in Appendix B of the Work Plan, signed by a duly authorized agent or agents of each party, and executed pursuant to the contract authority outlined in Olympia Municipal Code 3.16.

10. **EXTRA SERVICES.**

The City may require the Contractor to perform extra services or decreased services, according to the procedure set forth in Section 24.B. Extra services or decreased services means services which are not different in kind or nature from the services called for in the Contract, but which may increase or decrease the quantity and kind of labor or materials or expense of performing the services. Extra services may not increase the total contract price, as set forth in Section 23, unless the contract is amended as provided in Section 9 above.

11. **NO WAIVER.**

No failure to exercise, and no delay in exercising, any right, power or remedy hereunder on the part of the City or Contractor shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No express waiver shall affect any event or default other than the event or default specified in such waiver, and any such waiver, to be effective, must be in writing and shall be operative only for the time and to the extent expressly provided by the City or Contractor therein. A waiver of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition.

12. **NON-DISCRIMINATION.**

A. In all Itron services, programs or activities, and all Itron hiring and employment made possible by or resulting from this Contract, there shall be no discrimination by Itron or by Itron's employees, agents, subcontractors or representatives against any person because of sex, age (over 40), race, color, creed, national origin, marital status, family status, veteran status, sexual orientation or gender identity, the presence of any disability, including sensory, mental or physical handicaps, protected genetic information, or any other class status protected by federal, state, or local law; provided, however, that the prohibition against discrimination in employment because of disability shall not apply if the particular disability prevents the performance of the essential functions required of the position. This requirement shall apply, but not be limited to the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Itron shall not violate any of the terms of Chapter 49.60 RCW, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, Section 504 of the Rehabilitation Act of 1973 or any other applicable federal, state or local law or regulation regarding non-discrimination.

B. In the event of Itron's noncompliance or refusal to comply with the above nondiscrimination plan, this Contract may be rescinded, canceled, or terminated in whole or in part, and Itron may be declared ineligible for further contracts with the City. Itron, shall, however, be given a reasonable time in which to correct this noncompliance.

C. To assist the City in determining compliance with the foregoing nondiscrimination requirements, Itron must complete and return the *Statement of Compliance with Non-Discrimination* attached as Exhibit VII.

13. **EQUAL BENEFITS COMPLIANCE DECLARATION.**

Unless exempt by OMC 3.18 the Contractor agrees that it shall not discriminate in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse. The contractor shall not be deemed to discriminate in the provision of employee benefits if, despite taking reasonable measures to do so, the contractor is unable to extend a particular benefit to domestic partners, so long as the contractor provides the employee with a cash equivalent. Contractor shall execute the City's *Equal Benefits Compliance Declaration* attached as Exhibit IX.

14. **SEVERABILITY.**

It is mutually agreed that in case any provision of this Contract is determined by any court of law to be unconstitutional, illegal or unenforceable, it is the intention of the parties that all other provisions of this Contract remain in full force and effect.

15. **NOTICES.**

All notices to be given under the terms of this Contract shall be in writing and signed by the person serving the notice and shall be sent registered or certified mail, return receipt requested, postage prepaid, by facsimile, or email, or hand delivered to the addresses of the parties listed below:

FOR CITY OF OLYMPIA: Meliss Maxfield, Program and Planning Supervisor, City of Olympia
PO Box 1967
Olympia, WA 98507-1967
(360)753-8202 (phone); (360) 753-8330 (fax); mmaxfiel@ci.olympia.wa.us

FOR THE CONTRACTOR: Itron, Inc.
Attn: Legal Department

16. STATUS OF CONTRACTOR/INDEPENDENT/TAX FILING.

It is agreed that Contractor is an independent Contractor and not an employee of the City and that any persons who the Contractor utilizes and provides for services under this contract are employees of the Contractor and are not employees of the City of Olympia.

Contractor understands and acknowledges that Contractor is an independent contractor, not an employee, partner, agent, or principal of City. This Contract does not create a partnership, joint venture, association, or employer-employee relationship between the Parties. At its own expense, Contractor is responsible for providing compensation; employment benefits; disability, unemployment, and other insurance; workers' compensation; training; permits and licenses; and office space (except certain temporary office space provided by the City during the project, as agreed by the parties) for Contractor and for Contractor's employees and Subcontractors. Contractor has, and shall retain, the right to exercise full control over the employment, direction, compensation, and discharge of all persons whom Contractor uses in performing the work under this Contract, subject to any procedures requiring the City's approval of replacement of key project resources. Contractor shall treat a provision in this Contract that may appear either to give City the right to direct Contractor as to the details of doing the work, or to exercise a measure of control over the work, as giving Contractor direction only as to the work's end result.

Contractor shall provide its taxpayer identification number (or social security number) to the City of Olympia, prior to payment. The Contractor is informed that as an independent Contractor, s/he may have a responsibility to make estimated tax returns, file tax returns, and pay income taxes and make social security payments on the amounts received under this Contract and that no amounts will be withheld from payments made to this Contractor for these purposes and that payment of taxes and making social security payments are solely the responsibility and obligation of the Contractor. The Contractor is further informed that s/he may be subject to civil and/or criminal penalties if s/he fails to properly report income and pay taxes and social security taxes on the amount received under this Contract.

17. CONFIDENTIALITY AND INTELLECTUAL PROPERTY OWNERSHIP.

With respect to information supplied in connection with this Contract and reasonably designated by either party as confidential or proprietary, or which the recipient should reasonably believe to be confidential based on its subject matter or the circumstances, the recipient agrees to protect the confidential information in a reasonable and appropriate manner (subject to Washington public records laws) and to use and reproduce the confidential information only as necessary to realize the benefits of or perform its obligations under this Contract, with the following exceptions. The obligations in this Section will not apply to information that is: (i) publicly known; (ii) already known to the recipient; (iii) lawfully disclosed by a third party; (iv) independently developed; (v) disclosed on a need-to-know basis to the City's contractor's, agents and affiliates who agree to confidentiality and non-use terms that are substantially similar to these terms; or (vi) disclosed pursuant to a legal requirement, order, or pursuant to the City's interpretation of public records laws. Itron recognizes that the City of Olympia is subject to Washington public records laws under which the City is required to disclose all records characterized as public under state law, unless an exemption applies. For that reason, the City agrees that if a record regarding Itron software and/or documentation is requested under public records laws, the City will provide Itron with reasonable notice of such request prior to producing any records so that Itron has an opportunity to seek court protection of the requested records. Due to the potential liability to the City for failing to produce public records, the City will not deem any Itron records exempt from public disclosure, but will instead rely on Itron to protect its own records upon notice from the City that a request for records has been received. Should Itron fail to file an action and obtain a court injunction that prohibits the City's disclosure of the requested records (within a reasonable time of the City's notice to Itron, as determined by the City) the City will produce the requested records and shall have no liability to Itron for such disclosure.

Between Itron and the City of Olympia, all patents, copyrights, mask works, trade secrets, trademarks and other proprietary rights in or related to any Itron product, Itron software or deliverable provided by Itron pursuant to this Contract are and will remain the exclusive property of Itron. Any modification or improvement to an Itron product or deliverable that is based on the City's feedback shall be the exclusive property of Itron. The City will not acquire any right in any such product, software or deliverable or Itron's confidential information other than rights granted in this Contract.

18. THIRD PARTY RIGHTS.

This Contract is intended to be solely between the parties hereto. No part of this Contract shall be construed to add, supplement, amend, abridge or repeal existing rights, benefits or privileges of any third party or parties, including but not limited to employees of either of the parties.

19. AUDIT AND RETAINING OF DOCUMENTS.

The Contractor agrees to provide all reports reasonably requested by the City including, but not limited to, financial statements and reports, accounting of services rendered, expenses that are passed through to the City at Itron's actual cost (e.g. per diem, travel expenses, etc.), and documents necessary to determine compliance with the requirements of this Contract. Financial reports are available at www.itron.com/investors. Payroll or other records necessary to determine compliance with Sections 13 and 29 of this Contract, and any other documents relating to the performance of services under the terms of this Contract shall be retained by the Contractor for a period of three (3) years after completion of all work under this Contract or as otherwise required by applicable law, in order to be available for audit by the City or its designee.

20. CHOICE OF LAW.

This Contract shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of Washington. The parties agree, for any claim or suit or other dispute relating to this Contract that cannot be mutually resolved, the venue shall be a court of competent jurisdiction in Thurston County, in the State of Washington (Pierce County in the event of a cause of action under federal law) and the parties agree to submit themselves to the jurisdiction of said court, to the exclusion of any other judicial district that may have jurisdiction over such a dispute according to any law.

21. COMPLIANCE WITH APPLICABLE LAWS.

The Contractor shall become familiar with, and shall at all times comply with and observe all federal, state, and local laws, ordinances, and regulations which in any manner affect the services or conduct of the Contractor and its agents and employees.

22. CONFLICT OF INTEREST.

A. The Contractor warrants as of the Effective Date that it and its agents and employees have no public or private interest, and will not acquire directly or indirectly any such interest, which would conflict in any manner with the performance of the services under this Contract.

B. The Contractor shall not employ or contract with any person currently employed by the City for any services included under the provisions of this Contract.

23. **COMPENSATION.**

It is expressly understood and agreed that the total compensation under this Contract shall not exceed Four Million Four Hundred Forty-five Thousand, Three Hundred Eleven and 50/100 US Dollars, (\$4,445,311.50) ("Maximum Cost"); provided, however, that this Maximum Cost may be modified by a Change Order or contract amendment that is agreed upon in writing by both parties, pursuant to the contract authority outlined in Olympia Municipal Code 3.16.

24. **BASIS FOR PAYMENT.**

A. GENERAL

(1) The City will pay the Contractor for the Equipment, Software and Professional Services rendered under this Contract at the prices set forth in Exhibit II, using the schedule in Exhibit V and in accordance with additional procedures in Exhibit I of this Contract. The City will pay the Contractor for completed and approved "extra services" as defined in Section 10, if any, if such "extra services" are authorized according to the Change Order procedure set forth in the Work Plan. The rate of payment for "extra services" shall be the rate established in this Contract. Such payment shall be full compensation for services rendered and for all labor, material, supplies, equipment and incidentals necessary to complete the services.

(2) **Invoice Procedures.**

a. **Pre-invoice procedure.** No more than once each month, Contractor shall submit to the City Project Manager for review, an itemized "Proposed" invoice covering the Professional Services (as defined in Exhibit I) completed during the time period covered by the current invoice period, accompanied by any supporting documentation required by this Contract, and consistent with the Payment Schedule (Exhibit V.) The City will use best efforts to review the invoice within five (5) business days, but not more than ten (10) business days after the proposed invoice is presented to the City. If no notification is delivered to Contractor within ten (10) business days, the proposed invoice is considered approved and Contractor may submit the actual invoice for payment. If the City does not approve the proposed invoice, the City will notify Contractor in writing and Contractor will resubmit the invoice with the requested modifications. Contractor shall have five (5) business days to make corrections and adjustments and resubmit the proposed invoice. The parties agree to repeat this process as required until all discrepancies identified by the City are modified to the City's reasonable satisfaction. After approved, Itron shall submit an "actual" invoice for payment reflecting all such modifications. Notwithstanding the procedure set forth in this section, the City shall pay only accepted and approved work and delivered equipment consistent with the specifications of this Contract.

b. **Invoice Format, Taxes.** Invoices shall be itemized in a format acceptable to the City and accompanied by any supporting documentation or information as may be required by the Work Plan or other contract documents. All invoices must include a summary of total costs, description of the services performed, itemization of costs associated with each task or phase. Invoices for Professional Services may be submitted for payment after the approval process described in par. a. above. Professional Services invoices that have been approved through the approval process in par. a., and all other invoices, are due and payable 30 days following the date the City receives the invoice, subject to sub. (6) below, unless indicated otherwise in the Contract. The City shall pay all amounts owing under this Contract in U.S. Dollars. Exhibit II includes applicable State of Washington sales and use tax. Itron is responsible for submission of all such taxes paid by the City under this Contract to the appropriate tax authority.

(3) Payment shall not be construed as City acceptance of unsatisfactory or defective services or improper materials.

(4) Final payment of any balance due the Contractor will be made in accordance with the terms set forth in Exhibit V of this Contract.

(5) Compensation in excess of the total contract price will not be allowed unless authorized by an amendment under Section 9, AMENDMENT.

(6) The City will not compensate for unsatisfactory performance by the Contractor. The City shall have the right to review proposed invoices prior to being submitted for payment in accordance with Sec. 24.A.(2)a. above and any additional procedures in the Work Plan, and to dispute invoices that have been submitted for payment. If the pre-invoice procedure does not resolve an issue with an invoice, or if there is a dispute of an invoice submitted for payment after the pre-invoice procedure is followed, such dispute shall be submitted to the dispute resolution process in Section 33. The City is not obligated to pay a disputed invoice while the dispute is pending.

(7) **Travel and Expense Reimbursement.** Reasonable and documented travel, lodging and related expenses associated with the Professional Services shall be reimbursed as set forth on Exhibit II, provided all travel and related expenses are consistent with the City's travel policy. Expenses associated with any Professional Services provided after Project Close (as defined in the Work Plan) will be as agreed upon by the Parties.

B. SERVICE ORDERS, EXTRA SERVICE OR PRODUCTS, OR DECREASED SERVICE.

(1) Written orders regarding the services, including extra services or decreased services, will be given by the City, using the procedure set forth in Section 15, NOTICES.

(2) The City may request extra services or decreased services, as defined in Section 10 of this Contract or additional quantities of products, in accordance with the Change Order process specified in the Work Plan at the applicable price or hourly rate set forth in Exhibit II. The City may request entirely new products during the Term of this contract. Such new products will be subject to mutually agreed upon terms and pricing.

25. **DEFAULT/TERMINATION.**

A. Either Party may terminate this Contract by providing the other party with written notice if the other party (i) becomes insolvent, executes a general assignment for the benefit of creditors or becomes subject to bankruptcy or receivership proceedings; (ii) breaches its obligations related to the other party's confidential information; or (iii) commits a material breach of this Contract that remains uncured for 30 days following delivery of written notice of such breach (including, but not necessarily limited to, a statement of the facts relating to the breach or default, the provisions of this Contract that are in breach or default and the action required to cure the breach or default).

B. Notwithstanding paragraph A., above, the City may in its sole discretion and without any reason terminate this Contract at any time by furnishing the Contractor with thirty (30) days' written notice of termination. In the event of termination under this subsection, the City will pay for all work completed by the Contractor and accepted by the City, including any actual, reasonable, documented expenses incurred in accordance with this Contract through the date of termination.

26. **DEFEND AND HOLD HARMLESS, INFRINGEMENT CLAIMS, LIMITATION OF LIABILITY.**

A. **General.** The Contractor shall defend, indemnify, and hold harmless the City of Olympia, and its officers, officials, agents, and employees against all liability, loss or expense (including costs and attorney's fees) by reason of any third party claim or suit, or of liability imposed by law upon the City or its officers, officials, agents or employees for (i) bodily injury, including death at any time resulting therefrom, sustained by any third party or on account of damages to property, including loss of use thereof, to the extent caused by or resulting from the Contractor's and/or Subcontractor's negligence, gross negligence or willful misconduct in the performance of the Contract; and (ii) any obligation, claim, suit, demand for tax or retirement contribution, social security, salary or wages, overtime, penalty, or interest payment; or workers' compensation payment that the City may be required by applicable law to make on behalf of Contractor, including any employee of Contractor, or any employee of Contractor construed to be an employee of the City, unless such construction results solely from the actions or inactions of the City. Negligence on the part of the City or its officers, officials, agents or employees shall not eliminate Contractor's obligations stated in the preceding sentence. In such event, the parties intend for applicable contributory negligence law to apply.

B. **Infringement Claims.** Itron will, at its own expense, defend any claim or action brought against the City of Olympia by a third party to the extent that the action is based upon a claim that any product manufactured, software licensed or service provided by Itron hereunder infringes any U.S. patent (issued as of the Effective Date) or any copyright or trademark and Itron will pay all costs and damages awarded against the City of Olympia (or settled) in any such action that are specifically attributable to such claim. The foregoing sentence does not apply to products not manufactured by Itron or software licensed by third parties.

Itron's infringement obligations under this Section 26.B. are conditioned on the City of Olympia's agreement that if the applicable product or service becomes, or in Itron's opinion is likely to become, the subject of such a claim, the City will permit Itron, at Itron's option and expense, either to procure the right for the City to continue using the affected product or service or to replace or modify the same so that it becomes non-infringing. Such replacements or modifications will be functionally equivalent to the replaced product or service. If the foregoing alternatives are not available on terms that are reasonable in Itron's judgment, Itron shall have the right to require the City to cease using the affected product or service in which case Itron will refund to the City the depreciated value of the affected product or service, calculated on a straight line basis over a ten (10) year period.

Itron shall have no obligation under this Contract to the extent any claim of infringement or misappropriation results from: (i) use of a product or service, other than as permitted under this Contract or as intended by Itron, if the infringement would not have occurred but for such use; (ii) use of any product or service in combination with any other product, equipment, software or data not approved by Itron for use in this project, if the infringement would not have occurred but for such combination; (iii) any use of any release of a software or any firmware other than the most current release made available to the City, (iv) any claim based on the City's use of a product after Itron has informed the City of modifications or changes to the product required to avoid such claims and offered to implement those modification or changes, if such claim would have been avoided or mitigated by the implementation of Itron's suggestions, (v) any modification to a product made by a person other than Itron, an authorized representative of Itron, or a person approved by Itron, (vi) compliance by Itron with specifications or instructions supplied by the City. Itron shall not be liable hereunder for enhanced or punitive damages that could have been avoided or reduced by actions within the control of the City.

C. As a condition to Itron's obligations under Sections 26. A. and B., the City will provide Itron with prompt written notice of any claim, suit or other action ("claim") that would in the City's reasonable judgment trigger Itron's obligation to defend and/or hold harmless under those sections, upon the City becoming aware of the claim; and the City will permit Itron to control the defense, settlement, adjustment or compromise of the claim and provide Itron with reasonable assistance in connection with such defense. Itron shall not agree to any settlement or other resolution of any claim that includes an admission of fault by the City of Olympia without the written consent of the City. The City may employ counsel at its own expense to assist it with respect to any claim tendered to Itron under Sections 26. A or B.

D. THE FOREGOING SECTIONS 26. A, AND B CONSTITUTE ITRON'S SOLE AND EXCLUSIVE OBLIGATION WITH RESPECT TO THIRD PARTY CLAIMS BROUGHT AGAINST THE CITY OF OLYMPIA.

E. **Limitations of Liability.** NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS CONTRACT (EXCEPT WITH RESPECT TO DAMAGES SOUGHT BY A THIRD PARTY WHICH ARE COVERED UNDER SECTIONS 26 A or B, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR COVER OR FOR INCIDENTAL, SPECIAL, CONSEQUENTIAL (INCLUDING LOSS OR CORRUPTION OF DATA OR LOSS OF REVENUE, SAVINGS OR PROFITS) OR EXEMPLARY DAMAGES, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. ITRON'S PRICING REFLECTS THIS ALLOCATION OF RISKS AND LIMITATION OF LIABILITY.

EXCEPT FOR A BREACH BY THE CITY OF (I) ANY INTELLECTUAL PROPERTY RIGHT OF ITRON OR (II) ANY LICENSE GRANTED BY ITRON HEREUNDER, AND EXCEPT FOR (III) ITRON'S OBLIGATIONS SET FORTH IN SECTIONS 26.A. AND B. HEREIN AND (IV) BREACH BY ITRON OF ITS OBLIGATIONS IN SECTIONS 26. A. AND B., THE AGGREGATE LIABILITY OF EACH PARTY AND ITS AFFILIATES AND ITS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES OR OTHER REPRESENTATIVES, ARISING IN ANY WAY IN CONNECTION WITH THIS AGREEMENT—WHETHER UNDER CONTRACT LAW, TORT LAW, WARRANTY OR OTHERWISE SHALL NOT EXCEED THE TOTAL AMOUNT PAID AND PAYABLE HEREUNDER. ITRON'S PRICING REFLECTS THIS ALLOCATION OF RISKS AND LIMITATION OF LIABILITY.

NOTWITHSTANDING THE FOREGOING, IN THE EVENT THAT ITRON BREACHES ITS OBLIGATION TO DEFEND AND HOLD HARMLESS SET FORTH IN SECTION 26. A. AND B., THE REMEDIES AND DAMAGES AVAILABLE TO THE CITY UNDER A THEORY OF BREACH OF CONTRACT SHALL NOT BE LIMITED BY THIS SECTION E.

27. **INSURANCE.**

The Contractor will insure, and will require each subcontractor to insure, as indicated, against the following risks to the extent stated below. The Contractor shall not commence work under this Contract, nor shall the Contractor allow any Subcontractor to commence work on its Subcontract, until the insurance required below has been obtained and corresponding certificate(s) of insurance have been approved by the City.

Commercial General Liability

The Contractor shall procure and maintain during the life of this contract, Commercial General Liability insurance including, but not limited to bodily injury, property damage, personal injury, and products and completed operations (unless determined to be inapplicable by the City) in an amount

not less than \$1,000,000 per occurrence. This policy shall also provide contractual liability in the same amount. Contractor's coverage shall be primary and list the City of Olympia, its officers, officials, agents and employees as additional insureds. Contractor shall require all subcontractors under this Contract (if any) to procure and maintain insurance meeting the above criteria, applying on a primary basis and listing the City of Olympia, its officers, officials, agents and employees as additional insureds.

Automobile Liability

The Contractor shall procure and maintain during the life of this contract Business Automobile Liability insurance covering owned, non-owned and hired automobiles with limits of not less than \$1,000,000 combined single limit per accident. Contractor shall require all subcontractors under this Contract (if any) to procure and maintain insurance covering each subcontractor and meeting the above criteria.

Worker's Compensation

The Contractor shall procure and maintain during the life of this contract statutory Workers' Compensation insurance as required by the State of Washington. The Contractor shall also carry Employers Liability limits of at least \$100,000 Each Accident, \$100,000 Disease – Each Employee, and \$500,000 Disease – Policy Limit. Contractor shall require all subcontractors under this Contract (if any) to procure and maintain such insurance, covering each subcontractor.

Contractor understands and acknowledges that all persons furnishing services to City under this Contract are, for the purpose of workers' compensation liability, employees solely of the Contractor (or of any subcontractor performing work on this Contract) and not of the City. In performing work under this Contract, Contractor is liable for providing workers' compensation benefits to Contractor's employees, or anyone whom Contractor directly or indirectly hires, employs, or uses, and Contractor shall require the same of any subcontractors performing work on this Contract. The City is not responsible for any claims at law or in equity caused by Contractor's (or any subcontractor's) failure to comply with this section.

Professional Liability

The Contractor shall procure and maintain professional liability insurance with coverage of not less than \$1,000,000. If such policy is a "claims made" policy, all renewals thereof during the life of the contract shall include "prior acts coverage" covering at all times all claims made with respect to Contractor's work performed under the contract. This Professional Liability coverage must be kept in force for a period of two (2) years after the services have been accepted by the City.

Subcontractors – Employee Theft. Contractor shall require any of its subcontractor(s) who will be installing equipment at residences or any other property or location under this Contract to purchase and maintain employee theft or equivalent coverage approved by the City, covering theft of City property and theft of property from the residences and other locations, with limits of not less than \$250,000 per loss, covering the subcontractor and its employees, for the duration of this Contract.

Acceptability of Insurers. The above-required insurance is to be placed with insurers who have an A.M. Best rating of no less than A- (A minus) and a Financial Category rating of no less than VII.

Proof of Insurance, Approval. The Contractor shall provide the City with certificate(s) of insurance showing the type, amount, class of operations covered, effective dates, and expiration dates of required policies prior to commencing work under this Contract. Contractor shall provide the certificate(s) to the City's representative upon execution of the contract, or sooner, for approval by the City. If a claim is filed or a loss occurs under this Contract, the Contractor shall allow the City's representative to review, on request, applicable insurance policies and additional insured endorsements. Contractor will deliver the requested policies/endorsements to a mutually agreed upon office or location for the City to review such documents.

The Contractor and/or Insurer shall give the City thirty (30) days advance written notice of cancellation or non-renewal of any of the above-required policies during the term of this Contract.

28. **FORCE MAJEURE .**

Neither party will be responsible for any failure or delay in performing any obligation hereunder if such failure or delay is due to a cause beyond the party's reasonable control, including, but not limited to acts of God, flood, fire, volcano, war, third-party suppliers, labor disputes or governmental acts. Notwithstanding the foregoing, Itron shall have no obligation to deliver equipment, software or provide services to the extent that the City is unable to pay as a result of a force majeure event.

29. **PREVAILING WAGE.**

The following wage rates are in effect for this project.

State of Washington

Department of Labor and Industries

Washington State Prevailing Wage Rates For Public Works Contracts

Thurston County

Effective: March 3, 2013, including any correction notices issued by Labor and Industries prior to bid.

Wage Rates and the Benefit Code Key may be found at:

<https://fortress.wa.gov/lni/wagelookup/prvWagelookup.aspx>

Supplemental to State Wage Rates may be found at:

<http://www.wsdot.wa.gov/Design/ProjectDev/WageRates/default.htm>

30. **AUTHORITY.**

Contractor represents that it has the authority to enter into this Contract. If the Contractor is not an individual, the person signing on behalf of the Contractor represents and warrants that he or she has been duly authorized to bind the Contractor and sign this Contract on the Contractor's behalf.

31. **WARRANTY DISCLAIMER.**

EXCEPT AS EXPRESSLY SET FORTH IN THIS CONTRACT OR ANY EXHIBIT, ITRON DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES, CONDITIONS OR REPRESENTATIONS INCLUDING, WITHOUT LIMITATION, (I) IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, (II) WARRANTIES OF TITLE AND AGAINST INFRINGEMENT AND (III) WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE. TO THE EXTENT ANY IMPLIED WARRANTY CANNOT BE EXCLUDED, SUCH WARRANTY IS LIMITED IN DURATION TO THE EXPRESS WARRANTY PERIOD(S) STATED IN EXHIBIT I – ITRON SALES AGREEMENT.

32. **LIQUIDATED DAMAGES.**

The City will suffer financial loss if the work is not completed within the time specified in this Contract, plus any extensions granted by the City. The City and Itron recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the City if the work is not completed on time. Accordingly, instead of requiring any such proof, the City and Itron agree that as liquidated damages for delay (but not as a penalty). If Itron causes delays in completion of the various parts of the project, Itron shall pay the City liquidated damages in the amount of \$250.00 per day for each working day that expires after the Contract Term, until Final System Acceptance by the City and such liquidated Damages shall be the City's sole and exclusive remedy for such delays.

33. **DISPUTE RESOLUTION.**

The Parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Contract within thirty (30) days of the delivery of a written notice of such dispute (or such longer period as agreed upon by the parties), by negotiations between senior managers (which may include Project Manager(s) and/or Project Sponsors as those individuals are described in the Work Plan) of the Parties who have settlement authority. The disputing Party shall give the other Party written notice of the dispute in accordance with the Notices provision of this Contract with a copy to the City Attorney. The other Party shall submit a response within ten (10) days after receiving such notice. The notice and response shall include (i) a summary of the Party's position and the information or data supporting its position, and (ii) the name of the senior manager who will represent the Party. The senior managers shall meet (which may be by telephone conference) at a mutually acceptable time within fifteen (15) days of the disputing Party's notice and thereafter as often as they deem reasonably necessary to resolve the dispute. If the dispute (i) has not been resolved within thirty (30) days of the disputing Party's notice or (ii) the Parties have not mutually agreed upon an extension of this escalation process, the parties will engage the services of a mediator agreed to by both parties. Each party is responsible for its own costs but shall equally share the costs of hiring a mediator. In the event the foregoing process fails to resolve the Dispute as set forth above, either party may assert its other rights and remedies under this Contract within a court of competent jurisdiction, in accordance with Section 20 herein. All meetings and discussions pursuant to this Dispute Resolution section will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Civil Procedure 408 or any similar applicable state rule.

Nothing in this section will prevent a party from applying to a federal or state court of competent jurisdiction to obtain injunctive relief pending resolution of the Dispute through the dispute resolution procedures set forth herein.

34. **PAYMENT AND PERFORMANCE BONDS.** The payment and performance bonds, which shall be in the full amount of the contract, shall be in substantially the same form as Exhibit X, approved by the City Attorney.

35. **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBLE MATTERS.**

A. By signing the agreement below, Itron certifies to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission or fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph A.2. of this certification; and
4. Have not within a three (3) year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.

B. Where Itron is unable to certify to any of the statements in this certification, it shall attach an explanation to this proposal.

36. **NON-APPROPRIATION OF FUNDS.**

If sufficient funds are not appropriated or allocated for payment under this Contract for any future fiscal period, the City will not be obligated to continue the Contract after the end of the current fiscal period, and this Agreement will automatically terminate upon the completion of all remaining work and/or services for which funds are allocated. No penalty or expense shall accrue to the City in the event this provision applies and Itron shall be paid for any product delivered and services rendered up to the date of such termination.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have set their hands at Olympia, Washington.

CONTRACTOR

ITRON, Inc.

By: _____
(Signature)

(Print Name and Title of Person Signing)

Date: _____

CITY OF OLYMPIA, WASHINGTON

a municipal corporation

By: _____
Steven R. Hall, City Manager

Date: _____

Approved as to form

By:  _____
Annaliese Harsen, Assistant City Attorney

Date: 4-10-2013 _____

EXHIBIT I
ITRON SALES AGREEMENT

1. **Equipment Terms**

a. *Equipment Purchase*

The City agrees to purchase from Itron the equipment manufactured by Itron ("Itron Equipment") and the equipment manufactured by a third party ("Third Party Equipment"), all as identified in Exhibit II of the Contract for Purchase/Installation of AMR System between the City of Olympia and Itron, Inc., **Schedule A "Labor, Equipment and Installation Cost"; Schedule B "AMR System Reading Equipment and Service Cost" and Schedule C "Ancillary Operational Support, Materials and Supplies"** (the "**Equipment**"), at the price(s) and in the quantities set forth in Exhibit II. Notwithstanding the foregoing, The City's agreement to purchase the specific quantities identified in Exhibit II is subject to (a) the Change Order process in the Work Plan, (b) the "Notes and Assumptions" on Exhibit II, and (c) the following: Prices set forth on Exhibit II for Itron Equipment are valid through December 31, 2014 and are contingent upon City purchasing a minimum of ninety (90%) of the Endpoints in the quantity specified in Exhibit II and 90% of the Third Party Equipment in the quantity specified in Exhibit II, subject to the Change Order procedures in the Work Plan. If City fails to purchase this quantity of Endpoints and Third Party Equipment for any reason (excluding a termination by City for Itron's breach) before Project Close, Itron may retroactively adjust the price for the Endpoints and Third Party Equipment purchased as of the Effective Date to a price to be agreed upon by the City and Itron. If the adjusted final quantity of the Equipment varies from the quantity shown in Exhibit II by more than 25% increase above the original estimated quantity, the price for any such equipment beyond the 25% will be negotiated by the parties to the benefit of the City for a quantity discount.

b. *Ordering*

Itron's project manager will arrange for the shipment of Equipment in accordance with an order schedule that will be mutually agreed upon by the City's Project Manager and Itron. During the term of this Contract, City shall order quantities of Equipment from Itron by issuing a purchase order, change order or release (each an "**Order**") to Itron, in each case specifying the type and quantity of Equipment, the shipment destination and the requested delivery date. Unless otherwise agreed in a separate writing signed by an authorized representative of each party, the requested delivery date in an Order must be no earlier than ninety (90) days following Itron's receipt of such Order.

c. *Firmware*

The purchase of Equipment manufactured by Itron will include a perpetual, irrevocable license to use and execute any software embedded in the Equipment. The license to any software embedded in third party Equipment provided by Itron shall be between City and the manufacturer of such third party Equipment.

d. *Invoicing and Payment*

Itron will invoice the City for the Equipment upon shipment. City shall pay for Equipment set forth on Exhibit II in accordance with Exhibit V, Payment Schedule and using the invoice procedures in Section 24 of the Contract for Purchase of AMR System.

e. *Delivery, Title and Risk of Loss*

Itron will make arrangements with its carrier to deliver Equipment identified on Exhibit II and any additional equipment that may be ordered by the City under this Contract prior to Final System Acceptance to the storage location agreed between City and Itron at Itron's expense. Title to the equipment and risk of loss shall pass to the City upon receipt of the equipment at the delivery point (storage location). Itron shall be responsible for inspecting and ensuring that all equipment delivered to the storage location is of the type and quantity required by this Contract and has sustained no visible damage. City shall also have the option, but shall not be required, to inspect the equipment for the same and to notify Itron in writing of any such problem. Itron shall be responsible for replacing such equipment as needed, at no cost to the City.

Itron or its subcontractor will furnish a warehouse facility to be used for storage of equipment and as a staging area for field installation, all at Itron's expense. Notwithstanding anything to the contrary provided herein, Itron shall ensure that all equipment stored and staged in the warehouse is properly insured against loss, at Itron's expense. Itron (or its subcontractor should the subcontractor lease the warehouse) shall name the City as a Loss Payee on their commercial property insurance policy with respect to the City's insurable interest in the equipment until such equipment is installed. Any deductible shall be the responsibility of Itron or its subcontractor. Itron shall and its subcontractor shall provide a certificate evidencing such property insurance and loss payee status of the City. The insurance shall be maintained until installation of the equipment by Itron or its subcontractor.

If any additional equipment is ordered by the City after Final System Acceptance, Itron will make arrangements with its carrier to deliver any additional equipment to locations agreed upon between the City and Itron at the City's expense.

f. *Limited Equipment Warranty*

i. *Warranty and Remedy.*

Except to the extent otherwise provided in the Warranty Terms included in Exhibit IV, Itron warrants to City that Itron Equipment will be free from defects in materials and workmanship and will conform to the applicable published Itron specifications for a period of one (1) year from the date of shipment. Except to the extent otherwise provided in the Warranty Terms included in Exhibit IV, Itron's sole obligation and City's exclusive remedy in connection with the breach of a warranty provided under this Section or under the Warranty Terms included in Exhibit IV shall be for Itron to repair non-conforming Itron Equipment or provide City with replacement Itron Equipment after City has returned non-conforming Itron Equipment properly packaged and prepaid to a repair facility designated by Itron in accordance with Itron's Return Material Authorization (RMA) procedures dated 10/2011. If Itron, in its sole discretion, determines that it is unable to repair or replace such non-conforming Itron Equipment, Itron will refund to City the amount paid for such Itron Equipment. Itron Equipment that is repaired or replaced pursuant to this Section will be warranted for the remainder of the original warranty period or 30 days, whichever is longer. Itron will pay the cost of returning non-conforming Itron Equipment to the place of repair designated by Itron and Itron will pay the cost of delivering repaired or replacement Itron Equipment to the City.

ii. *Exclusions*

The warranty provided herein does not cover damage due to external causes, including accident, abuse, misuse, inadequate maintenance, problems with electrical power, acts of God; service (including installation or de-installation) not performed or authorized by Itron; usage not in accordance with product instructions or in a configuration not approved by Itron; normal wear and tear; and problems caused by use of parts and components not supplied by Itron or approved in a writing signed by an authorized Itron representative for use in this project. The warranty provided herein shall be void

if the Itron Equipment is modified in a way not authorized in writing by Itron. The above warranty does not cover any Third Party Equipment provided by Itron. Any warranty for such equipment will be between City and the third party manufacturer.

2. Software Terms

a. Definitions

"Delivery" with respect to Software, means that Itron has either made the Software available to City via electronic means or has provided the Software to a carrier on physical media for delivery to City.

"Documentation" means all printed or electronic materials published or otherwise that are provided to City and that describe or relate to the functional, operational or performance capabilities of the Software.

"Endpoint" means (i) a physical device (e.g., a meter, encoder-transmitter-receiver or other measuring or monitoring device) that is the source of data used in the Software application or (ii) a virtual device created in the Software application to simulate the existence of a physical device. An example of a virtual device that is an Endpoint would include a single electricity meter that serves 10 apartment units. If the consumption data from that electricity meter was divided between the 10 units (e.g., on the basis of square footage) and used in the Software application as if that single electricity meter was actually 10 electricity meters, it would count as 10 Endpoints. Further, each account, whether active or inactive, in the application that is associated with a single physical device counts as a separate Endpoint.

"Object Code" means the binary, machine-readable version of the Software.

"Production Environment" means a single instance of the Software used in an environment other than a Test Environment.

"Software" means software identified on Exhibit II that is owned by Itron and any modifications, corrections, improvements or enhancements thereto provided by Itron.

"Source Code" means human-readable computer programming code, associated procedural code and related documentation.

"Specifications" means the applicable published Itron functional specifications for an item of Software.

"Test Environment" means a single instance of the Software used solely for test purposes. Such installation can only be used to verify the correct installation, operation, and integration of the Software and/or components.

"Third Party Software" means software that is not owned by Itron but is identified on Exhibit VI as being provided by Itron.

"Use" means the ability to run, execute, display and, subject to the restrictions described below, duplicate and distribute internally.

"Warranty Period," shall be 90 days from the date of Delivery.

b. License Grant.

Subject to the terms of this Agreement and for the license fee set forth in Exhibit II, Itron grants to the City a nonexclusive, nontransferable, perpetual Object Code license to Use the Software and Documentation for its internal business purposes only in connection with the number of Endpoints set forth in Exhibit I.

c. Restrictions.

As a condition to the foregoing license grant, City shall not (i) violate any restriction set forth on Exhibit II, (ii) modify or create any derivative work from the Software, (iii) include the Software in any other software (iv) use the Software to provide processing services to third parties or on a service bureau basis, (v) reverse assemble, decompile, reverse engineer or otherwise attempt to derive Source Code (of the underlying ideas, algorithms, structure or organization) from Software, or (vi) use the Software to process business information concerning City derived through merger, asset acquisition or other entity combination.

Except as expressly permitted in this Agreement, (i) the Software may not be installed on a computer that is not part of the City's computer network, (ii) City may not copy the Software other than to make one machine readable copy for disaster recovery or archival purposes, and (iii) installation of the Software shall be limited to one Production Environment and one Test Environment. City may only make copies of Documentation as reasonably necessary for the use contemplated herein. The Software and Documentation shall be considered the confidential information of Itron and, as such, shall be subject to the confidentiality provisions of this Agreement.

d. Invoicing and Payment

Except as otherwise specified in Exhibit V, Itron will invoice the City for the Software and any Third Party Software upon Delivery. The City will pay for Software and Third Party Software on Exhibit II in accordance with Exhibit V Payment Schedule and using the invoice procedures in Section 24 of the Contract for Purchase of AMR System.

e. Limited Software Warranty

i. Warranty and Remedy.

For the Warranty Period specified in Section 2.a. above, Itron warrants to the City that the Software will perform substantially in accordance with the Specifications. Itron does not warrant that the Software will operate uninterrupted or error-free. Itron's sole obligation and City's exclusive remedy in connection with the breach of a warranty provided under this Section shall be for Itron to repair or replace the non-conforming Software at no cost to the City. If Itron, in its sole discretion, is unable to repair or replace non-conforming Software, Itron will refund to City the amount paid for such Software and Professional Services fees associated with the non-conforming Software. Software that is repaired or replaced pursuant to this Section will be warranted for the remainder of the original warranty period or 30 days, whichever is longer. City's license to Software for which it has received a refund hereunder shall terminate upon its receipt of a refund.

ii. Exclusions

The warranty provided in this Section shall not apply to the extent that non-compliance relates to or is the result of (i) use of the Software in combination with software, equipment or communications networks not provided by Itron or as otherwise approved in a writing signed by an authorized Itron representative for use with its Software, (ii) a change to the Software's operating environment not made or authorized by Itron, (iii) the City's failure to install any correction or enhancement provided by Itron, (iv) viruses introduced through no fault of Itron, (v) any use of the Software not authorized by this Agreement. The warranty provided in this Section is valid only if the City has complied with the terms of this Agreement (including paying the applicable Software license fees) and shall be void to the extent of any modification to the Software not authorized by Itron.

f. Third Party Software and Documentation

Itron shall provide the Third Party Software, if any, identified on Exhibit VII and any related documentation. Any Third Party Software and related documentation provided by Itron in connection with this Agreement shall be subject to a separate license agreement between the City and the third party software provider and will be subject to separate third party warranties, if any. The City agrees that it will be bound by and will abide by all such third

party software licensing arrangements. The City is solely responsible for acquiring any software that is required to use the Software or Third Party Software.

g. Audit

Specifically with respect to Software, the City will maintain accurate and detailed records as necessary to verify compliance with this Agreement. Itron may audit these records to verify compliance at any time during City's regular business hours after giving notice 10 business days in advance of the audit. Except as described below, Itron will bear all costs and expenses associated with the exercise of its audit rights. Any errors in payments identified will be corrected by the City by appropriate adjustment agreed to in-writing by both parties.

h. Obligations Upon Termination for Cause

Upon a termination by Itron for cause, the City's license to any Software and right to receive maintenance and support for such Software shall immediately terminate and City shall (i) delete any Software from all of its computers, (ii) immediately deliver to Itron or destroy all copies of such Software and any related Documentation (except as otherwise required by law to retain copies of records deemed "public records" under the state's records retention schedule) and (iii) certify in writing to Itron within 10 days of any such termination that, to the best of City's knowledge, City has complied with this Section.

i. Other Provisions

The City shall not, directly or indirectly, export or transmit the Software to any country to which such export or transmission is prohibited by any applicable regulation or statute. The Parties agree that Software provided under this Agreement shall be deemed to be "goods" within the meaning of Article 2 of the Uniform Commercial Code, except when such a practice would cause an unreasonable result. The Parties agree that the Uniform Computer Information Transaction Act (or a version thereof or substantially similar law) shall not govern this Agreement.

3. Professional Services Terms

a. Definitions

"Change Order" means a written confirmation of a change in the Professional Services, Deliverables or cost thereof that is executed by both Parties. **"Deliverable"** means any software, reports, results, studies or other documentation identified as a "Deliverable" to be provided by Itron in a Work Plan. **"Professional Services"** means all of the services to be provided by Itron pursuant to the Contract and any Exhibits incorporated by reference and includes professional services and installation services of Itron and its subcontractors. **"Work Plan"** means a written statement describing how the activities, tasks and responsibilities of Itron and City that, at the time of execution, is attached to the Contract as Exhibit VII and is executed by authorized representatives of the Parties.

b. Purchase of Professional Services; License.

During the term of this Agreement, Itron will provide to the City the Professional Services and Deliverables, if any, described in the Contract within the time periods set forth in therein. Changes to the Professional Services or Deliverables may only be made through a Change Order. Except as set forth in the following sentence, Itron hereby grants to City a non-exclusive, perpetual license to use the Deliverables solely for City's internal purposes. Any license to the Deliverables provided by a Third Party shall be between City and Third Party.

c. Fees and Expenses.

The City agrees to pay for Professional Services on a fixed fee or a time and materials basis as set forth in Exhibit II, Estimated Labor, Equipment, and Installation Costs and in accordance with Exhibit V (Payment Schedule) and using the invoice procedures in Section 24 of the Contract for Purchase of AMR System. The City shall also reimburse Itron for any expenses the City has agreed to reimburse as set forth on Exhibit II.

d. Invoicing.

Unless otherwise specified herein, Itron shall invoice for Professional Services set forth on Exhibit II at the end of the calendar month in which they are performed and the City shall pay Itron in accordance with Exhibit V, Payment Schedule and using the invoice procedures in Section 24 of the Contract for Purchase of AMR System.

e. Limited Professional Services Warranty.

Itron warrants to the City that it shall perform the Professional Services with reasonable care and in a diligent and competent manner. Itron's sole obligation and City's exclusive remedy in connection with a breach of the foregoing warranty shall be to correct or re-perform the non-conforming Professional Services at no expense to the City. If Itron, in its sole discretion, is unable to correct or re-perform non-conforming Professional Services, its sole obligation will be to refund to City the amount paid for such Professional Services. City must report any deficiencies in the Professional Services to Itron in writing within 90 days of performance to receive the warranty remedies described herein, unless otherwise agreed upon by the parties.

f. Access to Facilities and Personnel.

The City agrees to provide Itron with access to its facilities and personnel as reasonably required for Itron to provide the Professional Services and Deliverables. All employees and representatives of Itron (including Itron's subcontractors) that perform Professional Services on City's premises, as well as in the field where they may be viewed by the public as representatives for the City, shall comply with reasonable guidelines pertaining to employee conduct, including the City's safety procedures and policies, provided to Itron by the City. Should Itron fail to comply with such policies, the City shall give written notice to Itron to correct such non-compliance, and if Itron fails to comply immediately upon such notice, Itron shall replace any non-complying personnel at the City's request.

4. Miscellaneous.

g. Survivability

Any provision of this Agreement that contemplates performance or observance subsequent to termination or expiration of this Agreement shall survive termination or expiration and continue in full force and effect for the period so contemplated including, but not limited to, provisions relating to warranties and warranty disclaimers, intellectual property ownership, payment terms, confidentiality, general indemnification, infringement indemnification, waiver of consequential damages, and cap on liability.

h. Publicity

Unless otherwise provided in a separate confidentiality agreement between the Parties, each Party may issue a press release following the execution of this Agreement. Each Party hereby consents to the other Party's use of its name, on its website and in its City and partner lists for corporate and financial presentations.

i. Other

Headings used in this Agreement are intended for convenience or reference only and will not control or affect the meaning or construction of any provision of this Agreement. Any principle of construction or rule of law that provides that an agreement shall be construed against the drafter of the agreement shall not apply to the terms and conditions of this Agreement. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, and all of which together shall constitute one and the same agreement. Itron shall perform all work to be performed in connection with this Agreement as an independent contractor and not as the agent or employee of the City. All persons furnished by Itron shall be for all purposes solely Itron's employees or agents and shall not be deemed to be employees of the City for any purpose whatsoever.

END EXHIBIT I

EXHIBIT II
Labor, Equipment, and Installation Costs
 (Based upon Itron Pricing Summary BMR 1006-12 Ver6 dated February 12, 2013)

Schedule A - Installation cost includes Registers and TUs (Taxable)

Schedule Item	Description	(A)	(B)	(A) x (B)
		Approx. Quantity	Installation Cost/Unit	Total
1	¾" Replacement Meters and Meter Registers	12,575	\$33.72	\$424,029.00
2	1" Replacement Meters and Meter Registers	771	\$33.72	\$25,998.12
3	1 ½" Replacement Meters and Meter Registers	491	\$126.61	\$62,165.51
4	2" Replacement Meters and Meter Registers	451	\$126.61	\$57,101.11
5	¾" AMCO Registers for Retrofitted Meters	1	\$13.98	\$13.98
6	¾" Badger Registers for Retrofitted Meters	17	\$13.98	\$237.66
7	¾" Hersey Registers for Retrofitted Meters	21	\$13.98	\$293.58
8	¾" Sensus Registers for Retrofitted Meters	5	\$13.98	\$69.90
9	1" Badger Registers for Retrofitted Meters	1	\$13.98	\$13.98
10	1" Sensus Registers for Retrofitted Meters	1	\$13.98	\$13.98
11	1 ½" Badger Registers for Retrofitted Meters	2	\$13.98	\$27.96
12	2" Badger Registers for Retrofitted Meters	180	\$13.98	\$2,516.40
13	Installation Cost for additional ¾" Retrofitted Meters	4,334	\$13.98	\$60,589.32
14	Installation Cost for additional 1" Retrofitted Meters	313	\$13.98	\$4,375.74
15	Installation Cost for additional 1 ½" Retrofitted Meters	181	\$13.98	\$2,530.38
16	Installation Cost for additional 2" Retrofitted Meters	187	\$13.98	\$2,614.26
17	Installation Cost for additional 3" Retrofitted Meters	31	\$13.98	\$433.38
18	Installation Cost for additional 4" Retrofitted Meters	35	\$13.98	\$489.30
19	Installation Cost for additional 6" Retrofitted Meters	4	\$13.98	\$55.92
20	Installation Cost for additional 8" Retrofitted Meters	8	\$13.98	\$111.84
21	Drill Pit Lid	15,012	\$2.11	\$31,675.32
22	Exchange Pit Lid	850	\$5.30	\$4,505.00

SUB TOTAL \$ 679,861.64
 Washington State Sales Tax (8.8%) \$ 59,827.82
SCHEDULE A TOTAL \$ 739,689.46

EXHIBIT II
Labor, Equipment, and Installation Costs (Continue)
Meters and Transmitters

Schedule B – Third Party Equipment – Meters (Taxable) (Schedule Items 1 to 12)

Itron Equipment – (Schedule Item 13)

Schedule Item	Description	(A)	(B)	(A) x (B)
		Approx. Quantity	Unit Price	Total
1	¾" Replacement Meters and Meter Registers	12,575	\$87.37	\$1,098,677.75
2	1" Replacement Meters and Meter Registers	771	\$125.79	\$96,984.09
3	1 ½" Replacement Meters and Meter Registers	491	\$287.37	\$141,098.67
4	2" Replacement Meters and Meter Registers	451	\$410.53	\$185,149.03
5	¾" AMCO Registers for Retrofitted Meters	1	\$47.37	\$47.37
6	¾" Badger Registers for Retrofitted Meters	17	\$47.37	\$805.29
7	¾" Hersey Registers for Retrofitted Meters	21	\$47.37	\$994.77
8	¾" Sensus Registers for Retrofitted Meters	5	\$47.37	\$236.85
9	1" Badger Registers for Retrofitted Meters	1	\$47.37	\$47.37
10	1" Sensus Registers for Retrofitted Meters	1	\$47.37	\$47.37
11	1 ½" Badger Registers for Retrofitted Meters	2	\$47.37	\$94.74
12	2" Badger Registers for Retrofitted Meters	180	\$47.37	\$8,526.60
13	Transmitters ("Equipment")	19,421	\$84.88	\$1,648,454.48

METERS & TRANSMITTERS SUBTOTAL \$ 3,181,164.38

Washington State Sales Tax (8.8%) \$ 279,942.47

SCHEDULE B – METERS & TRANSMITTERS TOTAL \$ 3,461,106.85

EXHIBIT II
Labor, Equipment, and Installation Costs (Continue)
Reading Equipment

Schedule B – Equipment – AMR System Reading Equipment and *Software (Taxable) and Services

Schedule Item	Equipment Description	Approx. Quantity	Fixed Network/Mobile Hybrid	
			Unit Price	Total
1	Mobile System Equipment: Mobile Interrogator - Handheld	2	\$5,013.00	\$10,026.00
2	Mobile System Equipment: Mobile Interrogator - Laptop	1	\$9,999.00	\$ 9,999.00
3	Fixed System Equipment: Fixed data collection units, including firmware and installation	3	\$14,370.00	\$ 43,110.00
4	Fixed System Equipment: Fixed network system repeaters, including installation	6	\$3,910.00	\$ 23,460.00
5	AMR system (FN) software	1	\$10,000.00	\$10,000.00
6	Billing system interface ("Services")	1	\$15,000.00	\$15,000.00
7	Other - MVRS software	1	\$2,000.00	\$2,000.00

*MVRS (MultiVendor Reading System) and FN (Fixed Network) Software can be used to read up to 25,000 meters

AMR SYSTEM READING EQUIPMENT & SOFTWARE SUB TOTAL	\$ 113,595.00
Washington State Sales Tax (8.8%)	\$ 9,996.36
SCHEDULE B - AMR SYSTEM READING EQUIPMENT & SOFTWARE	\$ 123,591.36

Schedule C – Training and Other Services (Non-Taxable)

Schedule Item	Services	Total Cost
1	Fixed Network Implementation and Training	\$90,000.00*
2	Subsequence Training (three 8-hr day)	\$450.00
3	Fixed System Equipment: backhaul communications infrastructure, including installation and total 20 years estimated operation fees (e.g., cell service fees)	\$540.00
4	Performance Bond	\$ 29,933.83

* Includes per diem and travel expenses

TRAINING & OTHER SERVICES SUBTOTAL	\$ 120,923.83
SCHEDULE C – TRAINING & OTHER SERVICES TOTAL	\$ 120,923.83
<u>GRAND TOTAL ALL SCHEDULES A, B & C</u>	<u>\$ 4,455,311.50</u>

NOTES AND ASSUMPTIONS

- (1) Remote antennas are required for network coverage under cast iron lids.
- (2) CCU and repeater installation costs include site specific instructions, cabling, connectors, antenna sweep, GPS coordinates, digital photos of each site, connection to power source, brackets, tools and services required to install devices.
- (3) The network hardware configuration presented for this Hybrid solution will provide coverage of 85% or better.
- (4) Itron recommends battery change out for Collectors and Repeaters in year 5.
- (5) Professional Services for Hybrid solution are based on 1 year project duration.
Itron is responsible for installing ERT's, including any work management system to track such installations.
Itron is responsible for network device installation.
- (6) Field installation services are based on the following assumptions:
 - Itron will provide an electronic work management system, reporting tools, and handheld computers as part of the deployment process.
 - Work will not be performed at locations where it is reasonable to assume damage will occur to the customer's property without damage waiver and prior consent of the City of Olympia and/or the customer.
 - Meters will be worked in route and sequence order to the extent possible.
- (7) The annual performance bond fee is based on a rate of \$7.50 per \$1,000.00 of the total base price quoted.
- (8) Server hardware pricing is no longer included per the City's request.
- (9) Taxes and freight are included above. Prices are in US dollars. Prices are valid until December 31, 2014.

END EXHIBIT II




Exhibit III

Automated Meter Reading System Tower Collector and Repeater Locations

City of Olympia | Capital of Washington State



Legend

-  Tower Collector, Water Tank
-  Repeater, Utility Pole
-  Repeater, Water Tank



Map created: December 21, 2012



The City of Olympia and its personnel cannot assure the accuracy, completeness, reliability, or suitability of this information for any particular purpose. The parcels, right-of-ways, utilities and structures depicted herein are based on record information and aerial photos only. It is recommended the recipient and/or user verify all information prior to use. The use of this data for purposes other than those for which they were created may yield inaccurate or misleading results. The recipient may not assert any proprietary rights to this information. The City of Olympia and its personnel neither accept or assume liability or responsibility, whatsoever, for any activity involving this information with respect to lost profits, lost savings or any other consequential damages.

AMR_Antenna_Locations, 1/2/2013, Page 1

Site ID	Device Type	Location	Site	Antenna Height (ft)	ltron_ID
1	Tower Collector	7th Ave SE & Fir St SE	Water Tank	140	C_1
2	Tower Collector	Hoffman Ct SE	Water Tank	140	C_2
3	Tower Collector	Cooper Crest St NW	Water Tank	100	C_3
4	Repeater	Madison Ave (Bush Street Reservoir)	Water Tank	50	R_1
5	Repeater	25' Light Pole	Utility Pole	25	R_10
6	Repeater	25' Light Pole	Utility Pole	25	R_15
7	Repeater	Stevens Field	Water Tank	95	R_2
8	Repeater	25' Light Pole	Utility Pole	25	R_24
9	Repeater	25' Light Pole	Utility Pole	25	R_7

EXHIBIT IV

Itron Warranty Terms

Product	Warranty Terms
100W series water endpoints (including battery)	Full warranty consistent with the warranty terms in the Itron Sales Agreement for the first 10 years from shipment. For warranty claims in years 11 through 15, Itron's sole obligation will be to provide City with a discount on replacement product equal to 50 percent of its then-current list price for the replacement product. For warranty claims in years 16 through 20, Itron's sole obligation will be to provide City with a discount on replacement product equal to 25 percent of its then-current list price for the replacement product. The warranty on Itron water endpoints shall be void if the endpoint is used in connection with a third party reading system that is not approved by Itron.
Mobile Collector	Three (3) years from shipment.
Upgraded handhelds or Mobile Collectors	Ninety (90) days from shipment
MV-RS Software	Twelve (12) months from Delivery.

SYSTEM WARRANTY

In addition to the Equipment, Software and Professional Services warranties set forth in Sections 1, 2 and 3 of the Exhibit I, Itron sales Agreement, Itron warrants to City for a period of ninety (90) days from the date of Final System Acceptance (as defined in Section 8.A.2 of the Contract for Purchase/Installation of AMR System) and only if City has a valid maintenance agreement in effect with Itron covering Equipment and Software that are eligible for such maintenance coverage, that the Equipment, Software and Professional Services when deployed in accordance with the Work Plan, (the "**System**"), will conform to Itron's applicable published specifications. In the event of a breach of the foregoing warranty, Itron will, at its expense, work with the City to determine the cause of the failure. If the failure is caused by the Equipment, the City shall have the repair or replacement remedies and obligations described in Section 1(f), but only if the Equipment is not excluded under Sec. 1.f.ii from the warranties offered in that Section. If the failure is caused by the Software, the City shall have the repair or replacement remedies described in Section 2(e) (Limited Software Warranty), but only if the Software is not excluded under sec. 2.e.ii and/or 2.(f) from the warranties offered in that Section. If the failure is caused by the Professional Services, the City shall have the correction or re-performance remedies described in Section 3(e). For the avoidance of doubt, during the term of this System Warranty, Itron will honor the System Warranty without regard to any expiration date of the individual warranties referenced above. If Itron is unable to repair, replace, correct or re-perform in accordance with this System Warranty within a reasonable period of time, Itron will refund to City an amount equal to the degree to which the value of the System has been diminished by the failure of the System to comply with this System Warranty. The foregoing remedies constitute the City's sole and exclusive remedies for a breach of the System Warranty provided herein.

END EXHIBIT IV

EXHIBIT V
Payment Schedule

Equipment, Software, Professional Services and Installation Services set forth on Exhibit II shall be invoiced in accordance with Exhibit I and paid in accordance with the following:

Description	Paid within thirty (30) days of receipt of invoice pursuant to Contract Section 24	Others
Equipment: Meters, Meter Registers, Retrofitted Meters, and Transmitters	100%	
Itron Equipment	100%	
Software	100%	
Training and Subsequence Training	100%	
Meters Installation, Drill Pit Lid, and Exchange Pit Lid	95%	Due to the prevailing wage portion of the work, 5% will be withheld as Retainage per RCW 60.28.011. Sixty days after completion of all contract work the City will release and pay in full the amounts retained during the performance of the contract subject to the provisions of chapters 39.12 and 60.28 RCW.

END EXHIBIT V

EXHIBIT VI

WORK PLAN

ChoiceConnect System Implementation Level I

City of Olympia, WA

Author: Bryan Seiboldt

Date: 6-June-2012

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A. Project Overview and Delivery Methodology

A.1. Project Overview

Itron shall provision a Hybrid ChoiceConnect radio-based AMI and Mobile System for the City of Olympia, WA hereby referred to as City. The project will be completed over a twelve (12) month duration that will include software installation and configuration, pilot evaluation, installation of network equipment and provisioning of meters and ERTs/endpoints as described below. The solution covers 85% of the City endpoints under the fixed network and the remaining endpoints will be read with the Itron Mobile Collector 3. Hardware and software components and professional services for the project are listed on Exhibit II of the Contract.

Professional services components for this project include:

- Support to the City for the data synchronization of meter, endpoints, service points and accounts
- Responsible for the development of the Device Maintenance Configuration Interfaces
- Training of City representatives on the ChoiceConnect Application.
- Transition to Itron's long-term Technical Support program
- ChoiceConnect Software installation and configuration of meters and endpoints to support the utilities metering population: (identify all meters & endpoint types Itron needs to accommodate)
- Itron will install and configure the latest version of MV-RS that supports integrations with the Fixed Network to retrieve Billing data.
- Installation of field network equipment (repeaters and collectors)
- Installation of endpoints, meters, and registers.

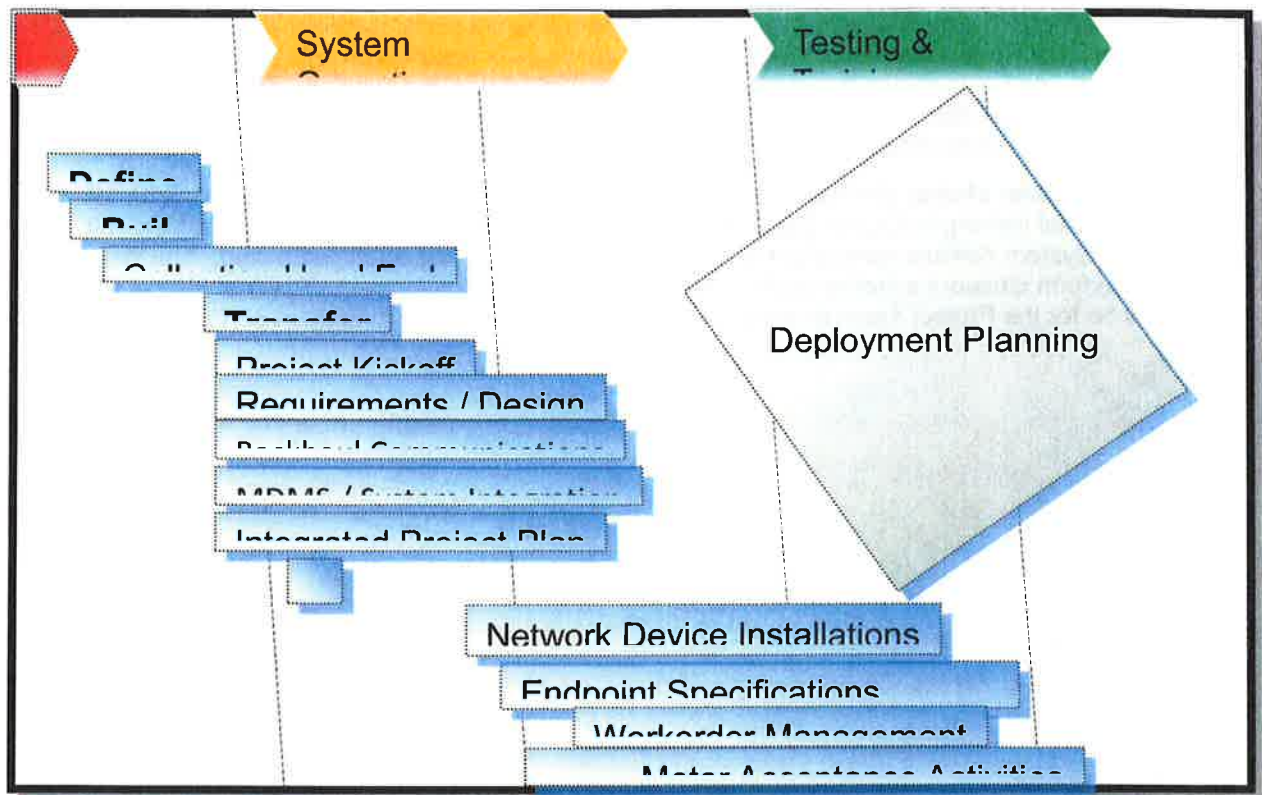
Provide work order system in support of meter and endpoint installations. As a part of this project City shall be responsible for:

- Provisioning of hardware, operating system, databases, 3rd party software as referenced in Itron Hardware Guide
- Responsible for providing electronic data for work orders to Itron on a scheduled basis and receiving electronic data from Itron on a daily basis
- Validation of Software through Software Acceptance Testing

A.2. Delivery Methodology

Itron has broad experience successfully delivering and integrating our solutions with City systems. We will use our proven project management methodology to ensure that the project is fully defined, understood by all involved, and that all tasks are identified, assigned, and tracked. Our methodology supports risk identification and mitigation, communications, reporting, change management, and issue resolution.

Itron's Delivery Methodology, called Itron Advantage, is consistent across Itron solutions and consists of the following phases: Define, Design, Build, Deploy / Operate and Transfer. The high level tasks associated with each of these phases are as follows:



During the Define phase, the Project kick-off is held between City and Itron. The kickoff begins the project planning, business solution and solution architecture discussions. Project success criteria and measurements are defined. Requirement workshops will be conducted to gain common understanding and agreement on detailed functional, technical, and integration requirements.

During the Design phase, the Project Team plans the system architecture that will enable City's requirements and business objectives. With agreed-upon System requirements and success criteria collected during the define phase, the Project Team will work together to perform detailed planning for each of the Project deliverables such as the data collection software.

During the Build phase, the Project Team will procure, install and configure the key components of the System. Meters, endpoints and other required hardware and software will be ordered; applications and servers will be installed for use by the Project Team; and system users will be trained. Integrations will be developed during the build phase. Business processes will be developed and tested. To validate proper operation of the System before "go-live," testing of the individual components as well as the System will be performed by the Project Team. To move on to the deploy phase, the Project Team signs off on the Project and confirms readiness to cutover and go live. By the end of the Build Phase, City will be operating the solution. The ChoiceConnect Software is transitioned to support

During the Deploy phase, meters and endpoints will be installed in the field with a focus on safety, quality, customer service, and schedule. As the meters and endpoints are installed, route acceptance procedures will begin and continue throughout this phase. Itron will provide project management and technical support as defined in this Work Plan to validate that the project schedule is met and the installed endpoint population is operating properly. As endpoints are accepted using agreed-upon procedures, Itron will transfer performance monitoring and operation to City after endpoint acceptance.

During the Operate phase, which occurs in parallel with the build phase, City staff will operate the System as meters and endpoints are accepted. Operating the System includes managing endpoint performance, managing data flow, installing maintenance updates on the applications and adjusting

process and procedures to take advantage of the System. System performance will be monitored, and any reduction in performance will be investigated and resolved in accordance with this Work Plan and the Agreement. As City realizes the value of the data available from the solution, new ideas and processes will be identified. The operate phase will continue throughout the deployment and into the Transfer phase until Project close.

During the Transfer phase, which occurs upon completion of System acceptance testing, Itron will provide additional training to City on System operations and maintenance. This training assists with ensuring the System delivers optimal performance after the project has been completed. The Project Team will perform closeout activities such as final billing, and lessons learned. The final step of the project will be for the Project Team to transition System to Itron's long-term support services team.

B. Roles and Responsibilities

B.1. Itron Roles and Responsibilities

The following table provides an overview of the Itron Project roles and responsibilities.

Itron Role	Responsibilities
Project Sponsor	Drives Project Charter Provides Resources Removes Obstacles Reviews/Approves Plans
Project Manager	Manages the following: <ul style="list-style-type: none"> • Project Planning & Scope • Project Financials • Scheduling & Meetings Active Participant in Project Deliverables Active participant and Itron liaison to City personnel during System performance meetings after System is transitioned to support Oversight responsibility for field contractors Data management and integrity Inventory control Active participant and Itron liaison to City personnel for all Project issues Initial escalation point for the dispute resolution process Coordinates vacations in order to minimize Project disruption Actively participates in resource management
Technical Consultant	Assesses and Designs: <ul style="list-style-type: none"> • Technical Architecture • Data Workflows • Configuration of Solution to meet meter, endpoint, service point and account requirements • Configuration of Solution to meet business and requirements Installs, Configures & Tests the System Performs Training
Business Consultant	Supports Project Team in integrating the System into current City business operations Provides User Training
Interface Developer	Develops the interfaces to support data synchronization of meter, endpoint, service point, account and billing data

B.2. Olympia Roles and Responsibilities

The following table provides an overview of City Project roles and responsibilities.

Olympia Role	Responsibilities
Project Sponsor	<ul style="list-style-type: none"> Drives Project Charter Provides Resources Removes Obstacles Reviews/Approves Plans
Project Manager	Supports Itron Project Manager in: <ul style="list-style-type: none"> • Achieving Project Objectives • Tracking Progress • Communicating & Managing Change • Coordinating vacations to minimize project disruption
Construction Manager	Supports Project Manager in providing: <ul style="list-style-type: none"> • Construction Administration • Oversight and inspection of the installation/retrofit of meters • Construction Documentation
Business Process Owner	Works with Itron Business Consultant to: <ul style="list-style-type: none"> • Gather Requirements, Design & Test the System • Participate in Training • Provide On-going End User Training • Develop Standard Operating Procedures • Define the metering and endpoint population the solution is to support • Understands the metering decode processes and provides support to the Itron team
Technical Resource	Works with Itron Tech Consultant on the following: <ul style="list-style-type: none"> • Conduct "As-Is" Assessment & Design "To Be" Environment • Hardware Procurement • Provide Ongoing Administration of System

Olympia Role	Responsibilities
Information Technology	<p>Includes resources related to server, database, interface and application management</p> <p>Procures and setups hardware, operating system, database and any 3rd party software</p> <p>Understands the Itron technical architecture and supports the integration of the solution into the City's IT Enterprise architectures and operations</p> <p>Provides on-going management of the solution related to server management, database management and application management</p> <p>Provides on-going monitoring, troubleshooting and problem resolution related to the server, database interfaces and application components.</p> <p>This person will be vital during the initial design phase assisting with design of:</p> <ul style="list-style-type: none"> • Technical architecture • Integration points, data flow and data management
Subject Matter Expert – Billing / CIS	<p>Provides Project support for delivery and integration of work order files.</p> <p>Provides project support for delivery and integration of billing files</p>
Subject Matter Expert – Customer Service	<p>Provides support with customer service, call center and customer communications.</p>
Subject Matter Expert – Meter Operations	<p>Provides support with the meter operations, field training, meter access, and meter maintenance.</p>

C. General Project Assumptions

The following general assumptions (requirements) apply to this project.

No.	Assumption
1.	The level of services estimated assumes that the project time line is consistent with the schedule specified in Work Plan provided by Itron.
2.	Any scope changes to this Work Plan will only be accomplished by a change order agreed to and signed by both parties.
3.	The Itron Solution Delivery Manager will provide overall responsibility, sponsorship and executive level support for Itron.
4.	Itron has primary responsibility for Project planning, management and delivery of Itron solution and products. All Itron Project resources will report to the Itron Project Manager.
5.	<p>Service break – Per Itron policy, an employee must be at least 50 miles away from the Project site for thirty (30) continuous calendar days within a 1 year period (<u>not based on the calendar year</u>). Employees may remain working on the customer assignment remotely during the service break. This will be planned with the Itron and City project managers in advance such that remote work is possible. The employee cannot take vacation days during the service break. Itron and City will mutually agree on temporary Itron replacements while assigned resources comply with the Itron Service Break Policy. There is no cost impact to City provided temporary staffing replacements are agreed to by both City and Itron.</p> <p>Itron will have a qualified Project Manager assigned for the duration of the Project. Additionally, Itron intends to comply with the service break policy as defined above unless specifically directed otherwise by City.</p>
6.	Itron and City will provide qualified personnel to staff the project to ensure project success and will use reasonable efforts to maintain the continuity of personnel assigned. Itron and City will provide dedicated project team members and management resources to ensure timely completion of work, reviews and approvals as agreed upon in the project plan / schedule.
7.	City will assign a project manager and appropriate staff for the duration of the project.
8.	City will identify experienced resources as outlined in this document by the end of the Define phase of the project.
9.	Itron or its subcontractor will furnish warehouse facility to be used for storage of equipment and as staging area for field installation teams.
10.	City will furnish reasonable working accommodations at City for up to three (3) Itron staff supporting the project onsite. Accommodations include access to a desk, chair, telephone and high speed connection if approved by City IT security, for Itron Project Manager, and Work Order System Resource.
11.	Information Systems, network design, testing and City training work will be performed at a City Facility unless the City and Itron Project Managers agree that a project related activity would be best performed elsewhere.
12.	No work will commence until the required contractual documents are executed. The Project Schedule will be adjusted based availability of Itron and City resources. Itron is currently able to start this project twelve weeks from contract signature.

No.	Assumption
13.	A minimum of six weeks' notice is required by City to development required interfaces between the City's CIS system and Itron's WO System in support of installation contractor. Four (4) additional weeks is required to develop the device maintenance file between City CIS and Itron fixed network solution.
14.	City will procure the necessary servers (Production) that will reside on City's network for the ChoiceConnect Application.
15.	City will be financially responsible for the purchase of required third party software for Production and Non-Production servers that will reside on City's network, for the ChoiceConnect Application Software. This includes but is not limited to Red Gate® SQL Backup (or similar) and Pervasive Database in support of MVRS. See requirements specified in Appendix F [Server Sizing].
16.	City is responsible for traditional maintenance activities over the duration of deployment. This includes but is not limited to hi bill complaints, flow tests, stuck meter investigations, etc, over the duration of the project.

D. System Deliverable: Project Management Services

D.1. Project Management

D.1.1. Description, Strategy and Completion Criteria

Project Management services shall include management of deliverables, resources, scope, risk, financials and overall project communication. Other activities include a Project Kickoff and delivery of the Project Charter document.

D.1.2. Deliverable Assumptions

No.	Assumption
1.	Itron will act as the coordinator, facilitator, and editor of the deliverables in this Work Plan. Much of the content of these documents is to be provided by Itron and City personnel, individually or via workshops. Delivery quality and schedule is dependent on all parties meeting task schedules and delivering quality content. Itron will provide initial hardcopy drafts or templates of all deliverables.
2.	All project resources will use methodologies, tools and templates to be determined by the Itron Project Manger. All deliverables completed by Itron will conform to standards defined and agreed upon by City and Itron.
3.	Itron will provide City team members with a standard set of Itron documentation such as technical architecture, functional and technical specifications, training materials etc. for City's use in preparing for and executing the Project.
4.	City and Itron will utilize a single issue tracking / resolution tool in MS Excel for the duration of the project. Itron's project team will regularly review issues jointly with City at mutually agreed upon intervals.
5.	Change orders will be created and signed for changes to the scope of work, even when the change may not have a financial impact.
6.	Itron will provide monthly quality / risk management reviews.

D.1.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Establish Project Team – Establish, assign, and document resources for the project team. Gain organizational commitment of specific resources for each role.	Itron will establish project team.	City will establish project team.
2.	Project Finances – Track, manage and communicate project financial status to project stakeholders during the project phases	Itron will provide status and appropriate financial info to City project manager monthly.	City will confirm and approve.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
3.	Develop Project Charter – Document the project success criteria and measurement	Primary responsibility	Review and sign-off
4.	Project Scope Control – Review new requirements and efforts that may be required. Evaluate whether within contractual scope of the project.	Itron will participate in review and approval of scope changes.	Participate in review and approval of scope changes.
5.	Risk Mitigation – Identify potential risks before they happen, create strategies to reduce the occurrence of the risk, determine metrics to identify risks, agree on risk mitigation plans and triggers to initiate the plan. Conduct regular meetings to review risks.	Itron will provide a risk assessment matrix, facilitate the creation of a risk mitigation plan, and conduct regular risk review meetings.	Participate in the development of a risk mitigation plan (part of the Project Charter) and in the periodic meetings to review risks.
6.	Project Communication – Establish and manage ongoing status reporting, issue tracking, risk reporting. Weekly status reports will include: <ul style="list-style-type: none"> • Weekly progress of activities • Updates to open action items • Issues log and resolution status • Acceptance status 	Itron will create reports from existing templates and update them weekly to track project progress and manage project issues.	Participate in the development of the communication plan.
7.	Conduct Kick-off Meeting - First on-site meeting of the Project Team. Sessions will include: <ul style="list-style-type: none"> • Review of Work Plan for inclusion into contract • Define project success and success measurement. • System demonstration if required • Definition of roles and responsibilities • Discussion of the project requirement and process documents that will be used during throughout the project. • Project plan • Set “next steps” and action items • Establish regular Project review meetings schedule • Discuss City’s business and technical environment to ensure successful integration of the solution into City’s environment 	Itron will develop agenda and lead the meeting.	Participate in the development of agenda and co-leading the meeting. Schedule and host the kick off meeting at their location; all project team members will be invited to the kick off meeting.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
8.	<p>Integrated Project Plan – develop a task oriented plan to provision the System; identify the tasks and sequence and the timing of these tasks (the ‘Project Schedules’) as required to provision the System. The Project Plan shall include a process for the plan to be updated to reflect any changes approved through the Change Control process.</p>	<p>Itron will deliver first draft of the Project Plan or Schedule; Itron will also manage the Project Plan or Schedule updating process.</p>	<p>Actively participate in the development of the Project Plan or Schedule by providing input on Project Plan or Schedule.</p>
9.	<p>Project Meetings</p>	<p>Manage weekly project meetings through build and transition of system.</p>	<p>Support weekly project meetings through build and transition of system. Lead discussion on system performance.</p>

E. System Deliverable: ChoiceConnect Network Software

E.1. System Architecture and Design

E.1.1. Description, Strategy and Completion Criteria

Itron will facilitate sessions to determine and document the technical architecture of the System; this information will be documented in the Technical Architectural Design document (TAD), which will specify the hardware and software components of the System and identify the data inputs, outputs, formats, and schedules.

Itron and City will sign off on the TAD before proceeding with design and build of specific components. At the completion of this deliverable, City and Itron will have agreed and documented the system architecture and design.

E.1.2. Deliverable Assumptions

No.	Assumption
1.	Itron will be responsible for scheduling design sessions and producing the Technical Architecture Design document (TAD).
2.	The completed TAD will be reviewed by both Itron and City and form the basis for design decisions.
3.	With support and guidance from Itron, City will define backup, business continuity and disaster recovery strategy for the ChoiceConnect Application Software.
4.	Itron will provide a comprehensive data flow diagram for ChoiceConnect Application Software.
5.	Itron will package required client software associated with the System to streamline the installation and configuration process. Itron will support City with the initial configuration and pre-packaging process. City will be required to install and configure the client workstations.

E.1.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Provide scheduled sessions to discuss technical architecture of the System.	Responsible for scheduling sessions.	Participate in all sessions.
2.	Documentation of software versions to be implemented for the ChoiceConnect Application Software	Identify final versions to support the functionality to complete the Project. Final version shall be compatible with previously approved server order.	Agrees to final application versions to be installed.
3.	Document previously defined and approved server configuration specifications in the TAD.	Itron to document agreed upon specifications.	

No.	Task and Description	Itron Responsibility	Olympia Responsibility
4.	Define the Production environment for ChoiceConnect Application Software	Primary responsibility for the Production system.	Support Itron on installation and configuration of Production system.
5.	Define the Test environment for ChoiceConnect Application Software	Support	Primary responsibility for the Test system
6.	Complete TAD document	Itron will write document and sign upon agreement.	Review document and sign upon agreement.
7.	Device Maintenance - Develop detailed data flow for the synchronization of data between ChoiceConnect Application Software City Systems.	Itron will write document.	Review document and sign upon agreement.
8.	Provide standard import and export requirements for the ChoiceConnect Application.	Primary responsibility to provide standard import / export requirements. Schedule and facilitate requirements meeting; provided updated documentation from the meeting.	Participate. City will identify 1) the export requirements from the AMR System so that data/information can be uploaded into its existing application environment, and 2) its data export capability for any information to be uploaded into the AMR System including Itron's work order system.
9.	Define and document business continuity for the System including disaster recovery and backup strategy for the ChoiceConnect Application Software. Update TAD accordingly.	Guidance and support on best practices	Primary responsibility

E.2. Application Software Implementation (Collection Engine)

E.2.1. Description, Strategy and Completion Criteria

At the completion of this deliverable, the ChoiceConnect Application Software is installed, tested and ready for operation and integration testing.

E.2.2. Deliverable Assumptions

No.	Assumption
1.	The ChoiceConnect Application Software and associated servers for the production system will be configured at City's data center by Itron; City will support Itron in this process.
2.	City will provide appropriate floor space and electrical service for the computer equipment.

No.	Assumption
3.	Itron will adhere to City's policy in accessing the City's data center and securing VPN access to the ChoiceConnect Application Software servers. Following the approval process, Itron will be granted remote access for the duration of the Project to the ChoiceConnect Application Software.
4.	Itron will adhere to City's policy for accessing the data center and upgrading or troubleshooting Production data environment. City will provide Itron a local administrator account on all ChoiceConnect Application Software servers for remote Itron access in accordance with the agreed upon procedures. The Microsoft SQL system administrator password will be required for installation.
5.	Itron will be responsible for installation and configuration of ChoiceConnect Application Software for a Production environment. City will be responsible for installation and configuration of Choice Connect Application Software for a Test environment. City will install Test environment in parallel with the Production environment with limited support from Itron.
6.	Itron and City will mutually agree on security certificates to be implemented and the hardware ports to be made available for the System.
7.	All necessary pre-requisite software will be installed by City prior to the ChoiceConnect Application Software installation. See Appendix F [<i>Server Sizing</i>] for requirements.
8.	All necessary server permissions and system access will be established by City prior to installation.
9.	City shall provide an FTP Site or an alternative with Itron having read and write access. The FTP site will be used for file sharing purposes.
10.	City will provide a target Meter location file that corresponds to the meter quantities referenced in this work plan.
11.	City will provide a unique location ID for each service point, and the attributes (address, meter setting location when there is more than one meter, etc.) of that location ID.
12.	City will identify any multiple meter service points.
13.	ChoiceConnect Application Software testing and training activities will occur upon completion of at least one collector installation and population of reading data in the ChoiceConnect Application Software database.
14.	Itron with City's CIS Vendor will develop, test and install the interface files. Upon successful testing and after Software Acceptance. City will have maintenance responsibility for the interfaces.
15.	City is responsible for the procurement and configuration of third party software such as Bing or Google Maps.

E.2.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Complete ChoiceConnect Application Software design and configuration documents.	Primary responsibility for the completion of design documents to define data flow and the as built ChoiceConnect Application Software configuration.	Participate in design sessions and review/sign-off on completed document.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
2.	Creation of a Collection Engine Device Maintenance File	Responsible for the design, development, testing and management of the device maintenance file interface between CIS and Collection Engine. Itron will engage City's CIS vendor for this development.	Support design and test of the collective device maintenance files.
3.	Itron will provide standard installation and configuration instructions, outlining the installation process so that City can reproduce the necessary installations on the other non production systems if they desire.	Sole responsibility.	N/A
4.	Validate format and content of any data synchronization files as defined in the design document.	Sole responsibility for validating these files once received from City	Provide files to Itron
5.	Procurement of server hardware and third party software for the ChoiceConnect Application Software (production)	N/A	Sole financial and procurement responsibility for server hardware.
6.	Order ChoiceConnect Application Software	Sole responsibility for ordering the ChoiceConnect application Software	Sole financial and procurement responsibility.
7.	Install servers in City data center	Provide support to City as required. Itron will provide server Pre-installation checklist	Sole responsibility for procurement of servers and support Itron with installation.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
8.	Install and configure ChoiceConnect Application Software on production servers.	<p>Responsible for installation and configuration of the ChoiceConnect Application Software on the Production server.</p> <p>Itron will conduct a server audit remotely with City prior to beginning ChoiceConnect installation to ensure environments are ready prior to engaging onsite.</p>	Support installation and configuration of Production Server\
9.	Install and configure ChoiceConnect Application Software on test servers.	Support as required	Sole responsibility for installation and configuration of the ChoiceConnect Application Software on the Test server.
10.	Implement and test backup, business continuity and disaster recovery process.	Support as required	Sole responsibility

E.3. System Testing

E.3.1. Description, Strategy and Completion Criteria

To ensure component, System and solution operation, testing will occur throughout the phases of the Project. Note that the efforts required for some testing is included in other deliverables and noted below. At the completion of this deliverable, all testing provided within the scope of this Project has been performed.

E.3.2. Deliverable Assumptions

No.	Assumption
1.	Each testing deliverable will have a test plan with test scenarios agreed to by City and Itron.

E.3.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Review and modify as necessary the Project Test Plan (overview of all tests) and requirements for testing that includes all test deliverables needed to achieve full contract functionality.	Sole responsibility	Support Itron by providing City's staff resource for trouble shooting.
2.	ChoiceConnect Application Software functional test	Sole responsibility	Support Itron by providing City's staff resource for trouble shooting.
3.	Conduct a System Integration Test to validate data flow between the Endpoints, Network Devices, the ChoiceConnect Application Software and export of billing data	sole responsibility	Support Itron by providing City's staff resource for trouble shooting.
4.	Solution (end to end) test, to include a full System test that demonstrates required level of functionality and performance.	Support City during testing with trouble shooting.	Sole responsibility
5.	Solution test of City applications beyond the ChoiceConnect Solution (upstream systems)	Support City during testing with trouble shooting.	Sole responsibility

F. System Deliverable: MV-RS Software

F.1. MV-RS Software Implementation

F.1.1. Description, Strategy and Completion Criteria

Itron will provide software implementation, configuration, and data collection device setup (handhelds and/or mobile collection devices) for the MV-RS meter reading system.

F.1.2. Deliverable Assumptions

No.	Assumption
1.	City will furnish all facilities and related services at City's site that are required by Itron personnel engaged to perform the MV-RS Implementation Services under this Work Plan.
2.	City will provide access to PC's and related areas for installation and system configuration. IT administrators will be made available to provide access levels necessary to perform software installation, user rights and permissions required for system operations.
3.	Internet connectivity will be provided in order for Itron and City to conduct meetings, training and support activities when Itron is not on-site. City will provide Wi-Fi access (where available) while on City property; Itron is responsible for all other internet access requirements.
4.	Itron will provide training to meter reading staff and any other staff or consultants City deems necessary.
5.	Itron will plan for on-site kick-off meetings and training and support. Other support and consulting will be provided via phone, email and web conferencing.
6.	City will provide a point of contact person for Itron implementation work while the project is being deployed.
7.	City will work with its CIS vendor to develop, test and install the billing interface files (Download and Upload). City will have maintenance responsibility for this file interface.
8.	Itron will provide standard MV-RS documentation and training materials such as User Guides, Host Interface guides for City's use during the implementation and training.
9.	No customization of MV-RS software is included in this Work Plan. It is assumed MV-RS requires no customization in order for City to read the meters and Itron endpoints.

F.1.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Install, configure and test MV-RS software and hardware, including mobile collector, handhelds and docking devices	Sole responsibility.	Provide IT environment and support as required.
2.	Develop and test billing interface files, including interfaces to billing system.	Participate and support with trouble shooting.	Sole responsibility.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
3.	Perform MV-RS system and functional tests	Sole responsibility	Participate in test and trouble shoot.
4.	Day in the Life training – PC Training	Sole responsibility	Support by providing City's facility and list of appropriate staff for training.
5.	Develop Daily Checklist	Sole responsibility	Support by providing input.
6.	FC300 meter reading operations training, including: <ul style="list-style-type: none"> • HHC care and maintenance • process of generating project reports • and identifying missed reads 	Sole responsibility	Support by providing City's facility and list of appropriate staff for training.
7.	FC300 Bluetooth reading orientation and configuration research	Sole responsibility	Support by providing input.
8.	Host Download File finalization support and consulting	Sole responsibility	Support by providing input.
9.	Parallel / Test planning and support for MV-RS – test reading with meter readers, perform full end-to-end testing of system from endpoints to CIS.	Sole responsibility	Support by providing input.
10.	Roll-out and Go live planning and support	Sole responsibility	Support by providing input

G. System Deliverable: Network Design and Installation

G.1. Network Design

G.1.1. Description, Strategy and Completion Criteria

The Itron Project Team will deliver the Network Design for the AMR System. At the completion of this deliverable, the Network Design document will be finalized and provided to City.

G.1.2. Deliverable Assumptions

No.	Assumption
1.	City will use Verizon CDMA wireless backhaul in support of the Choice Connect solution. Service agreement for WAN will be between City and WAN provider; all cost incurred will be the responsibility of City.
2.	The Itron Project Team will have responsibility to work with partners to implement network equipment.
3.	Itron's commitment for network performance is based on using the facilities documented in propagation study. Itron has priced the Project assuming Collectors and Repeaters will be installed on City owned buildings, facilities or light poles. With the support of Itron, City will be required to secure access and all necessary permits for the installation of Network Devices on City owned facilities. City facility department will have knowledge on the permit requirements.
4.	City will provide a baseline data file of all expected work orders to be completed during the Project. This baseline data file will be utilized by Itron to measure System performance as defined in this document.

G.1.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Create Network Design	Sole responsibility to create Network Design.	Support in the design of the Network.
2.	Provide Collector and Repeater locations	Sole responsibility to determine Itron Collector and Repeater quantities and locations to meet the agreed upon System performance requirements.	Approve Collector and Repeater sites
3.	Secure agreements and permits for City owned facilities.	Provide support as required	Sole responsibility
4.	Provide final Network Design Document, which includes site specific information.	Sole responsibility.	Review and sign off responsibility.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
5.	Create baseline data file of all work orders to be installed during the Project.	Review data file.	Create the data file and provide to Itron.
6.	Post baseline data file to the ChoiceConnect Application. This file will be used to populate the performance management component of the ChoiceConnect Application.	Sole responsibility to post file to the ChoiceConnect Application.	Support Itron with trouble shooting.

G.2. Installation of Network Equipment

G.2.1. Description, Strategy and Completion Criteria

Itron network infrastructure will be installed as defined in the Network Design documents. At the completion of this deliverable, the network infrastructure will be installed and ready to manage endpoint readings.

G.2.2. Deliverable Assumptions

No.	Assumption
1.	City will provide access to infrastructure owned by City to install Network Devices. Where not available Itron, utilizing agreements with third party providers, will install Equipment on locations not owned by City to provide the agreed to network coverage.
2.	City will review Itron recommended site locations and provide non-technical feedback on the feasibility of using the site.
3.	Itron, working in conjunction with City, will ensure Collectors are located at sites that are capable of receiving proper backhaul communications with the fixed network collection engine.
4.	Itron will provide City with the training required to ICS collectors during the build phase of the Project.
5.	City is responsible for all Network Device maintenance post acceptance except as defined in the Agreement. Prior to acceptance, Itron will be responsible for diagnosing whether a communications failure between ChoiceConnect Application Software and the network is caused by a Network Device or the backhaul.
6.	When support from City is required for a Collector or Repeater location site visit, City and Itron will mutually agree on the time and date. City and Itron agree to schedule the appointment timely to ensure there is no impact to schedule.

G.2.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Process site data and verify location sites	Sole responsibility.	Confirm and verify site locations.
2.	Perform site survey on initial target areas to confirm site compatibility	Sole responsibility	Provide site access to Itron.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
3.	Order Collectors, Repeaters and ancillary equipment per the Network Design; maintain an eight week supply of Collectors and Repeaters in inventory.	Sole responsibility. Verify equipment configuration and required equipment quantities per the Network Design contract documents	Sole financial and procurement responsibility
4.	Procure backhaul services for a premise installed AMR System.	Support Olympia in securing preferred backhaul.	Sole responsibility; owns backhaul agreement and cost; Itron will support agreement process.
5.	Update Network Device deployment plan to include site locations and schedule. With the exception of the Network Devices identified as mitigation devices	Sole responsibility;	Review and approve schedule.
6.	Receive Network Devices and ancillary equipment per the network design and Project schedule	Sole responsibility	Support as required.
7.	Complete Collector configuration	Perform the Initial Configuration Set-up (ICS) during deploy phase. Provide ICS training to City as defined in this Schedule.	Owns ICS process after Collector Acceptance.
8.	Provide labor to install Network Devices. Installation related activities will be performed according to Itron approved policies and procedures as defined in the Itron Collector and Repeater, Hardware Installation Guide.	Will provide properly trained installers to install necessary Network Devices per the Network Design.	N/A
9.	Provide training materials and installation guides to City and Itron subcontractors prior to training; provide operations and maintenance training documentation to City.	Provide materials and guides	Review training materials and installation guides as well as O&M training documentation.
10.	Complete Network Device installation training	Train installation team on proper installation procedures	Participate in training.
11.	Management of Network Device deployment activities and field quality audits	Manage the deployment of all Network Device deployment activities including quality audits	Review audit results.
12.	Install Collector and Repeaters per the Network Design and site installation drawings	Install Network Devices and equipment	Will support install efforts by providing access and accompany Itron's staff to sites.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
13.	Verify connectivity between Collection Engine and network infrastructure and resolve any communications issues	Sole responsibility for verification activities	Will support verification activities, will participate as an active observer and trainee.
14.	Network Device performance optimization	Will perform an on-site analysis to verify coverage will meet performance commitments defined in Section E of the Work Plan. Install mitigation Network Devices as required.	Confirm and verify coverage that need to meet performance commitments as defined in Section E of this document.
15.	Perform Quality audits	Will perform Collector and Repeater quality audits per Itron Installation quality program	Review audit results.
16.	Network Device installation Progress reports will be distributed weekly	Create weekly progress report and provide to City Project Manager.	Review and comment as required.
17.	Defective equipment will be returned to Itron upon identification and removal	Issue an RMA number and remove and return Network Devices for failure analysis if failure occur pre acceptance. Provide training to City on troubleshooting Network Devices.	Itron will issue a RMA number and City will remove and return Network Devices for failure analysis if failure occur after acceptance of the AMR System. After acceptance, with Itron's technical support, City will determine if the Network Device needs replacement.
18.	Provide pre-built construction documentation	Create and provide to City	Receive, review and approve.

H. System Deliverable: Meter and Endpoint Installations

H.1. Installation Planning

H.1.1. Description, Strategy and Completion Criteria

Resources, facilities, equipment and processes must be planned for, developed and procured to support the deployment of the endpoints and other equipment.

At the completion of this deliverable, Itron and City will be ready to start the deployment process.

H.1.2. Deliverable Assumptions

No.	Assumption
1.	Itron will provide management oversight and field staff for the installation of endpoints, meters, and registers.
2.	City and Itron will mutually agree on data flow to be used to manage work orders. Consideration must be given to both Itron and City endpoints.
3.	Itron will adhere to City's policy in securing VPN access. Following the approval process, City will provide secure logins, VPN access and basic user training for basic screens and searches for the Itron call center staff (up to 5 Itron resources) to use City's CIS System application directly. This will ensure accurate and timely updates to customer information in Itron's database. Access requirements for Itron will be limited to search and view only. In the event access to the Billing or CIS Systems cannot be made available because of technical or legal reasons, City and Itron will agree on an alternative approach to securing the necessary data to minimize unresolved Work Order data exceptions.
4.	Itron will have accountability, operational and financial, for managing and tracking inventory. Up to an eight (8) week supply of inventory will be provided by City (endpoints and accessories) to prevent work stoppage with ordering schedule and responsibilities.
5.	City will identify blackout periods for deployment areas; Itron will comply with agreed upon blackout schedules

H.1.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Create Deployment Plan. Order endpoints in accordance to schedule. Maintain an 8 week supply.	Sole responsibility for creating Deployment Plan using input from City. Plan will include the product build and delivery schedules. Manage all logistic requirements to deliver to the Deployment Plan.	Sole responsibility for Project purchase order; review and approval responsibility for Deployment Plan.
2.	Procure facility, commercial vehicles, communications and office equipment.	Sole responsibility	N/A

No.	Task and Description	Itron Responsibility	Olympia Responsibility
3.	Finalize agreements with network and endpoint subcontractor(s)	Sole responsibility	N/A
4.	Order uniforms, tools, and other installation equipment for endpoint installation technicians	Sole responsibility	N/A
5.	Define, review and finalize installation procedures for Endpoints, meters, and registers.	Sole responsibility	To support and have approval responsibility for the delivered procedures
6.	Training of Itron and City installers	Sole responsibility	Participate and support by providing City's staff for training

H.2. Work Order Management

H.2.1. Description, Strategy and Completion Criteria

Itron's Work Order Management Tool will be provided by their subcontractor and will be used for the deployment work order system during the Build, Operate and Transfer phases. Itron and City will work together to develop work order file layouts (export and import) and data collected. See Appendix G [WO System Requirements] for recommended requirements.

At the completion of this deliverable, the work order system will be fully tested and operational. When a work order file is sent from the City's Billing or CIS Systems, work orders will be able to be dispatched to start installations.

H.2.2. Deliverable Assumptions

No.	Assumption
1.	The work order tool will be used by Itron for Endpoint installation and audit work orders for the duration of the Project.
2.	City will be responsible for development and delivery of the export files to work order system. They will also be responsible for development and delivery of the import files to work order system.
3.	City will be responsible to execute the process to create work orders in accordance with the agreed upon schedule.
4.	Itron work order exceptions will be managed by Itron using agreed to processes defined by Itron and reviewed with City.
5.	City work order exceptions will be managed by City using agreed to processes defined by City and reviewed with Itron.
6.	The work order system will be configured to support the acquisition of GPS coordinates and digital photographs. The work order system will store GPS coordinates during the Project; GPS points are taken with a Trimble GEO XH and are post data corrected to ensure accuracy within one (1) Meter. Depending on the area we log a point for between 20 and 60 seconds. Itron will store all digital photographs on a file system available to City.

No.	Assumption
7.	Itron will provide handheld units to the subcontractor installation team for reading of endpoints during the term of this project.

H.2.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Work Order definition meeting identify import and export file layouts.	Sole responsibility.	Participate in meetings and sign-off on final document.
2.	Create work order test plan	Sole responsibility.	Review test plan
3.	Develop install and audit work orders, translation files Work orders will be developed for endpoints	Sole responsibility.	N/A
4.	Develop sample export file from CIS	N/A	Sole responsibility
5.	Test sample Export file from CIS	Sole responsibility.	
6.	Define communications and security requirements allowing City to access work order data	Joint responsibility.	Joint responsibility.
7.	Install and configure handhelds for reading and if necessary programming endpoints.	Sole responsibility.	N/A
8.	Perform work order test on export file from CIS with work order system. Send completed work order file to City	Sole responsibility.	Review work order file.
9.	Develop sample import file to CIS	Sole responsibility.	N/A
10.	Perform work order file import test. Post to Billing and/or Infrastructure Systems to validate format and updates.	Itron to create test import file from work order system and post to the agreed upon FTP site.	Support testing of the work order system to CIS import file.
11.	<p>City and Itron will define processes required to successfully manage the System implementation, including::</p> <ul style="list-style-type: none"> • Work Order Data received and disposition (posted, exceptions) • Billing and/or CIS exceptions pending action • Endpoint inventory records received and disposition (posted / exception) • RF reads received and disposition (billed / exception) • Route saturation report 	Sole Responsibility	Support rby providing input to Itron.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
12.	Maintain and operate work order system through the Build and Transition phase of the Project.	Sole responsibility	N/A

H.3. Endpoint Installations

H.3.1. Description, Strategy and Completion Criteria

At the completion of this deliverable, all endpoint installation work orders will be completed and System Acceptance initiated.

H.3.2. Deliverable Assumptions

No.	Assumption
1.	Itron will conduct installation by meter reading route. Routes will be based upon existing meter reading route structure and are assumed to be in geographic proximity. Itron and City will build deployment schedule.
2.	Itron will conduct installation in accordance with City's specified routes or group of routes. Designated sequence of routes or groups of routes will consider geographic proximity from one to the next and afford an ample supply of pending service orders.
3.	Itron will defer any installations which are outside this Work Plan to the City to complete, e.g, installations which require repair services.
4.	Itron will review weekly with City the targeted geographic areas planned for upcoming weeks (3 weeks in advance). Itron will work closely with City Project Manager to ensure that City receives progress updates on the installation schedule.
5.	Itron may undertake the work between the hours of 7 am and 5 pm, five (5) days per week (Monday – Friday) excluding Weekends (except as described below) and Statutory Holidays (unless otherwise requested by customer). Itron shall not work outside of such hours or on Saturdays without prior consent of City with minimum two weeks' notice. Sunday is considered a non-working day.
6.	Work shall not take place on statutory City holidays except by mutual agreement between Itron and the end customer.
7.	Itron will provide a daily work schedule report electronically to City each morning (prior to 9:00AM) for work scheduled for that day. The daily work schedule will include all scheduled appointments for that day as well as list of general areas/routes in which crews will be working and where appointments are not required or anticipated. Appointments will be scheduled as requested by the customer with a two-hour window unless the customer approves a larger appointment window.
8.	Itron will provide a report to City detailing the completed work from the prior day. The report will be made available by 10:00AM the following business day.
9.	Itron will provide a daily installation upload file that will be put to the FTP site or other agreed upon location two days following the completion of the work orders. This file will be processed through the work order system to ensure all exceptions are addressed before the file is delivered to City.

No.	Assumption
10.	Itron will resolve work order data exceptions identified through work order system or by City in a timely and efficient manner. Work order exceptions will be cleared within two business days unless in conflict with blackout window. Examples of exceptions are: Duplicate Meter Module or meter numbers, Meter number mismatches, Meter size exceptions, Meter multiplier, High-Low exceptions, Dial mismatch, Meters found in field but not in work order file, Meter location exceptions. The exception process will be managed through the work order system.
11.	Itron will use the electronic files provided by City to feed the work order system. Itron will maintain installation records electronically in the work order system.
12.	Itron's subcontractors will be fully trained on the installation of endpoints, meters, and registers. City reserves the right to require Itron to retrain, reassign, or remove from the project any employee or subcontractor who fails to perform workmanlike and competent work. In addition, all installation employees are required to comply with the local codes of the jurisdiction where the work is taking place.
13.	Itron will subject all employees to a background checks. Itron and its subcontractors will not employ as Installer any person who fails these checks. City reserves the right to review all background checks and prevent any such employee from working on City projects.
14.	Itron will employ a stringent quality program, including 100% follow-up quality audit attempts for new employees during their probation period (two-week period after hiring) and 5% subsequent audit percentage after an employee completes his/her probation period.
15.	Field personnel shall wear easily recognizable uniforms identifying Itron's contractor as well as prominently displayed picture identification badges containing the employee name and employee picture. Employees shall be issued and carry identification cards issued by City. Itron shall control the issuance and retrieval of ID cards so that only active installation employees have them.
16.	Itron shall obtain any required government and/or other security clearances that are necessary for gaining entry into the various properties identified for provision of the System. Itron shall be responsible for determining which locations require special security clearance, what clearance is required at those locations and obtaining those clearances.
17.	No Itron contractor shall enter a residence without the permission of the owner, tenant or authorized representative. Additionally, no Itron contractor shall enter a residence without an adult present (18 years or older). Note: all of the City's meters are located outside of the premises.
18.	Itron will supply the following components and aspects of installation: overall project management; training and direct supervision of installers; appointment scheduling; problem solving and complaint handling; and inspection, testing, and quality control.
19.	Itron will remove excess dirt/debris (as required) as part of Meter and endpoint installations.
20.	Itron shall utilize clean pullover boot-covers when entering a customer's property so as not to soil a customer's flooring or other property.
21.	Itron shall be responsible for all vehicles it uses on the project. Itron and City will mutually agree on vehicle logo before start of field work; Itron will ensure project vehicles have the agreed upon logo prominently displayed on both sides of the vehicle. Any employee of Itron or its subcontractors who drives a vehicle in connection with this project must have a valid driver's license for the class of vehicle being driven and must be insured as set forth in the Agreement. Itron's contractor's logo shall be prominently located on the vehicle.
22.	Itron shall deploy vehicles to minimize parking problems and avoid blocking any streets. Itron is required to follow all parking laws and is responsible for all parking violations.

No.	Assumption
23.	Itron shall maintain an insured, staffed office and warehouse within City's service territory.
24.	Itron's installers, auditors, and supervisory personnel shall be equipped with radios or cell phones so that problems or questions can be addressed immediately and the Itron Project Manager can be contacted immediately if needed.
25.	In the event a vacant property or an installer safety issue is identified by an Itron field installer, Itron will validate the property is vacant or unsafe before returning the work order to the City.
26.	Before Itron can complete a Work Order as a return to utility (RTU), it must be approved as an acceptable RTU by an Itron field supervisor or designee and City Construction Manager. If a work order is returned to City because Itron met the access attempt requirements, City will have 10 business days to schedule an appointment and return the work order to Itron for completion.
27.	Itron will be responsible for scheduling and handling all installation appointments. Itron will try to set appointments within a two hour window. See below for assumptions and tasks associated with the Call Center.
28.	<p>Meter Access Program</p> <p>The Project Team will manage the customer notification and meter access process as follows:</p> <ol style="list-style-type: none"> 1. City will provide customer notification, in accordance with the City's AMR Communication Strategy, prior to field work starting in a given route. 2. Itron will "cold-call" (i.e., arrive without previously contacting the customer) at each premise and attempt access to the meter for installation, e.g., knock on customer's door prior to commencing with the meter change out. Appointments will be made for commercial customers requiring a meter change out <i>Field attempt one</i>. If the installer cannot gain access to the meter (inaccessible), a City supplied communication (door hanger) with the Itron call center telephone number included will be left for the customer instructing the customer to make arrangements for appointment. <i>Written attempt one</i>. 3. On a second occasion, Itron will perform an "after hours" cold call of the premise in an attempt to complete the work. <i>Field attempt two</i>. If Itron still cannot gain access to the meter another City supplied door hanger will be left. <i>Written attempt two</i>. Itron shall not work outside of hours noted under I.3.2.5 without prior consent of the City. 4. If access cannot be obtained via two "cold-calls", Itron will request customer data from City including name and customer contact data. Itron will attempt to contact the customer via telephone to gain access to the meter. A valid telephone attempt is: a) when the customer can be reached, b) when a message is left on an answering machine or voice mail, or c) when Itron has called the telephone number supplied by City and no answering machine or voice mail is available. Itron will make a minimum of three telephone attempts utilizing the telephone number supplied by City. A minimum of one telephone call must be attempted on Saturday or on a weekday after 5:00pm. 5. On a third occasion, Itron will make the 3rd cold-call attempt. If the customer is not home and meter is inaccessible, Itron will proceed to return the Work Order Data to City in accordance with the RTU procedure.
29.	Where appropriate, Itron will make three different types of attempts in the event that a meter is blocked before we forward the job back to City. Itron shall be responsible to complete the installation if the City secures an appointment within 10 days of receiving written or electronic notice from Itron.

No.	Assumption
30.	Electronic work order record provided by the City through Billing and/or CIS Systems to Work Order system will include, at a minimum, the customer's address, premise identification number, customer phone number, meter location, meter access notes, designation of replacement or retrofit, existing meter number, meter make, model and size, and most recent meter reading, location information. If telephone number is not available, Itron may attempt to locate telephone number using a reverse directory.
31.	For each meter installed in an outdoor vault, Itron shall capture GPS coordinates. For each meter located inside a building, Itron will attempt to capture GPS coordinates at the location of the endpoint or in proximity to the endpoint at the exterior of the premise. The installer will manually enter the descriptive location of endpoint if GPS coordinates are not available. The work order will be updated with the endpoint location information
32.	Digital photograph will be taken on work order exceptions.
33.	Field validation rules against old meter readings will be used during the installation process. Old readings falling outside the high / low parameters will require reentry by the installer. Additionally, a digital photograph will be captured for completed work orders failing validation. In all cases, Itron will record the number of dials and the found reading on the work order.
34.	Endpoints located in pits will utilize through-the-lid antennas to enhance read performance as needed. Itron and City will jointly address installation method for all pit meters in which the through the lid antenna or RF friendly lid is not practical.
35.	Itron will be responsible for removing any reasonable amount of dirt needed to access a meter in a meter pit or vault.
36.	Completed work orders shall include the following information: meter size and meter type, verification or correction of existing meter information, meter serial number, reading on meter, premise address information, endpoint ID number, reading on new meter register (if applicable), date and time of installation, name or employee number of installer, and notation of any problems encountered or repairs made.
37.	<p>Field collected data is reconciled every day; Itron will provide a report to City daily. Itron will ensure data sent to City is accurate. Data reconciliation activities involve:</p> <ul style="list-style-type: none"> • Verifying field collected old meter data matches data from City database (this validation is done in the field) • Reviewing previous meter readings with current meter reading (this validation is done in the field) • Reviewing GPS coordinates as mapped versus routes worked that day • Sorting and reviewing all new equipment serial numbers looking for missed scans or duplicate scans • Comparing meter size recorded In field to meter size in the master database (this validation is done in the field) • Comparing field collected endpoint serial numbers to endpoint data file files provided by Itron at time of product shipment. Note: Itron will provide the definition of the endpoint data file during the design phase of the Project. <p>During the reconciliation process, any accounts that contain discrepancies will be placed in an "exception" file. These accounts will not be transferred with the normal data upload file. The "exception" file will be further reviewed by Itron using the digital photographs and may required further field investigation. These accounts will only be uploaded following verification of the accuracy of the account data.</p>
38.	Meter Exchange Process: Prior to meter exchange Itron will remove excessive dirt from boxes.

No.	Assumption
	<p>Installation crews will work as teams to distribute materials, install equipment and collect data. Detailed installation procedures will be reviewed and approved by City prior to commencement of installations. Guidelines for meter exchanges are as follows:</p> <ol style="list-style-type: none"> 1. Notify the customer 2. Check meter for water flow to property 3. Check condition of service 4. Turn off water 5. Remove meter 6. Keep water level below meter connections 7. Clean meter spud ends as needed 8. Install new meter with new gaskets 9. Activate water slowly 10. Flush from residence to release any air in service line 11. Return to box after flushing and check for any leaks 12. Close meter box lid and return area to pre meter install condition.
39.	Itron or its subcontractors will not request or accept from any City customer any monetary or other compensation for any work performed.
40.	Itron or its contractors will not solicit business from or perform work for the City's customers while engaged on any contract associated with this project.
41.	Itron will process a work order as "can't complete" if there is there is no resident over the age of 18 in the home during the installation attempt. Further, if the customer is over 18 and refuses the installer access, the work order will be coded as "can't complete, refused". In both cases, the call center will attempt to schedule appointments with the customer. No meters are located within premises. Can't complete situations may include parked vehicle over meter box and owner not home to move vehicle.
42.	Itron will return removed meters from the field to the City's Maintenance Center who will properly dispose/recycle removed meters.

H.3.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Product Ordering	Sole responsibility; deliver the products in accordance to Deployment Plan.	Issue purchase order for products.
2.	Test integration points between Itron and the City systems.	Sole responsibility.	Support testing effort.
3.	Create configuration file for field installations of water endpoints.	Sole responsibility	N/A

No.	Task and Description	Itron Responsibility	Olympia Responsibility
4.	Provide an overview of the installation and scheduling process.	Sole responsibility.	Approval responsibility
5.	Provide agreed to daily, weekly, and monthly reports.	Sole responsibility.	Review and approve the installation and scheduling process.
6.	Deployment Management: <ul style="list-style-type: none"> • Manage field deployment activities • Manage field deployment quality and quality audits • Manage Endpoint inventory control process • Manage work order scheduling, completion and Work Order Data integrity • Manage installer hiring, training and safety program. 	Sole responsibility. Itron will provide installation services in accordance with requirements defined above, established procedures, and adherence to mutually defined schedules	Release work in accordance to installation schedule.
7.	Itron will provide Project Facilities with adequate parking that are centrally located within the meter deployment areas as required to support the endpoint deployment. Facilities will include space for: administration, inventory storage and parking.	Sole responsibility	N/A
8.	Itron will provide vehicles to support the Project. Vehicles will be marked with magnetic signage per the assumptions above.	Sole responsibility	N/A
9.	Itron will provide the necessary personnel to meet the endpoint, meter, and register installation commitments.	Sole responsibility	N/A

No.	Task and Description	Itron Responsibility	Olympia Responsibility
10.	<p>Field deployment personnel are subject to police record check to determine employee eligibility. The background check will include:</p> <ul style="list-style-type: none"> • Check for any criminal activity in any Province of residence. • Check for any criminal activity. • Check for any State criminal activity. • Check to verify a valid driver's license if operating a motor vehicle while performing the Field Services. • Drug testing will be conducted <p>In cases where the results from the background check are of some concern to Itron or the Contractor, City and Itron will review the case to determine the appropriate course of action. Names will not be shared during the review process; only specifics related to the case.</p>	Sole responsibility	Review background check where there is some concerns and support Itron in determining the appropriate course of action.
11.	Itron will train and qualify the field deployment personnel based on the job requirements for each employee. A combination of classroom training, written testing and practical performance testing shall be used. Field deployment work shall be completed in compliance with all applicable standards. Itron will adhere to City safety requirements.	Sole Responsibility	Providing Itron with copy of City's Safety requirements/manual.
12.	City and Itron shall work together to identify, document, and implement the City's or other pertinent local regulatory specific training and safety procedures, as mutually agreed. City is encouraged to participate in the training sessions and conduct audits of the work.	Sole responsibility to identify local regulatory training; responsible for learning local regulatory and safety procedures	Support Itron in identifying regulatory requirements.
13.	Ensure each field employee has proper photo identification badges when performing field work. ID badge will include, at a minimum, employee name, company name and telephone number. Employees will be required to visibly display badge while performing field work.	Sole responsibility to ensure each employee has an ID card when in the field	N/A

No.	Task and Description	Itron Responsibility	Olympia Responsibility
14.	City issued lanyard providing visual identification to citizens' that contractor works for the City.	Sole responsibility to manage identification lanyards provided by City. Lanyards are to be returned to City when project is completed or if contractor employee leaves before end of project	Process lanyard request in accordance with defined procedure.
15.	Itron will be responsible to place the appropriate door hanger to end customer if installation could not be made	Sole responsibility.	Provide "door hangers" to Itron.
16.	Itron will implement an asset management program to control consigned materials and supplies. All major materials, i.e., endpoints and seals will be accounted for weekly. A signed record of receipt or release is required for any major material component transfer. Endpoints that are installed in the field will be tracked via the work order system. Smaller materials and supplies will be accounted for weekly via a general lot count. Itron shall provide an asset management and inventory control report as part of its weekly reporting.	Sole responsibility.	Review weekly reporting materials and reconcile quantity as outlines in Exhibit B – Schedule A,B, and C
17.	Itron will utilize the subcontractor work order system for field deployment work order scheduling, processing, and reporting.	Sole responsibility.	N/A
18.	During the deployment City will provide Itron with a communication connection to the CIS system or access to CSR who can provide requested information.	N/A	Sole responsibility.
19.	Itron will request work order data at least thirty (30) days in advance.	Sole responsibility.	N/A
20.	City will refresh uncompleted work orders previously provided to Itron on a mutually agreed upon basis.	Load work order system with any updates.	Sole responsibility to provide refresh information.
21.	Itron will implement Deployment Plan to meet project goals. It is of the utmost importance that the development of the schedule and plan are synchronized with the following: <ul style="list-style-type: none"> • Meter Reading deployment goals and schedules • Network Device installation schedule 	Sole responsibility.	Participate in the development and implementation of the deployment plan.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
22.	City will review, modify and approve (as necessary) field deployment schedule submitted by Itron.	Submit field deployment schedule.	Sole responsibility to review, modify and approve field deployment schedule.
23.	Itron will staff field installation work during established work hours. Normal installation work hours are defined above. As required, but with prior approval from City, Itron will schedule installations for off-hours. Off-hours are defined as hours outside normal hours. Itron is responsible for any additional cost for off hours work.	Sole responsibility.	Review and approve of off-hours work prior to commencement of work.
24.	Itron will schedule appointments for commercial accounts where a meter change is required.	Sole responsibility.	Support coordination between Itron and commercial customers on site, if needed.
25.	Itron will install endpoints in accordance with the procedures defined herein or the agreed upon procedures.	Sole responsibility.	N/A
26.	City and Itron will mutually agree on the procedures for endpoint installations that cannot be completed in accordance via standard methods.	Evaluate and propose alternate installation procedures and methods.	Review and evaluate Itron's propose alternate installation procedures and methods.
27.	Itron will not install a water meter or endpoint where safe and reliable operation cannot be assured. Upon discovering an occurrence where a safe and reliable installation (such as flooded pit box, broken meter, suspected theft, broken curb stop, etc.) cannot be assured, Itron will contact City inspector for further review. Note: A flooded pit box may not be associated with a leak so water needs to be pumped out and situation assessed before contacting City inspector.	Notify Olympia of found condition and update work order.	Sole responsibility to address condition with the customer.
28.	When available, special notes about safety and special installation situations will be provided to Itron in the download file. If safe access cannot be provided for endpoint installation, Itron may return orders in accordance with the RTU process.	Complete the installation if City secures an appointment and safe and reliable operation can be assured within 10 days of receiving written or electronic notice from Itron.	Sole responsibility to secure safe access for endpoint installation.

No.	Task and Description	Itron Responsibility	Olympia Responsibility
29.	Itron will create an import file that includes completed work order data in the agreed upon format. Work orders with no data exceptions will be uploaded by 10:00 AM the next morning. Work orders with exceptions will have the exception addressed and the data uploaded within 48 hours.	Sole responsibility.	N/A
30.	City will confirm receipt of the import data file and post to CIS. City will validate the completion data in each file and notify Itron of any exceptions.	N/A	Sole responsibility.
31.	City will notify Itron of completed work orders received daily to the Billing and/or CIS Systems. Totals will be segregated by work orders posting directing to the Billing and/or CIS Systems and work orders creating an exception.	N/A	Sole responsibility.
32.	City will validate work orders posting to its CIS against records included in the work order system upload file. Itron and City will work together to identify the out of balance condition with Itron having responsibility to update the work order as required.	Mutual responsibility for resolving out of balance conditions.	Sole responsibility for posting to CIS; mutual responsibility for resolving out of balance conditions.
33.	City and Itron shall jointly work to resolve Work Order Data exceptions in a timely and efficient manner.	Itron will support City effort to resolve issues.	Sole responsibility to resolve Work Order Data exceptions.
34.	City will perform all necessary repairs to enable the safe installation of a water meter or meter module. Itron will not perform installation where safe and reliable operation cannot be assured. Upon discovering an occurrence where a safe and reliable installation cannot be assured, Itron will return the work order as outlined in the Meter Access Program.	N/A	Primary responsibility
35.	Itron will report theft of service issues and water leaks to the City designee.	Sole responsibility.	N/A
36.	City will be responsible for storage and salvaging of meters and registers.	Return replaced old meters and registers to City's storage facility for salvage.	Sole responsibility.

H.3.4. Call Center Description, Strategy and Completion Criteria

This deliverable governs the set up and operation of a Call Center to support endpoint installation activities.

H.3.5. Deliverable Assumptions

No.	Assumption
1.	Itron will provide a call center and a toll-free number that customers can call, with questions concerning the Project, or to report problems concerning installations.
2.	Itron will staff the call center with a sufficient number of customer service representatives to meet the ongoing project scheduling and customer response requirements. The caller response time shall be a maximum of 90 seconds (i.e. when placed on hold, callers shall wait a maximum of 95 seconds before speaking with a customer service representative).
3.	The call center should be staffed between the hours of 8:00 a.m. and 6:00 pm Pacific Time, Monday through Friday.
4.	The call center will be support English speaking customers.
5.	Itron will provide reports on caller wait time, hang ups and time of day activity at City's request.
6.	Should a customer contact the Itron call center with a complaint regarding an installation, the call center personnel will log the complaint directly into the customer's account within the Call Center database. The call log will contain the following information: <ul style="list-style-type: none"> • Customer Account • Service Address • Date and Time of Call • Name of Person Calling • Contact Phone Number (if different than listed in database) • Nature of Problem • Action to be Taken

H.3.6. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Provide appropriate facilities and equipment for operation of call center.	Sole responsibility.	N/A
2.	Manage customer appointment administration.	Sole responsibility.	N/A
3.	Provide a customer contact point person to handle customer inquiries regarding field deployments.	Sole responsibility.	N/A
4.	Manage customer claims administration	Sole responsibility.	N/A

No.	Task and Description	Itron Responsibility	Olympia Responsibility
5.	Itron will address all customer complaints and claims pertaining to work performed by Itron. Itron will document each customer complaint and notify the City Project Manager, as mutually agreed. City Project Manager will provide assistance to Itron for claims that cannot be resolved.	Sole responsibility to contact customer within 48 hours and resolve 95% or higher of reported complaints within 10 business days.	Support by reviewing the unresolved claims.

H.4. Communications Materials

H.4.1. Description, Strategy and Completion Criteria

This deliverable governs the customer communications materials that will be used to support endpoint installation activities.

H.4.2. Deliverable Assumptions The City will share with Itron a Communication Strategy, which in corporate both printed and electronic notifications to customers.

No.	Assumption
1.	City will provide – electronic and printed customer communication notifications and premise materials as defined in the City's AMR Communication Strategy
2.	All customer contacts, including both inbound and outbound calls, letters, and field attempts will be documented and made available to the City.

H.4.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Design communications program and customer communications material including, door hanger for uncompleted work orders,	Support as needed. Provide samples upon request.	Sole responsibility approval of all customer communications.
2.	Order customer communications materials;	N/A	Sole responsibility.
3.	Provide supply of customer communications materials (door hangers).	N/A	Sole responsibility.
4.	Coordinate customer contact program	Primary Responsibility.	Provide a list of customers to be contacted.

I. System Deliverable: Training

I.1. ChoiceConnect System Training

I.1.1. Description, Strategy and Completion Criteria

Training will be performed throughout the Project to ensure that users have appropriate knowledge to install and operate the System. Note that some training efforts are included in other deliverables and noted below.

I.1.2. Deliverable Assumptions

No.	Assumption
1.	Unless otherwise agreed to by City and Itron, all training will take place at an City facility. A minimum of thirty days prior to training, Itron will provide training facility requirements to City so the appropriate preparations can be made. Training class size will be between 8 and 12. City will make appropriate staff and facilities available for training.
2.	City data will be used in training when available. A minimum of 2 weeks of City data is recommended to get maximum benefit from the training
3.	City and Itron will mutually agree on training schedule; consideration will be given to the Itron staffing plan defined herein.
4.	A minimum of two weeks prior to a training session, Itron will provide a detailed outline of each training session that includes both the objective of the course and identifies the target training audience (e.g. installers, billing, supervisors, etc.)
5.	Itron will provide standard documentation and training aids electronically in English to support training activities.
6.	Additional training, either in an City facility or remotely, is available through Itron on a time and material basis.
7.	Itron will provide experienced and trained instructors focused on delivering training to the City.
8.	Itron shall train City computer support personnel on software administration, backup, data schema, report creation and other features and procedures required for support of the software.

No.	Assumption
9.	<p>Operator training will include:</p> <ul style="list-style-type: none"> • Confirm Network Device connectivity to Collection Engine • Perform daily operations • Setup billing properties • Manage routes • Recognize exceptions • Roll back a software update group • Remove software version from database • Managing Network Device groups • Setup communication parameters • Change Endpoint type exclusion list • Setup Call-In Parameters • Monitoring System health • View Collector information • View Endpoint data • System automation • Monitoring data synchronization routines
10.	<p>Monitoring System Health and Network Device training will include:</p> <ul style="list-style-type: none"> • How the System is operating • Alarms • Event Logs • % of Endpoints Read • How to tell if Endpoints are not reporting reads • % of Network Devices reporting reads <ul style="list-style-type: none"> ○ How to tell which Collectors or Repeaters are failing • Leak Detection • Exception reports • Creating Export Files <ul style="list-style-type: none"> ○ Daily Reads Export ○ Configure Interval Data Export ○ Tamper Export File • Route Management
11.	<p>Administrator training will include:</p> <ul style="list-style-type: none"> • Understanding of the system environment, system overview and dataflow • System setup • Software troubleshooting • Server maintenance • WAN, LAN, Firewall, Web Server and Message Processor setup • Security setup • Installation and configuration of new software releases

No.	Assumption
	<ul style="list-style-type: none"> • Database maintenance • Backups, restores, event logs and archiving
12.	Collector and Repeater training will include: <ul style="list-style-type: none"> • Replacing Collectors and Repeaters • Collector installation including ICS • Mounting & Antenna • Power options • Installation procedure • What information to gather
13.	Review of System reports will include: <ul style="list-style-type: none"> • Collector and Repeater communications report • Network Device outages report • Endpoint communications report • Hands-on System Administration Training • Product User Training for End Users (i.e., Operations, Sales and Marketing Team rollout, after customer configuration).

I.1.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	System operation and maintenance training (IT specific; security, database, backup, etc)	Sole responsibility to schedule and conduct training.	Provide facility and participate in this training
2.	Network Device installation, configuration, troubleshooting and maintenance training	Sole responsibility to schedule and conduct training.	Provide facility and participate in this training
3.	ChoiceConnect Collection Engine and Data Repository functional training including: <ul style="list-style-type: none"> • Performance monitoring and statistics • Scheduling of jobs • Network statistics • Endpoint and Network Device maintenance • Application and System maintenance • ChoiceConnect expansion procedures 	Sole responsibility to schedule and conduct training.	Provide facility and participate in this training
4.	Network monitoring and System performance training	Sole responsibility to schedule and conduct training.	Provide facility and participate in this training

No.	Task and Description	Itron Responsibility	Olympia Responsibility
5.	MV-RS, FC300, Mobile Collector and reading operations training	Sole responsibility to schedule and conduct training.	Provide facility and participate in this training

J. System Deliverable: Acceptance

J.1. Acceptance

Pilot System Acceptance and Final System Acceptance are defined in the Contract for Purchase/Installation of AMR System, Section 8.A

J.1.1. Description, Strategy and Completion Criteria

At the end of this deliverable, endpoints and the ChoiceConnect system shall be accepted by City.

J.1.2. Deliverable Assumptions

No.	Assumption
1.	<p>Final System Acceptance preparation process includes the following:</p> <ul style="list-style-type: none"> • City and Itron agree on Final System Acceptance start date • Endpoint baseline to be included in Final System Acceptance defined for all Available endpoints • Updated device maintenance file provided by City • Unavailable Endpoints tagged on tool for exclusion • Itron produces unavailable Endpoint review • City reviews and approves unavailable Endpoints • Performance monitoring begins • Itron produces daily reports to track performance • Daily meetings conducted to review status • After 30 calendar days, final report produced
2.	<p>Should the Final System Acceptance test fail, the following cure process will be followed:</p> <ul style="list-style-type: none"> • City notifies Itron in writing of performance gap (System Acceptance Deficiency Notification). • Itron provides resources to identify cause with City providing (a) Remote access to system; and (b) Field data on City completed and pending field investigations (affected endpoints and network devices). • Itron to identify cause and provide City with resolution strategy within forty-five days (45) of System Acceptance Deficiency Notification notice. • Itron allocates the appropriate level of resources to complete the necessary activities to meet performance requirements in a timely manner, but no later than ninety (90) days from notice assuming all activities associated with the fix is within Itron's control. • Final System Acceptance testing is again initiated.

J.1.3.Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Notify City that all work orders are complete and accepted as defined herein (Installation Acceptance).	Sole responsibility.	Review and approve installation acceptance.
2.	Submit System Acceptance schedule defining start and stop dates.	Sole responsibility.	Review and Approve system acceptance schedule.
3.	Performance monitoring is initiated using the Network Application System as the monitoring vehicle.	Sole responsibility.	Review and comment on performance monitoring.
4.	Produce daily performance reports on endpoint performance measurements.	Sole responsibility.	Review and comment
5.	Generate Final System Acceptance form	Create form and approve.	Comment and approve as necessary.

K. System Deliverable: System Operations

K.1. System Operations

K.1.1. Description, Strategy and Completion Criteria

Upon ChoiceConnect Application Software transition and Endpoint acceptance, City will commence monitoring the System and performing maintenance activities as required. This is an ongoing effort during and after the Build phase.

K.1.2. Deliverable Assumptions

No.	Assumption
1.	City will provide Itron an administrator account on all ChoiceConnect Application Software servers for remote Itron access. This will include VPN (or equivalent) access to the System as agreed between City and Itron.
2.	City will have responsibility to ICS Collectors after Collector Acceptance.
3.	Itron and City will mutually agree to remote System access process to be used after System Acceptance. Process will be shared with Itron Customer Support during transition meeting.
4.	<p>Itron and City will provide an operation and maintenance document required to optimize performance of the System. City will be responsible to utilize the processes defined to operate and maintain the System. City will also be responsible to maintain the operations and maintenance document after Project is closed.</p> <p>The operation and maintenance document will include:</p> <ul style="list-style-type: none"> • Process to investigate & resolve non-responding Endpoints timely • Address Endpoint and network alarms timely • Approved installation process • Policy to address vandalism • Manage System's IT environment • Process to address environmental or structural issues impacting performance

K.1.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Post – Acceptance Performance Reporting of Endpoints and routes.	Provide training on using network reports to identify non-responding Endpoints.	Sole responsibility, participate in training.
2.	System maintenance and updates: ChoiceConnect Application Software updates as required	Provide updates via warranty and maintenance service agreements.	Sole responsibility to implement updates after Endpoint acceptance

No.	Task and Description	Itron Responsibility	Olympia Responsibility
3.	Investigation of non-responding and poorly performing Endpoints	Sole responsibility prior to Endpoint acceptance; support after Endpoint acceptance	Sole responsibility after Endpoint acceptance.
4.	Provide operation documentation.	Sole responsibility to provide baseline documentation of operation procedures	Support and customize documentation to meet the specific operational needs.
5.	Investigation of network performance issues	Sole responsibility pre-acceptance; Support after acceptance.	Sole responsibility after Endpoint acceptance.
6.	Normal meter maintenance after End Point acceptance.	N/A	Perform normal meter maintenance activities such as module or meter exchanges due to vandalism and customer status changes.

L. System Deliverable: Transfer and Project Close

L.1. Transfer and Project Close

L.1.1. Description, Strategy and Completion Criteria

To provide a smooth transition and Project close, Itron and City will perform closeout activities when the installation (Build Phase) is complete. This deliverable will be completed when operations have transferred to City and the Project is closed.

L.1.2. Deliverable Assumptions

No.	Assumption
1.	City will provide facilities and staff for transfer activities.
2.	City and Itron will review City's ability to manage and support the System by reviewing staff and processes being used by the City.

L.1.3. Deliverable Tasks

No.	Task and Description	Itron Responsibility	Olympia Responsibility
1.	Review City's readiness and knowledge to assume System ownership. Consider the following: <ul style="list-style-type: none"> • Business case expectations • Operations and maintenance procedures • Tools & systems • Knowledge and experience of staff 	Support	Sole responsibility to ensure appropriate staff are trained, distribute O&M manuals.
2.	Inventory reconciliation.	Sole responsibility	Review and approve final quantity.
3.	Return or transfer of inventory and installation materials	Shared Responsibility	Shared Responsibility
4.	Release of Project facility and resources.	Sole responsibility	N/A
5.	Final Project billing.	Sole responsibility	Review an approval of final billing.
6.	Transition to Support Plan Initiated (meeting scheduled with Itron Support Services to discuss designed solution and support plans).	Sole responsibility	Review transition plan.
7.	Transition to Support Plan Completed and Transition meeting conducted.	Sole responsibility.	Review and accept Support Plan and attend transition meeting

No.	Task and Description	Itron Responsibility	Olympia Responsibility
8.	Project Final Report (directory of all deliverables) Completed	Sole responsibility	Review & sign-off
9.	Sign-off on Contract Completion Sign-off document	Prepare the document and submit for review/sign-off.	Review and sign upon agreement of completion. Issue Final Acceptance letter to Itron.

M. Appendix A - Definitions

This section provides definitions for key terms referred to in this document.

Term	Definition
100W Water endpoint Module	Water AMI Endpoint. A high-powered, two-way, radio frequency device. When attached to a water meter, obtains consumption, data logging and tamper information from the meter and communicates the data via radio to a data collection device.
AMI	Advanced Metering Infrastructure
AMR	Automated Meter Reading
API	Application Programming Interface
Available Endpoint	Endpoint that meets the following criteria <ul style="list-style-type: none"> • Has been Accepted; • Is not damaged or vandalized by a third party; • For which the Customer has provided Itron with accurate and up-to-date account information; • If Customer installed, is mounted according to agreed upon installation processes; • Does not have a pending investigation or maintenance work order (i.e. is not a previously reported non-responding Endpoint); • In network systems, assumes the backhaul is properly functioning; • Assumes the ChoiceConnect Application is on-line and communicating with collection devices; • Excludes any Endpoint where unanticipated RF blocking has occurred since installation; examples include building and other permanent or semi-permanent structures; temporary signal block impacting communications capability of the Endpoint.
Billing Read	A consumption meter reading that is delivered during the two calendar day billing window.
Billing System	City Billing System. For the purpose of this document, it may also be referred to as the Customer Information System (CIS).
Build Schedule	Schedule developed by the Project Team and used by Itron to procure parts and build endpoints and meters in accordance with the Project schedule. The Build Schedule must be determined months in advance to ensure on-time deliveries. The Build Schedule will be reviewed monthly and updated by the Itron Project Manager.
Business Solution Document (BSD)	Business Solution Document (BSD) details the System functionality to be implemented and the plans to integrate the System functionality into the City's operational processes. The BSD also outlines the data flow associated the capabilities of the System.
CIS	Customer Information System.
Collector	Used in a ChoiceConnect solution to collect data directly from Endpoints, and then forward the data to a host processor via the WAN.

Term	Definition
CSR	Customer Service Representative. A person that works in the City call center.
Customer Project Manager	City Project Manager with responsibilities defined in the roles and responsibilities section of this document.
Daily Read	A standard consumption meter read delivered to the Choice Connect Application on a calendar day.
Data Repository	Interfaces with the Collection Engine to serve as the long-term data store for collected Endpoint data. User interface is available to perform queries and analysis of the Endpoint data.
Endpoint Tools	Tool used by field technicians to program endpoints.
ERT/Endpoint	An Itron module that transmits reads and other information over via radio frequency communications. Also an endpoint.
FDM (Field Deployment Manager)	Itron work order management system used by Itron to deploy endpoints and meters. FDM manages installation work orders, quality assurance work orders and maintenance work orders (as required).
FC300	Itron handheld computer used to program and interrogate endpoints.
Fixed Network Application Server	Also referred to as the host processor, head end, or collection engine, the Fixed Network Application Server controls operations of the Choice Connect collection system.
FSR	Field Service Representative or field installation technician.
FTP	File Transfer Protocol.
GPRS	General Packet Radio Service. Cellular service. Packet-based, always-on, Internet Protocol (IP) based, data service utilized as a backhaul for network systems.
HDL	Host Download file. File from the City CIS system to the Itron P4 meter reading system.
HUL	Host Upload file. File from the Itron P4 meter reading system to the Customer CIS system.
ICS	Initial Configuration Set-up. Process of initializing the configuration in Fixed Network Collectors. The process includes setting the back-haul method.
Interval Read	An hourly meter reading message.
IT	Information Technology.
Joint Responsibility	Requires both parties to work together to deliver a task. An example of "joint responsibility" is that the City and Itron will work together to address certain project issues or tasks; such as meter vault locations.
LDS	Leak Detection System.
Meter Data Management System	A data management solution designed to store meter data and provide isolation of business processes and business systems from the details of metering and meter data collection in multi-technology environment.
Mobile Collector	Itron data collection device, typically installed in a City vehicle, used for meter reading purposes.

Term	Definition
Sole Responsibility	This is the sole owner of a task or deliverable. The party is responsible for this activity. An example of “sole responsibility” – Itron is responsible to deliver hardware to the City. Another example: The City is responsible to implement and test a backup and disaster recovery process for the application.
Procurement	Party responsible to purchase equipment for the project. An example of procurement is the City to purchase hardware to run the applications provided by Itron.
Provides Support	The City will provide support on an as needed basis to ensure that the project is successful. An example of “provides support” is helping with access issues to install NW equipment and/or a meter or ERT.
Repeater	Collects meter data from Itron Endpoints and relays it to Collectors in an Itron network. Repeaters are used to extend the range of the network and add reliability and redundancy to the communication path between Endpoints and Collectors.
RMA	Return Material Authorization.
Return to Utility or RTU	<p>Return to Utility Work Order. The FSR cannot complete the work due to some situation encountered in the field and we do not want to attempt again. The job is recorded as a completed job and is not available to be assigned on another day.</p> <p>Valid RTU reason codes typically include:</p> <ul style="list-style-type: none"> • Meter is damaged and must be exchanged • Meter seal is missing or tampering expected • Meter model cannot support and Endpoint • Due diligence (completed steps defined in the meter access program). • Customer refuses access or refuses to allow installation of AMR <p>City and Itron will review RTU Work Orders regularly. If RTU’s are not considered valid, City will return the work order to Itron.</p>
Route Release Schedule	Schedule used by the Project Team for the release of Work Order Data to Itron. Route Release Schedule will be reviewed weekly by the Project Team.
S/N	Serial Number
TAD	Technical Architecture Design. A document used during the Project requirements phase.
UCE	Universal Calculation Engine. Functionality offered in Itron Enterprise Edition.
VEE	Validation and Estimation Engine. Functionality offered in Itron Enterprise Edition.
VPN	Virtual Private Network.
WAN	Wide Area Network. Also known as backhaul. The communication solution between the Collector and the Collection Engine.
Work Order Data	Deployment data used by the work order management system.
XML	Extensible Markup Language.

N. Appendix B - Change Control Form

A Project change order (Change Order) will be the vehicle for communicating changes. The Change Order will describe the change requested, the rationale for the change, the estimated price and the effect the change will have on the Project. All Change Orders must be approved by City.

DATE:	5/3/2012	CHANGE ORDER NO:	1
PROJECT:	0	ORIGINAL CONTRACT AMOUNT:	\$
PROJECT #:	0	CONTRACTOR:	0
CONTRACTOR:	0	UNDER ESTIMATE NO:	0

DATE:	5/3/2012	CHANGE ORDER NO:	1
PROJECT:	0	ORIGINAL CONTRACT AMOUNT:	\$
PROJECT NO:	0	CONTRACTOR:	0
CONTRACTOR:	0	UNDER ESTIMATE NO:	0

This change order agreement shall be full compensation for implementing the proposed change in the Work, including any adjustment in the Contract Sum or Contract Time, and including compensation for all delays in connection with such change in the Work and for any expense or inconvenience, disruption of schedule, or loss of efficiency or productivity occasioned by the change in the Work.

SUMMARY OF PROPOSED CHANGE:
Following describes the proposed change in the Work:

ITEM	DESCRIPTION	Unit	Unit Price	Quantity	Increase	Decrease
A			\$	-	\$	-
B			\$	-	\$	-
C			\$	-	\$	-
D			\$	-	\$	-
SUB TOTAL					\$	-
NET INCREASE/DECREASE					\$	-
PREVIOUS CHANGE ORDER TOTALS					\$	-
TOTAL CHANGE ORDERS					\$	-
TOTAL NET					\$	-
TOTAL CHANGE ORDER % OF ORIGINAL CONTRACT #DIV/0!						

RECOMMENDED FOR APPROVAL BY:

CONSTRUCTION INSPECTOR: _____ DATE: _____
 PROJECT ENGINEER: _____ DATE: _____
 PROJECT MANAGER: _____ DATE: _____

APPROVED BY:

CONTRACTOR: _____ DATE: _____
 ASSISTANT CITY ENGINEER: _____ DATE: _____
 TECHNICAL SERVICES DIRECTOR: _____ DATE: _____

O. Appendix C - Milestones

Milestones are measured from the start of the project which occurs at the project kick-off meeting.

Itron will work with City to create Project schedule that meets the scheduled deliverables and measurements below.

Deliverable	Measurement	Due Date
Choice Connect Software Accepted	Completed and approved test plan documents executed by City and Itron. Specific tests include: <ul style="list-style-type: none"> • Functional • Integration • End to End Itron and City will mutually agree on the contents and details of the test plan and measurements criteria.	Four(4) months after project start
Pilot Test Acceptance	Refer to Pilot Test Acceptance criteria defined in Appendix E.	Four(4) months after project start
Acceptance of 6,000 meter modules.	Monthly Acceptance reports will be used to track performance against plan. Acceptance of the meter will occur after two consecutive days of network reads.	Six(6) months after project start
Acceptance of 12,000 meter modules.	Monthly Acceptance reports will be used to track performance against plan. Acceptance of the meter will occur after two consecutive days of network reads.	Eight(8) months after project start
Acceptance of 18,000 meter modules.	Monthly Acceptance reports will be used to track performance against plan. Acceptance of the meter will occur after two consecutive days of network reads.	Eleven(11) months after project start
System Acceptance	System Acceptance performance criteria are achieved over a 30-day period.	Twelve(12) months after project start

P. Appendix D – Quality Program

Itron's quality program will consist of the following:

Project Management Quality Control

Itron will implement a quality program to be used to implement the Project. The outline of the quality program is defined below. During the design phase of the Project, Itron will work with City to refine the program to achieve the expected results of the Project. It will be the responsibility of the Itron Project Manager to implement and manage the quality program, which will include monthly program quality reports. The Program will consist of the following:

Best Practices Processes and Procedures

Working in conjunction with City, Itron will develop the necessary processes and procedures to ensure the Project is delivered with a focus on quality. These procedures will be documented in the Work Plan with City having approval responsibility. To manage compliance, Itron will implement controls that are understood by all parties and managed and reported on by the Project Manager. Risks associated with compliance issues will be reported on during the risk review meetings.

Staffing and Training

Prior to hiring an FSR, Itron will perform prescreening test (drug, police check) as defined in the Work Plan. Only after prescreening test are cleared will an FSR come in for training, which includes testing to validate the FSR learned the necessary requirements of the training session. Training will be conducted on customer service, customer communications, safety, Endpoint installation and programming, and use of the hand held units. Specific training requirements are defined in the Work Plan.

Customer Inquiries and Complaints

As defined in the Work Plan, all customer inquiries, including complaints and claims against Itron or contractors, are tracked and reported on during the weekly Project meetings. Complaints and claims will be addressed timely with Itron producing the appropriate reports.

Contractor Management

Itron will implement a stringent quality assurance process for work completed by our partners. The quality assurance process will consist of the following:

Safety – regular safety audits will be conducted by Contractor management during the course of the Project. The audits will ensure compliance to identification, vehicle logos, drivers license, safety clothing and other required employee expectations. Further, follow-behind safety audits will be conducted by the Contractor management team to validate the FSR's are following documented procedures and processes.

Network – using an Itron Field Engineer, Itron will perform an audit on 100% of the Collector installations and 100% of the Repeater installations completed by the Contractor. The audit will validate contractor work aligns with documentation (pre-built documents, installation manuals) and RF performance is as expected. Results of the audits are documented and used to create the as built network documentation.

Endpoints – Itron will attempt to inspect and audit 100 percent of all work orders completed by new hires for a period of 10 working days from the date the installer begins field work. These audits occur within two days of the installation. All errors will be reviewed with the installer and the appropriate follow-up

training provided. After this initial 10-day period, 5 percent of each installer's work orders will be audited on a monthly basis. If an installer's errors are found to be in excess of one percent, or appear to be specific to one meter type code, the installer will be removed from the field and retrained. Itron will attempt to inspect and audit 100 percent of the retrained installers work for 10 consecutive working days following retraining. Any significant error in that 10-day period will result in the installer being permanently removed from the field.

Work Order Data Integrity Assurance

Understanding that installation and CIS meter data are not always perfect, FSR's will be able to complete the installation of the Endpoint in which actual meter data doesn't match expected CIS data. In this case, the work order system will flag these mismatches as exceptions. These exceptions will be managed by the back office using digital photographs and other data. In the unlikely event the exception cannot be cleared using photographs or data, a work order will be generated and a field revisit scheduled with a supervisor.

Performance Management

As defined in the Work Plan, Itron will accept Endpoints during the course of the Project after performance criteria is achieved. Following, City will manage performance of the accepted Endpoints in accordance with the documentation provided by Itron. Following the completion of the build phase, Itron will initiate final system acceptance which will validate performance of the System. When the Project is complete and the System is transitioned, it is operating at peak efficiency with City trained and prepared to take complete ownership going forward.

Q. Appendix E - Server Sizing

Network Collection Engine Server Sizing Requirements

	<u>Database Server</u>	<u>Web Server</u>
Storage (days)	400	N/A
Server	HP DL360 G7 (2U)	HP DL160 G6 (1U)
CPU	1 x Quad Core Xeon E5620	1 x Dual Core Xeon E5503
RAM	6 GB	3 GB
Disk (Internal)	2 x 146 GB	2 x 146 GB
O/S	Microsoft Windows Server 2003 R2 Standard x64 Edition, Service Pack 2 Microsoft SQL Server 2005 Standard x64 Edition, Service Pack 4	Microsoft Windows Server 2003 R2 Standard x64 Edition, Service Pack 2
Database SW		N/A
DB Backup SW	Uses MS SQL Server (above)	N/A

Notes:

RAM is DDR3 PC3-10600R-DIMM

Note: Specific disk storage configuration parameters, including controllers, disk drives, formatting, partitions, RAID configuration, and SQLIO measurements.

MVRS Server Sizing Requirements

	<u>Server Hardware</u>
CPU	550 MHz
RAM	256 MB
Disk (Internal)	2.9GB
O/S	Windows Server 2008 (32 bit and 64 bit)
Database SW	Pervasive 11 Server/Client
Peripherals	Monitor, Mouse and CD-ROM Drive Recommended

R. Appendix F – WO System Requirements

Upon project commencement, Itron with support from City will formalize WO System interface requirements based on overall project needs. Below are the baseline file interface requirements that are expected. File format shall be CSV or MS Excel format and frequency shall be mutually agreed upon over the duration of the project. Work Orders will be released based on Cycle and Route schedule and provided in meter reading sequence from City.

From Host:

- Residential or Commercial Designation
- Location ID
- Account number
- Meter sequence number
- Cycle number
- Route number
- Meter size
- Meter type
- Street name
- Street number
- Old meter number
- Last read date
- Last read
- Meter reader instructions if any of the above

To Host:

- New meter number
- Found reading
- New register number
- New transponder number
- Set reading
- Exchange date
- Type of meter box lid
- Longitude
- Latitude
- Installer ID
- Any other field notes requested by City

Note: To host fields will be delivered in addition to those specified in the From Host above.

EXHIBIT VII

STATEMENT OF COMPLIANCE WITH
NON-DISCRIMINATION REQUIREMENT

The Olympia City Council has made compliance with the City's *Non-Discrimination in Delivery of City Services or Resources* ordinance a high priority, whether services are provided by City employees or through contract with other entities. It is important that all contract agencies and their employees understand and carry out the City's non-discrimination policy. Accordingly, each City contract for services contains language that requires an agency to agree that it shall not discriminate against an employee or client on the grounds of race, creed, color, national origin, age, sex, marital status, veteran status, sexual orientation, or the presence of any disability. Indicate below the methods you will employ to ensure that this policy is communicated to employees and clients.

_____ affirms compliance with the City of Olympia's
(Print Agency Name)

non-discrimination ordinance and contract provision by **two or more of the following actions:**

- Text of non-discrimination contract provision is posted on printed material with broad distribution (newsletters, brochures, etc.).
 - What type, and how often? _____
- Text of non-discrimination contract provision is posted on each application for service.
- Text of non-discrimination contract provision is posted on the agency's web page.
- Text of non-discrimination contract provision is included in human resource materials provided to job applicants and new employees.
- Text of non-discrimination contract provision is shared during meetings.
 - What type of meeting, and how often? _____
- If, in addition to two of the above methods, you use other methods of providing notice of non-discrimination, please list:

By signing, I acknowledge compliance with the City of Olympia's non-discrimination ordinance.

Failure to implement the measures specified above constitutes a breach of contract

(Signature)

(Date)

Alternative Section for Sole Proprietor: I am a sole proprietor and have reviewed the statement above. I agree not to discriminate against any client, or any future employees hired, on the grounds of race, creed, color, national origin, age, sex, marital status, veteran status, sexual orientation, or the presence of any disability.

(Sole Proprietor Signature)

(Date)

END EXHIBIT VII

EQUAL BENEFITS COMPLIANCE DECLARATION

Contractors on City contracts estimated to cost \$50,000 or more are required to comply with Olympia's Equal Benefits Ordinance, and must complete **both pages** of this Equal Benefits Compliance Declaration. Please note: No City contract can be executed until the contractor has completed this Declaration and submitted it to the City.

SECTION 1: Contractor Information

Name of Contractor: _____ Contact Person: _____

Phone Number: _____ Fax: _____ Email: _____

Approximate Number of Employees in the U.S.: _____ Project #: _____

SECTION 2: Compliance with Equal Benefits Ordinance

1. Does the contractor have any employees? YES NO

If the answer to Question 1 is "NO", the contractor qualifies for **Option C** on Page 2 of this Declaration.

If the answer to Question 1 is "YES", continue to Question 2.

2. a. Does the contractor provide, or offer access to, health insurance benefits to employees, or to the spouses of employees?*

YES NO

b. Does the contractor provide, or offer access to, health insurance benefits to employees, or to the domestic partners of employees?*

YES NO

* (Please Note: for 2(a) and (b), the answer must be "YES" even if the employees must pay for some or all of the cost of spousal or domestic partner benefits.)

If the answers to both Questions 2(a) and 2(b) are "NO", the contractor qualifies for **Option B** on Page 2 of this Declaration.

If the answer to either Question 2(a) or 2(b) is "YES", continue to Question 3.

3. **BENEFITS PROVIDED**

If the contractor provides employee health insurance benefits, please indicate so on the list below. If the contractor provides equal benefits, for each "Yes" marked in one column, there should be a corresponding "Yes" marked in the other column.

EMPLOYEE BENEFIT	FOR SPOUSES		FOR DOMESTIC PARTNERS	
Health Care	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Dental Care	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Vision Care	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO

If the answers to Question 3 indicate that the contractor provides equal benefits, the contractor will be in compliance with the Equal Benefits Ordinance and qualifies for **Option A** on Page 2 of this Declaration.

If the answers to Questions 3 for any listed benefits are "YES" in the spouse column and "NO" in the domestic partner column, continue to Question 4.

4. Does the Contractor provide a cash equivalent of insurance benefits to the domestic partners of employees?

YES NO

If the answer to Question 4 is "YES," the Contractor qualifies under Option D on Page 2 of this Declaration.

If in response to Question 3 for any listed benefit both a "YES" and a "NO" answer have been given, and in response to Question 4 the contractor DOES NOT provide a cash equivalent, the contractor is not in compliance with the Equal Benefits Ordinance.

THE CITY OF OLYMPIA

CITY CONTRACTS – NON-DISCRIMINATION IN BENEFITS (Equal Benefits Ordinance)

Please Note: No City contract can be executed until the contractor has completed both pages of this Declaration and submitted it to the City.

EQUAL BENEFITS COMPLIANCE DECLARATION

I, _____
(Name)

on behalf of _____,
(Contractor Name)

declare that said Contractor complies with the Equal Benefits Ordinance by:

(Choose **ONE** of the following)

Option A

Offering equal benefits, as defined by the Equal Benefits Ordinance, to employees with spouses and employees with domestic partners.

Option B

Offering benefits neither to the spouses nor to the domestic partners of employees.

Option C

Having no employees.

Option D

Offering a cash equivalent.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this _____ day of _____, 20____, at _____,
(City)

(State)

Signature

Name (please print)

Title

Contractor Tax Identification Number

EQUAL BENEFITS COMPLIANCE DECLARATION

A contract awarding authority may waive requirements under the following conditions by completing this form and attaching to the appropriate Compliance Declaration. Documentation should be attached to this form.

The contract awarding authority waives equal benefits requirements because:

- Award of a contract or amendment is necessary to respond to an emergency.
- The contractor is a sole source.
- No compliant contractors are capable of providing goods or services that respond to the City's requirements.
- The contractor is a public entity.
- The requirements are inconsistent with a grant, subvention or agreement with a public agency.
- The City is purchasing through a cooperative or joint purchasing agreement.

Department

Contract Awarding Authority (Signature)

Contract Awarding Authority (Print)

Date

End Exhibit VIII

EXHIBIT IX

PERFORMANCE BOND
TO CITY OF OLYMPIA, WA

The City of Olympia, Washington, (City) has awarded to Itron, Inc. (Principal), a contract for the construction of the project designated as The Automated Meter Reading System Services (AMR) Project No. 1138P in Olympia, Washington, and said Principal is required under the terms of that Contract to furnish a bond for performance of all obligations under the Contract.

The Principal, and _____ (Surety), a corporation, organized under the laws of the State of _____, and licensed to do business in the State of Washington as surety and named in the current list of "Surety Companies Acceptable in Federal Bonds" as published in the Federal Register by the Audit Staff Bureau of Accounts, U.S. Treasury Dept., are jointly and severally held and firmly bound to the City, in the sum of _____ US Dollars (\$ _____) Total Contract Amount, subject to the provisions herein.

This statutory bond shall become null and void, if and when the Principal, its heirs, executors, administrators, successors, or assigns shall well and faithfully perform all of the Principal's obligations under the Contract and fulfill all the terms and conditions of all duly authorized modifications, additions, and changes to said Contract that may hereafter be made, at the time and in the manner therein specified; and if such performance obligations have not been fulfilled, this bond shall remain in full force and effect.

The Surety for value received agrees that no change, extension of time, alteration or addition to the terms of the Contract, the specifications accompanying the Contract, or to the work to be performed under the Contract shall in any way affect its obligation on this bond, and waives notice of any change, extension of time, alteration or addition to the terms of the Contract, the specifications or the work performed. The Surety agrees that modifications and changes to the terms and conditions of the Contract that increase the total amount to be paid the Principal shall automatically increase the obligation of the Surety on this bond and notice to Surety is not required for such increased obligation.

This bond, may be executed in two (2) original counterparts, and shall be signed by the parties' duly authorized officers. This bond will only be accepted if it is accompanied by a fully executed and original power of attorney for the officer executing on behalf of the surety.

PRINCIPAL

SURETY

Principal Signature Date

Surety Signature Date

Printed Name

Printed Name

Title

Title

Name, address, and telephone of local office/agent of Surety Company is:

CITY OF OLYMPIA
Approved as to form:

City Attorney

Date

