



**AVEVA Flex Software Subscription Agreement  
City of Chandler Public Works and Utilities**

**1. SUBSCRIPTION AGREEMENT**

This Subscription Agreement (“Agreement”) is made on July 1, 2025 (“Effective, Date”) between the City of Chandler, a municipal corporation, with a principal place of business at 175 S. Arizona, Avenue Chandler, AZ 85225 (“City” or “End-User”), and Q-mation, Inc., a Pennsylvania corporation, with a principal place of business at 425 Caredean Drive, Horsham, PA 19044 (“Q-mation” or “AVEVA”) (City and Q-mation individually referred to as “Party” and collectively “Parties”).

**2. LICENSE REPLACEMENT**

The Parties hereby agree that any perpetual or subscription access licenses granted by AVEVA to End-User in any previous agreement or otherwise are hereby (1) canceled and replaced with the equivalent subscription licenses (“Subscription Licenses”) listed in section 5 below.

**3. AGREEMENT TERM**

The Agreement begins on the Effective Date. The Agreement will run for three (3) consecutive years, with the expiration date set at June 30, 2028.

**4. SUPPORT SERVICES**

Provided with this agreement, for the entire three (3) year term, is **AVEVA Customer First – Premium Level**, which provides access to AVEVA Technical Support, and distribution of license upgrades. Further details of the support services included with the agreement are noted in Exhibit 1.2.

**5. AGREEMENT FEES TERM**

The City is expected to issue a purchase order for the amounts stated below by July 31 of each calendar year this multi-year agreement is in place.

The Base amounts are shown below. Annual fees will be based on increased FLEX Subscription license usage, additional sites, and divestiture adjustments.

| <b>AVEVA FLEX Agreement*</b> | <b>Year 1 Total<br/>July 1, 2025 thru<br/>June 30, 2026</b> | <b>Year 2 Total<br/>July1, 2026 thru<br/>June 30, 2027</b> | <b>Year 3 Total<br/>July1, 2027 thru June<br/>30, 2028</b> |
|------------------------------|-------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| <b>Base Amount</b>           | <b>\$105,095</b>                                            | <b>\$110,340</b>                                           | <b>\$115,840</b>                                           |

**\*Note:** The AVEVA FLEX Agreement is calculated on a basis of 6248 total FLEX credits per year.

**The follow flex and legacy licenses are covered in this Agreement:**

**Flex Licenses for Pecos Road Facility – 2887 credits**

**AVEVA Supervisory Servers - Qty 1 @ 1,000 Credits – Part # FLEX-SP-004** -Supports redundant RDS/Web clients and InTouch View App/OMI clients with unlimited number with embedded Historian Client Desktop RDS included. Suggested maximum 40 concurrent RDS clients per RDS server pair, also includes PLC logic viewer.

**AVEVA Application Server Platform – Unlimited engines – Qty 1 @ 1250 Credits - Part # Flex-SP-002**  
Enables an Application Server with unlimited engines for a single WinPlatform, Max IO dependent upon data throughput and performance requirements, Suggested configuration 100 K I/O, Multiple engine redundancy enabled

**AVEVA Historian Standard Unlimited tags - Qty 1 @ 500 credits, Part # Flex Hist-001**  
Supports redundancy. Does not include MS SQL or SQL Cal licenses.

**AVEVA Communication Drivers – Professional – Qty 2 @ 40 credits each for 80 total – Part # Flex COM-001**  
Provides access to all supervisory drivers with no I/O limits, supports PLC network redundancy and supervisory dual node redundancy.

**AVEVA Development Studio - Qty 1 @ zero credits – Part # FLEX-OTH-006** - One Adv Development Studio included with each Flex credit subscription 0 credits for plant galaxy.

**AVEVA Local Legacy Edge Historian 25K tags for Foxboro data collection - Qty 1 @ 36 credits Part # LGCY-hstloc-01-C-20** - Limited to 7 days retrieval, does not include MS SQL or SQL Cal licenses.

**AVEVA Historian client desktop concurrent - Qty 1 @ 21 credits - Part # LGCY-hstClt-01-C-20**

**Legacy Perpetual Licenses at Ocotillo WRF and Brine Facility – 1750 credits**

| Qty                                       | Part number         | Description                                        | Credits |
|-------------------------------------------|---------------------|----------------------------------------------------|---------|
| 1                                         | LGCY-HstLoc-01-C-20 | Local Historian 25000 Tag                          | 36      |
| 1                                         | LGCY-SysPlt-08-C-20 | System Platform 25000 IO / 12000 History           | 532     |
| 10                                        | LGCY-SupClt-03-C-20 | Supervisory Client with Historian Client, RDS, FLB | 100     |
| 12                                        | LGCY-SupClt-03-C-20 | Supervisory Client with Historian Client           | 564     |
| 1                                         | LGCY-DevStd-04-C-20 | Dev Studio Unlim / 60000 / 500                     | 168     |
| 1                                         | LGCY-UPG-DR-5K-50   | Dream Report 5000 Tags                             | 173     |
| 1                                         | LGCY-UPG-DR-W-2-50  | Dream Report 2 Web Clients                         | 17      |
| 1                                         | LGCY-UPG-DRW-2K-50  | Dream Report for AVEVA 2000 Tags                   | 107     |
| 1                                         | LGCY-UPG-DRW-W-2-50 | Dream Report AVEVA 2 Web Clients                   | 17      |
| 1                                         | LGCY-HstLoc-01-C-20 | Local Historian 25000 Tag (Brine facility)         | 36      |
| Total credits for OWRF and Brine facility |                     |                                                    | 1750    |

**Legacy Perpetual Licenses at Airport Road – 834 credits**

| Qty | Part number         | Description                              | Credits |
|-----|---------------------|------------------------------------------|---------|
| 5   | LGCY-SupClt-03-N-20 | Supervisory Client with Historian Client | 235     |
| 1   | LGCY-SysPlt-07-N-20 | System Platform 25000 IO / 5000 History  | 395     |
| 1   | LGCY-HstLoc-01-C-20 | Local Historian 2020 25000 Tag           | 36      |
| 1   | LGCY-DevStd-04-N-20 | Dev Studio 2020 Unlim / 60000 / 500      | 168     |

**Legacy Perpetual Licenses for DMZ and test/simulation system - 777 credits**

| Qty | Part number         | Description                                                                 | Credits |
|-----|---------------------|-----------------------------------------------------------------------------|---------|
| 1   | LGCY-HstClt-03-C-20 | Historian Client Desktop Concurrent, 10 Users                               | 152     |
| 1   | LGCY-HstEnt-04-C-20 | Advanced Historian Enterprise, 50000 Tag                                    | 356     |
| 1   | LGCY-SysPlt-05-C-20 | System Platform 5000 IO / 1000 History for testing and simulation (sandbox) | 269     |

**6. HOW TO PURCHASE ADDITIONAL AVEVA FLEX LICENSES**

The City may procure new licenses with FLEX credits by placing a Purchase Order to Q-mation for the FLEX Top-up Credits needed at \$18.50 per FLEX Credit. New credits (Top-up Credits) are purchased at a prorated amount according to the contract end date. The credits are then added to the FLEX Portal, and the licenses can be selected through a parts list and downloaded for use. The new credits will be prorated in the current year through the end of the agreement.

| Year 1 / 2025-2026 Annual Calculation |        |
|---------------------------------------|--------|
| Description                           | Amount |

|                                                                                                       |                    |
|-------------------------------------------------------------------------------------------------------|--------------------|
| Base FLEX Credits at 7/1/2025 Agreement Effective Date (6,248 FLEX Credits)                           | \$105,095          |
| 2025-2028 New FLEX credit purchases are prorated through 6/30/2028 (Invoiced at the time of purchase) | Prorated 2025-2028 |
| <b>Year 2 / 2026-2027 Annual Calculation</b>                                                          |                    |
| <b>Description</b>                                                                                    | <b>Amount</b>      |
| Base FLEX Credits at 7/1/2025 Agreement Effective Date (6,248 FLEX Credits)                           | \$110,340          |
| 2026-2028 New FLEX credit purchases are prorated through 6/30/2028 (Invoiced at the time of purchase) | Prorated 2026-2028 |
| <b>Year 3 / 2027-2028 Annual Calculation</b>                                                          |                    |
| <b>Description</b>                                                                                    | <b>Amount</b>      |
| Base FLEX Credits at 7/1/2025 Agreement Effective Date (6,248 FLEX Credits)                           | \$115,840          |
| 2027-2028 New FLEX credit purchases are prorated through 6/30/2028 (Invoiced at the time of purchase) | Prorated 2027-2028 |

## 7. DETERMINING ANNUAL FLEX CREDIT BASIS

Q-mation and the City will review the AVEVA Flex Program Agreement ninety (90) days before each year's renewal to account for in-year FLEX credit additions.

The AVEVA FLEX Credit base amount cannot be reduced during the three-year agreement term.

## 8. RENEWAL TERM / SUBSCRIPTION OPTIONS

At the end of the initial three-year term, the City can renew for a new three-year term. To allow reasonable time for negotiations, Q-mation will submit to the City a three-year renewal agreement draft for review by April 1, 2028.

## 9. CONFIDENTIALITY

Confidential Information" means any information (either oral, written or digital) provided or prepared by a party ("disclosing party") that is provided to, or obtained by the other party (including any director, officer, employee, agent, or representative) ("receiving party") including, but not limited to, that which relates to research, product plans, products, services, clients, vendors, employees, partners, business plans, markets, software, developments, inventions, processes, designs, drawings, engineering, technical data, know-how, hardware configuration information, marketing or finances of the disclosing party. The terms of the Confidentiality, if any, between the City of Chandler and Q-mation shall apply to this agreement, all current sites listed in Exhibit 1.1, and any new sites the City adds to the agreement from and after the date hereof.

## 10. TERMS AND CONDITIONS REQUIRED BY CITY

10.1 Applicable Taxes. Q-mation will pay all applicable taxes. The City is subject to all applicable state and local transaction privilege taxes. To the extent any state and local transaction privilege taxes apply to sales made under the terms of this Agreement, it is the responsibility of Q-mation to collect and remit all applicable taxes to the proper taxing jurisdiction of authority.

10.2 Tax Indemnification. Q-mation and all subcontractors will pay all Federal, state, and local taxes applicable to its operation and any persons employed by Q-mation. Q-mation will and require all subcontractors to hold the City harmless from any responsibility for taxes, damages, and interest, if applicable, contributions required under Federal, state, and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security, and Worker's Compensation.

10.3 Mutual Indemnification. Each Party ("Indemnitor") must indemnify, defend, save and hold harmless the other Party and its officers, officials, agents and employees ("Indemnitee") from any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorneys' fees and costs of claim processing, investigation and litigation) ("Claims") caused or alleged to be caused, in whole or in part, by the wrongful, negligent or willful

acts, or errors or omissions of Indemnitor or any of its owners, officers, directors, agents, employees, or subconsultants in connection with this Agreement. This indemnity includes any claim or amount arising out of or recovered under workers' compensation law or on account of the failure of Indemnitor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. Indemnitor must indemnify Indemnitee from and against any and all Claims, except those arising solely from Indemnitee's own negligent or willful acts or omissions. Indemnitor is responsible for primary loss investigation, defense and judgment costs where this indemnification applies. In consideration of the award of this Agreement, Q-mation agrees to waive all rights of subrogation against City for losses arising from or related to this Agreement. The obligations of the Indemnitor under this provision survive the termination or expiration of this Agreement.

10.4 Insurance Requirements. Q-mation must procure insurance under the terms and conditions and for the amounts of coverage set forth in Exhibit "1.3" against claims that may arise from or relate to performance of the work under this Agreement by Q-mation and its agents, representatives, employees, and subconsultants. Consultant and any subconsultant must maintain this insurance until all of their obligations have been discharged, including any warranty periods under this Agreement. These insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits stated in Exhibit "1.3" are sufficient to protect the Q-mation from liabilities that might arise out of the performance of the work under this Agreement by Q-mation, Q-mation's agents, representatives, employees, or subconsultants. Q-mation is free to purchase such additional insurance as may be determined necessary.

10.5 Termination for Convenience. The City and Q-mation hereby agree to the full performance of the covenants contained herein, except that the City reserves the right, at its discretion and without cause, to terminate or abandon any service provided for in this Agreement, or abandon any portion of the Project for which services have been performed by Q-mation. In the event the City abandons or suspends the services, or any part of the services as provided in this Agreement, the City will notify Q-mation in writing and immediately after receiving such notice, Q-mation must discontinue advancing the work specified under this Agreement. Upon such termination, abandonment, or suspension, Q-mation must deliver to the City all drawings, plans, specifications, special provisions, estimates and other work entirely or partially completed, together with all unused materials supplied by the City. Q-mation must appraise the work Q-mation has completed and submit Q-mation's appraisal to the City for evaluation. The City may inspect Q-mation's work to appraise the work completed. Q-mation will receive compensation in full for services performed to the date of such termination. The fee shall be paid in accordance with Section IV of this Agreement, and as mutually agreed upon by Q-mation and the City. If there is no mutual agreement on payment, the final determination will be made in accordance with an alternative dispute resolution process mutually agreed to by the Parties. However, in no event may the payment exceed the payment set forth in this Agreement nor as amended in accordance with Alteration in Character of Work. The City will make the final payment within 60 days after Q-mation has delivered the last of the partially completed items and the Parties agree on the final payment. If the City is found to have improperly terminated the Agreement for cause or default, the termination will be converted to a termination for convenience in accordance with the provisions of this Agreement.

10.6 Termination for Cause. The City may terminate this Agreement for Cause upon the occurrence of any one or more of the following events: in the event that (a) Q-mation fails to perform pursuant to the terms of this Agreement, (b) Q-mation is adjudged a bankrupt or insolvent, (c) Q-mation makes a general assignment for the benefit of creditors, (d) a trustee or receiver is appointed for Q-mation or for any of Q-mation's property (e) Q-mation files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws, (f) Q-mation disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction, or (g) Q-mation fails to cure default within the time requested. Where Agreement has been so terminated by City, the termination will not affect any rights of City against Q-mation then existing or which may thereafter accrue.

## **11. TERMS AND CONDITIONS REQUIRED BY THE STATE OF ARIZONA**

11.1 City's Right of Cancellation. The Parties acknowledge that this Agreement is subject to cancellation by the City under the provisions of Section 38-511, Arizona Revised Statutes (A.R.S.).

11.2 Compliance with Laws. Q-mation understands, acknowledges, and agrees to comply with the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. All services performed by Q-mation must also comply with all applicable City codes, ordinances, and requirements. Q-mation agrees to permit the City to verify Q-mation's compliance.

11.3 No Israel Boycott. By entering into this Agreement, Q-mation certifies that Q-mation is not currently engaged in, and agrees for the duration of the Agreement, not to engage in a boycott of Israel as defined by state statute.

11.4 Legal Worker Requirements. A.R.S. § 41-4401 prohibits the City from awarding a contract to any contractor who fails, or whose subcontractors fail, to comply with A.R.S. § 23-214(A). Therefore, Q-mation agrees Q-mation and each subcontractor it uses warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with § 23-214, subsection A. A breach of this warranty will be deemed a material breach of the Agreement and may be subject to penalties up to and including termination of the Agreement. City retains the legal right to inspect the papers of any Q-mation's or subcontractor's employee who

provides services under this Agreement to ensure that the Q-mation and subcontractors comply with the warranty under this provision.

11.5 Lawful Presence Requirement. A.R.S. §§ 1-501 and 1-502 prohibit the City from awarding a contract to any natural person who cannot establish that such person is lawfully present in the United States. To establish lawful presence, a person must produce qualifying identification and sign a City-provided affidavit affirming that the identification provided is genuine. This requirement will be imposed at the time of contract award. This requirement does not apply to business organizations such as corporations, partnerships, or limited liability companies.

11.6 Forced Labor of Ethnic Uyghurs Prohibited. By entering into this Agreement, Q-mation certifies and agrees Q-mation does not currently use and will not use for the term of this Agreement: (i) the forced labor of ethnic Uyghurs in the People's Republic of China; or (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

**AGREED AND ACCEPTED BY:**  
**City of Chandler**

By: \_\_\_\_\_

Print Name \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
City Clerk

Approved as to Form:

By: \_\_\_\_\_  
City Attorney

*PNB*

**AGREED AND ACCEPTED BY:**  
**Q-mation, Inc.**

By:  \_\_\_\_\_

Print Name Bill Bullotta \_\_\_\_\_

Title: Vice President \_\_\_\_\_

Date: June 24, 2025 \_\_\_\_\_

**EXHIBIT 1.1 – CITY OF CHANDLER  
DEFINED SITE LOCATIONS**

Pecos WRF  
1475 E. Pecos Rd. Chandler, AZ. 85286

Ocotillo WRF  
3333 South Old Price Road  
Chandler, AZ. 85248

Airport Road WRF  
905 E. Queen Creek  
Chandler, AZ. 85286

**EXHIBIT 1.2 – AVEVA CUSTOMER FIRST  
PREMIUM LEVEL**

| Included Services                                                                                  | Primary | Standard | Premium  | Elite   |
|----------------------------------------------------------------------------------------------------|---------|----------|----------|---------|
| <b>Technical Support and Services</b>                                                              |         |          |          |         |
| Business Hours Technical Support (Normal Local Business Hours)                                     | ✓       | ✓        | ✓        | ✓       |
| Knowledge and Support Centre Website                                                               | ✓       | ✓        | ✓        | ✓       |
| Customer FIRST Mobile Apps                                                                         | ✓       | ✓        | ✓        | ✓       |
| eLearning *                                                                                        | ✓       | ✓        | ✓        | ✓       |
| En Route Response Plan for Billable Onsite Corrective Assistance                                   | NBD     | NBD      | 24 hours | 4 hours |
| Discount on Technical Support Consulting Services                                                  |         | 5%       | 10%      | 20%     |
| Level 2 Direct/Advanced Technical Support                                                          |         | ✓**      | ✓        | ✓       |
| Emergency 24-Hour Technical Support (24/7) **                                                      |         |          | ✓        | ✓       |
| Customer FIRST Program Reviews (Per Year)                                                          |         |          | 1        | 2       |
| Technical Support Priority Response Commitment                                                     |         |          |          | ✓       |
| <b>Software Maintenance And Utilities</b>                                                          |         |          |          |         |
| Software Maintenance Releases, Service Packs, Patches, Updates and Hotfixes                        | ✓       | ✓        | ✓        | ✓       |
| Software Version Upgrades and Revisions                                                            |         | ✓        | ✓        | ✓       |
| Software Asset Manager (for Wonderware, Citect, Ampla)                                             |         | ✓        | ✓        | ✓       |
| License Assurance                                                                                  |         |          | ✓        | ✓       |
| Discount on Test and Offline Development System Licenses                                           |         |          | ✓        | ✓       |
| Sentinel System Monitor***                                                                         |         |          |          | ✓       |
| <b>Additional Benefits: Minimum Contract Spend Required</b>                                        |         |          |          |         |
| Included Training for your AVEVA software product (Classroom, eLearning or Virtual Instructor-led) |         |          | 1        | 2       |
| Block of Technical Support Consulting Services included                                            |         |          | 16       | 24      |
| Complimentary Invitations to AVEVA Software Customer Events                                        |         |          | 2        | 5       |
| Dedicated Customer Portal                                                                          |         |          | ✓        | ✓       |
| Technical Account Management Team                                                                  |         |          | ✓        | ✓       |
| Annual Lifecycle Assessment and Upgrade Planning Roadmap                                           |         |          | ✓        | ✓       |

\*\* Emergency 24x7 technical support is available with the PREMIUM or ELITE support levels.

### **EXHIBIT 1.3 – CITY OF CHANDLER INSURANCE**

1.0 Tech E&O and Network Security & Privacy Liability Insurance (Cyber). In addition to the insurance requirements set forth in the Agreement, Q-mation agrees to provide the following insurance coverage and limits of coverage as part of this Agreement.

|           |    |           |
|-----------|----|-----------|
| Per Loss  | \$ | 5,000,000 |
| Aggregate | \$ | 5,000,000 |

2.0 Technology Errors and Omissions Liability including Network Security and Privacy Liability. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this Agreement. In the event that the professional liability insurance required by this Agreement is written on a claims-made basis, Q-mation warrants that any retroactive date under the policy shall precede the effective date of this Agreement; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Agreement is completed. If such insurance is maintained on an occurrence form basis, Q-mation shall maintain such insurance for an additional period of one (1) year following termination of Agreement. If such insurance is maintained on a claims-made basis, Q-mation shall maintain such insurance for an additional period of three (3) years following termination of the Agreement. If Q-mation contends that any of the insurance it maintains pursuant to other sections of this clause satisfies this requirement (or otherwise insures the risks described in this section), then Q-mation shall provide proof of same.

3.0 The insurance shall provide coverage for the following risks:

3.1 Liability arising from theft, dissemination and / or use of confidential information (a defined term including but not limited to bank account, credit card account, personal information such as name, address, social security numbers, etc. information) stored or transmitted in electronic form.

3.2 Network Security Liability arising from the unauthorized access to, use of or tampering with computer systems including hacker attacks, inability of an authorized third party, to gain access to your services including denial of service, unless caused by a mechanical or electrical failure.

3.3 Liability arising from the introduction of a computer virus into, or otherwise causing damage to, a customer's or third person's computer, computer system, network or similar computer related property and the data, software, and programs thereon.

4.0 Additional Requirements:

4.1 The policy shall provide a waiver of subrogation.