



**Agenda Sheet for City Council:**

**Committee:** PIES **Date:** 05/11/2026

**Committee Agenda type:** Consent

**Date Rec'd**

5/5/2026

**Clerk's File #**

**Cross Ref #**

**Project #**

**Council Meeting Date:** 06/08/2026

**Submitting Dept**

WATER & HYDROELECTRIC SERVICES

**Bid #**

RFP 6524-26

**Contact Name/Phone**

REINER 509-625-7821

**Requisition #**

CR28610

**Contact E-Mail**

RHERSHAW@SPOKANECITY.ORG

**Agenda Item Type**

Contract Item

**Council Sponsor(s)**

KKLITZKE BWILKERSON ZZAPPONE

**Sponsoring at Administrators Request**

NO

**Lease?** NO

**Grant Related?** NO

**Public Works?** NO

**Agenda Item Name**

PIPELINE RISK ASSESSMENT AND FIELD VALIDATION

**Agenda Wording**

Geospatial Analyses and Risk Assessments for Potable Water Pipelines

**Summary (Background)**

The City maintains over 1,000 miles of water mains serving over 200,000 drinking water customers. While age alone is not necessarily an indicator of asset condition (over half of pipes are more than 50 years old), many could be beyond useful life and in need of replacement due to a combination of factors including material, location, soil type, and other environmental parameters. The City experiences main breaks every year. To assist with capital project planning and proactive leak detection, the City requires information about its assets at the individual pipe segment level. The vendor will apply machine-learning analyses of City records along with geospatial inputs and deliver a predictive pipeline risk service with actionable, map-based layers highlighting the areas within the network most at risk.

**What impacts would the proposal have on historically excluded communities?**

o Public works services and projects are designed to serve all citizens and businesses. We strive to offer a consistent level of service to all, to distribute public investment throughout the community and to respond to gaps in services identified in various City plans. We recognize the need to maintain affordability and predictability for utility customers, and we are committed to delivering work that is both financially and environmentally responsible.

**How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?**

N/A

**How will data be collected regarding the effectiveness of this program, policy, or product to ensure it is the right solution?**

Existing work order management system collects data on pipeline leaks and breaks that will be used to check how well the vendor identified future failures.

**Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?**

This work supports water use efficiency and prioritization of pipeline replacement projects in the Capital Improvement Program.

**Council Subcommittee Review**

Subject matter is not relevant to existing subcommittees

<b>Fiscal Impact</b>	
Approved in Current Year Budget? YES	
Total Cost	\$ 353,130.00
Current Year Cost	\$ 104,942.00
Subsequent Year(s) Cost	\$ 248,188.00
<b><u>Narrative</u></b>	
An RFP was distributed to 60 companies via ProcureWare from 2/26/2026 to 3/17/2026. The City received two responses. Proposals were evaluated by the Water Department and the most qualified lowest cost firm was selected.	
<b><u>Amount</u></b>	
Revenue	\$ 353,130.00
Select	\$
Select	\$
Select	\$
Select	\$
Select	\$
<b><u>Budget Account</u></b>	
	# 4100-42475-34148-54201-99999
	#
	#
	#
	#
	#
<b><u>Funding Source</u></b> One-Time	
<b><u>Funding Source Type</u></b> Program Revenue	
<b>Is this funding source sustainable for future years, months, etc?</b>	
Yes. Water Department contractual services will be used in Year One, Budget Code 4100-42475-34148-54201-99999; 6-year CIP funding will be used in Option Years.	
<b><u>Expense Occurrence</u></b>	N/A
<b>Other budget impacts (revenue generating, match requirements, etc.)</b>	
<b><u>Approvals</u></b>	
<b><u>Dept Head</u></b>	HOPKINS, LEON
<b><u>Division Director</u></b>	FEIST, MARLENE
<b><u>Accounting Manager</u></b>	ALBIN-MOORE, ANGELA
<b><u>Legal</u></b>	HARRINGTON,
<b><u>For the Mayor</u></b>	PICCOLO, MIKE
<b><u>Additional Approvals</u></b>	
<b><u>PURCHASING</u></b>	PRINCE, THEA
<b><u>Distribution List</u></b>	
Amee Hamilton ahamilton@thinkcei.com	Harvey Franklin harvey.franklin@rezatec.com
rhershaw@spokanecity.org	jfinger@spokanecity.org
jsakamoto@spokanecity.org	cosullivan@spokanecity.org
tprince@spokanecity.org	tlester@spokanecity.org
rrpenaluna@spokanecity.org	lhopkins@spokanecity.org

## Committee Agenda Sheet

### Public Infrastructure, Environment & Sustainability Committee

<b>Committee Date</b>	May 11, 2026
<b>Submitting Department</b>	Water & Hydroelectric Services
<b>Contact Name</b>	Reiner Hershaw
<b>Contact Email &amp; Phone</b>	<a href="mailto:rhershaw@spokanecity.org">rhershaw@spokanecity.org</a> 509-625-7821
<b>Council Sponsor(s)</b>	Klitzke, Wilkerson, Zappone
<b>Select Agenda Item Type</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion    Time Requested:
<b>Agenda Item Name</b>	Desktop Pipeline Risk Assessment and Field Validation
<b>Proposed Council Action</b>	<input checked="" type="checkbox"/> Approval to proceed to Legislative Agenda <input type="checkbox"/> Information Only
<b>Summary (Background)</b>	<p>The City maintains over 1,000 miles of water mains serving over 200,000 drinking water customers. While age alone is not necessarily an indicator of asset condition (over half of pipes are more than 50 years old), many could be beyond useful life and in need of replacement due to a combination of factors including material, location, soil type, and other environmental parameters. The City experiences main breaks every year. To assist with capital project planning and proactive leak detection, the City requires information about its assets at the individual pipe segment level. The vendor will apply machine-learning analyses of City records along with geospatial inputs and deliver a predictive pipeline risk service with actionable, map-based layers highlighting the areas within the network most at risk.</p>
<b>Summary (Background)</b>	<p>*use the Fiscal Impact box below for relevant financial information</p>
<p><b>Fiscal Impact</b></p> <p><b>Approved in current year budget?</b>    <input checked="" type="checkbox"/> Yes    <input type="checkbox"/> No    <input type="checkbox"/> N/A</p> <p>Total Cost: <u>\$353,130.00 without tax</u></p> <p>    Current year cost: <u>\$104,942.00 without tax</u></p> <p>    Subsequent year(s) cost: <u>\$248,188.00 without tax</u></p> <p><b>Narrative:</b> <u>An RFP was distributed to 60 companies via ProcureWare from 2/26/2026 to 3/17/2026. The City received two responses. Proposals were evaluated by the Water Department and the most qualified lowest cost firm was selected.</u></p> <p><b>Funding Source</b>    <input checked="" type="checkbox"/> One-time    <input type="checkbox"/> Recurring    <input type="checkbox"/> N/A</p> <p>Specify funding source: Program revenue</p> <p>Is this funding source sustainable for future years, months, etc? Yes. Water Department contractual services will be used in Year One, Budget Code 4100-42475-34148-54201-99999; 6-year CIP funding will be used in Option Years.</p> <p><b>Expense Occurrence</b>    <input checked="" type="checkbox"/> One-time    <input type="checkbox"/> Recurring    <input type="checkbox"/> N/A</p> <p>Other budget impacts: (revenue generating, match requirements, etc.) N/A</p>	
<p><b>Operations Impacts (If N/A, please give a brief description as to why)</b></p> <ul style="list-style-type: none"> <li>• What impacts would the proposal have on historically excluded communities? <ul style="list-style-type: none"> <li>○ Public works services and projects are designed to serve all citizens and businesses. We strive to offer a consistent level of service to all, to distribute public investment throughout the community and to respond to gaps in services identified in various City plans. We recognize</li> </ul> </li> </ul>	

the need to maintain affordability and predictability for utility customers and we are committed to delivering work that is both financially and environmentally responsible.

- How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?
  - N/A
- How will data be collected regarding the effectiveness of this program, policy, or product to ensure it is the right solution?
  - Existing work order management system collects data on pipeline leaks and breaks that will be used to check how well the vendor identified future failures.
- Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?
  - This work supports water use efficiency and prioritization of pipeline replacement projects in the Capital Improvement Program.

#### **Council Subcommittee Review**

- Please provide a summary of council subcommittee review. If not reviewed by a council subcommittee, please explain why not.
  - Subject matter is not relevant to existing subcommittees



**City of Spokane**  
**PERSONAL SERVICES AGREEMENT**  
Title: **PIPELINE ASSESSMENT OF LOF/COF  
AND CRITICALITY**

This Agreement is made and entered into by and between the **CITY OF SPOKANE** as (“City”), a Washington municipal corporation, and **REZATEC GLOBAL, INC.**, whose address is 251 Little Falls Drive, Wilmington, Delaware 19808 as (“Firm”), individually hereafter referenced as a “Party”, and together as the “Parties”.

*WHEREAS, the purpose of this Agreement is to provide Pipeline Assessment for Likelihood of Failure (LoF) and Consequence/Cost of Failure (CoF) and Criticality; and*

*WHEREAS, the Firm was selected through IRFP No. 6524-26.*

*NOW, THEREFORE, in consideration of the terms, conditions, covenants and performance of the Scope of Work contained herein, the City and Firm mutually agree as follows:*

**1. TERM OF AGREEMENT.**

The term of this Agreement begins on June 1, 2026, and shall run through May 31, 2027, unless amended by written agreement or terminated earlier under the provisions. This Contract may be renewed for two (2) additional one-year contract periods, subject to mutual agreement.

**2. TIME OF BEGINNING AND COMPLETION.**

The Firm shall begin the work outlined in the “Scope of Work” (“Work”) on the beginning date, above. The City will acknowledge in writing when the Work is complete. Time limits established under this Agreement shall not be extended because of delays for which the Firm is responsible, but may be extended by the City, in writing, for the City’s convenience or conditions beyond the Firm’s control.

**3. SCOPE OF WORK.**

The General Scope of Work for this Agreement is described in Firm’s Response to IRFP, which is attached as Exhibit B and made a part of this Agreement. In the event of a conflict or discrepancy in the Agreement documents, this City Personal Services Agreement controls.

The Work is subject to City review and approval. The Firm shall confer with the City periodically, and prepare and present information and materials (e.g. detailed outline of

completed Work) requested by the City to determine the adequacy of the Work or Firm's progress.

#### **4. COMPENSATION / PAYMENT.**

Total compensation for Firm's services under this Agreement shall not exceed **ONE HUNDRED FOUR THOUSAND NINE HUNDRED FORTY-TWO AND NO/100 DOLLARS (\$104,942.00) plus sales tax if applicable**, unless modified by a written amendment to this Agreement.

The Firm shall submit its applications for payment to Spokane Water & Hydroelectric Department, 914 East North Foothills Drive, Spokane, Washington 99207. **Payment will be made via direct deposit/ACH** within thirty (30) days after receipt of the Firm's application except as provided by state law. If the City objects to all or any portion of the invoice, it shall notify the Firm and reserves the right to only pay that portion of the invoice not in dispute. In that event, the parties shall immediately make every effort to settle the disputed amount.

#### **5. TAXES, FEES AND LICENSES.**

- A. Firm shall pay and maintain in current status, all necessary licenses, fees, assessments, permit charges, etc. necessary to conduct the work included under this Agreement. It is the Firm's sole responsibility to monitor and determine changes or the enactment of any subsequent requirements for said fees, assessments, or changes and to immediately comply.
- B. The cost of any permits, licenses, fees, etc. arising as a result of the projects included in this Agreement shall be included in the project budgets.

#### **6. CITY OF SPOKANE BUSINESS LICENSE.**

Section 8.01.070 of the Spokane Municipal Code states that no person may engage in business with the City without first having obtained a valid annual business registration. The Firm shall be responsible for contacting the State of Washington Business License Services at [www.dor.wa.gov](http://www.dor.wa.gov) or 360-705-6741 to obtain a business registration. If the Firm does not believe it is required to obtain a business registration, it may contact the City's Taxes and Licenses Division at (509) 625-6070 to request an exemption status determination.

#### **7. SOCIAL EQUITY REQUIREMENTS / NON-DISCRIMINATION.**

No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this Agreement because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. The Firm agrees to comply with, and to require that all subcontractors comply with, federal, state and local nondiscrimination laws, including but not limited to: the Civil Rights Act of 1964, the Rehabilitation Act of 1973, the Age Discrimination in Employment Act, and the American's With Disabilities Act, to the extent those laws are applicable.

## 8. INDEMNIFICATION.

The Firm shall defend, indemnify, and hold the City and its officers and employees harmless from all claims, demands, or suits at law or equity asserted by third parties for bodily injury (including death) and/or property damage which arise from the Firm's negligence or willful misconduct under this Agreement, including attorneys' fees and litigation costs; provided that nothing herein shall require a Firm to indemnify the City against and hold harmless the City from claims, demands or suits based solely upon the negligence of the City, its agents, officers, and employees. If a claim or suit is caused by or results from the concurrent negligence of the Firm's agents or employees and the City, its agents, officers and employees, this indemnity provision shall be valid and enforceable to the extent of the negligence of the Firm, its agents or employees. The Firm specifically assumes liability and agrees to defend, indemnify, and hold the City harmless for actions brought by the Firm's own employees against the City and, solely for the purpose of this indemnification and defense, the Firm specifically waives any immunity under the Washington State industrial insurance law, or Title 51 RCW. The Firm recognizes that this waiver was specifically entered into pursuant to the provisions of RCW 4.24.115 and was the subject of mutual negotiation. The indemnity and agreement to defend and hold the City harmless provided for in this section shall survive any termination or expiration of this agreement. The maximum aggregate liability of the Firm whether arising from negligence, breach of statutory duty, breach of any express or implied warranty, breach of contract, misrepresentation, restitution, strict liability in tort or otherwise shall not in any circumstances exceed the Fees paid or payable by the City to the Firm during the twelve (12) months immediately preceding the date on which the claim arose.

## 9. INSURANCE.

During the period of the Agreement, the Firm shall maintain in force at its own expense, each insurance noted below with companies or through sources approved by the State Insurance Commissioner pursuant to Title 48 RCW:

A. **Worker's Compensation Insurance** in compliance with RCW 51.12.020, which requires subject employers to provide workers' compensation coverage for all their subject workers and Employer's Liability Insurance in the amount of \$1,000,000;

B. **General Liability Insurance** on an occurrence basis, with a combined single limit of not less than \$1,000,000 each occurrence for bodily injury and property damage. It shall include contractual liability coverage for the indemnity provided under this agreement. It shall provide that the City, its officers and employees are additional insureds but only with respect to the Firm's services to be provided under this Agreement;

i. Acceptable **supplementary Umbrella insurance** coverage combined with Company's General Liability insurance policy must be a minimum of \$1,000,000, in order to meet the insurance coverage limits required in this Agreement; and

C. **Automobile Liability Insurance** with a combined single limit, or the equivalent of not less than \$1,000,000 each accident for bodily injury and property damage, including coverage for owned, hired and non-owned vehicles.

There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without sixty (60) days written notice from the Firm or its

insurer(s) to the City. As evidence of the insurance coverage(s) required by this Agreement, the Firm shall furnish acceptable Certificates Of Insurance (COI) to the City at the time it returns this signed Agreement. The certificate shall specify the City of Spokane as "Additional Insured" specifically for Firm's services under this Agreement, as well as all of the parties who are additional insureds, and include applicable policy endorsements, the sixty (60) day cancellation clause, and the deduction or retention level. The Firm shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

#### **10. DEBARMENT AND SUSPENSION.**

The Firm has provided its certification that it is in compliance with and shall not contract with individuals or organizations which are debarred, suspended, or otherwise excluded from or ineligible from participation in Federal Assistance Programs under Executive Order 12549 and "Debarment and Suspension", codified at 29 CFR part 98 (see Exhibit A).

#### **11. AUDIT.**

The Firm and its subcontractor shall maintain for a minimum of three (3) years following final payment all records related to its performance of the Agreement. The Firm and its subcontractors shall provide access to authorized City representatives, at reasonable times and in a reasonable manner to inspect and copy any such record. In the event of conflict between this provision and related auditing provisions required under federal law applicable to the Agreement, the federal law shall prevail.

#### **12. KEY PERSONS.**

The Firm shall not transfer or reassign any individual designated in this Agreement as essential to the Work, nor shall those key persons, or employees of Firm identified as to be involved in the Project Work be replaced, removed or withdrawn from the Work without the express written consent of the City, which shall not be unreasonably withheld. If any such individual leaves the Firm's employment, the Firm shall present to the City one or more individuals with greater or equal qualifications as a replacement, subject to the City's approval, which shall not be unreasonably withheld. The City's approval does not release the Firm from its obligations under this Agreement.

#### **13. ASSIGNMENT AND SUBCONTRACTING.**

The Firm shall not assign or subcontract its obligations under this Agreement without the City's written consent, which may be granted or withheld in the City's sole discretion. Any subcontract made by the Firm shall incorporate by reference this Agreement, except as otherwise provided. The Firm shall ensure that all subcontractors comply with the obligations and requirements of the subcontract. The City's consent to any assignment or subcontract does not release the Firm from liability or any obligation within this Agreement, whether before or after City consent, assignment or subcontract.

#### **14. TERMINATION.**

Either party may terminate this Agreement, with or without cause, by ten (10) days written notice to the other party. In the event of such termination, the City shall pay the Firm for all work previously authorized and performed prior to the termination date.

## **15. STANDARD OF PERFORMANCE.**

The standard of performance applicable to Firm's services will be the degree of skill and diligence normally employed by professional Firms performing the same or similar services at the time the services under this Agreement are performed.

## **16. OWNERSHIP AND USE OF RECORDS AND DOCUMENTS.**

Original documents, drawings, designs, reports, or any other records developed or created under this Agreement shall belong to and become the property of the City. All records submitted by the City to the Firm shall be safeguarded by the Firm. The Firm shall make such data, documents and files available to the City upon the City's request. If the City's use of the Firm's records or data is not related to this project, it shall be without liability or legal exposure to the Firm. Ownership of pre-existing IP including the underlying platform, algorithms, or know-how is retained by the Firm.

Under Washington State Law (reference RCW Chapter 42.56, the *Public Records Act* [PRA]) all materials received or created by the City of Spokane are **public records** and are available to the public for viewing via the City Clerk's Records (online) or a valid Public Records Request (PRR).

## **17. ANTI KICK-BACK.**

No officer or employee of the City of Spokane, having the power or duty to perform an official act or action related to this Agreement shall have or acquire any interest in the Agreement, or have solicited, accepted or granted a present or future gift, favor, service or other thing of value from or to any person involved in this Agreement.

## **18. MISCELLANEOUS PROVISIONS.**

- A. **Amendments/Modifications:** This Agreement may be modified by the City in writing when necessary, and no modification or Amendment of this Agreement shall be effective unless signed by an authorized representative of each of the parties hereto.
- B. The Firm, at no expense to the City, shall comply with all laws of the United States and Washington, the Charter and ordinances of the City of Spokane; and rules, regulations, orders and directives of their administrative agencies and officers. Without limiting the generality of this paragraph, the Firm shall comply with the requirements of this Section.
- C. This Agreement shall be construed and interpreted under the laws of Washington. The venue of any action brought shall be in a court of competent jurisdiction, located in Spokane County, Washington.
- D. **Captions:** The titles of sections or subsections are for convenience only and do not define or limit the contents.
- E. **Severability:** If any term or provision is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected, and each term and provision shall be valid and enforceable to the fullest extent permitted by law.
- F. **Waiver:** No covenant, term or condition or the breach shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition shall not be deemed a waiver of any preceding or succeeding breach of the same or any other covenant, term of condition. Neither the acceptance by the City of any performance by the

Firm after the time the same shall have become due nor payment to the Firm for any portion of the Work shall constitute a waiver by the City of the breach or default of any covenant, term or condition unless otherwise expressly agreed to by the City in writing.

G. **Entire Agreement:** This document along with any exhibits and all attachments, and subsequently issued addenda, comprises the entire agreement between the City and the Firm. If conflict occurs between Agreement documents and applicable laws, codes, ordinances or regulations, the most stringent or legally binding requirement shall govern and be considered a part of this Agreement to afford the City the maximum benefits.

H. **No personal liability:** No officer, agent or authorized employee of the City shall be personally responsible for any liability arising under this Agreement, whether expressed or implied, nor for any statement or representation made or in any connection with this Agreement.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Agreement by having legally binding representatives affix their signatures below.

**REZATEC GLOBAL, INC.,**

**CITY OF SPOKANE**

By \_\_\_\_\_  
Signature Date

By \_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Attest:

Approved as to form:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Assistant City Attorney

**Attachments that are part of this Agreement:**

- Exhibit A – Certificate Regarding Debarment
- Exhibit B – Firm’s Response to IRFP

## EXHIBIT A

### CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

1. The undersigned (i.e., signatory for the Subrecipient / Contractor / Consultant) certifies, to the best of its knowledge and belief, that it and its principals:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
  - b. Have not within a three-year period preceding this contract been convicted or had a civil judgment rendered against them for commission of 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, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
  - c. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and,
  - d. Have not within a three-year period preceding this contract had one or more public transactions (federal, state, or local) terminated for cause or default.
2. The undersigned agrees by signing this contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
3. The undersigned further agrees by signing this contract that it will include the following clause, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

#### Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

1. The lower tier contractor certifies, by signing this contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
2. Where the lower tier contractor is unable to certify to any of the statements in this contract, such contractor shall attach an explanation to this contract.

4. I understand that a false statement of this certification may be grounds for termination of the contract.

<hr/>	<hr/>
Name of Subrecipient / Contractor / Consultant (Type or Print)	Program Title (Type or Print)
<hr/>	<hr/>
Name of Certifying Official (Type or Print)	Signature
<hr/>	<hr/>
Title of Certifying Official (Type or Print)	Date (Type or Print)

## EXHIBIT B



**REZATEC DATA PRODUCTS ORDER FORM**

This Rezatec Data Products Order Form (the “**Order Form**”) is governed by the Rezatec Data Products and Platform Agreement Reference SPOKANE004 (“**Agreement**”) between Rezatec Global Inc., (“**Rezatec**”) and City of Spokane, Washington (“**Customer**”). This Order Form is intended to align with the Scope of Work in Rezatec’s IRFP 6524-26 response and City of Spokane PSA 26-094.

This Order Form shall commence upon the Effective Date and specifies the Area of Interest for which Data Products are ordered as well as payment terms and the Initial Term of the Agreement (the “**Initial Term**”). All capitalized terms not defined in this Order Form shall have the meaning given to them in the Agreement.

Appendix A specifies the Area(s) of Interest for which Data Products are ordered. Appendix B specifies the data inputs required from the Customer to enable delivery of the Data Products ordered. Appendix C contains the Implementation Schedule which specifies the agreed timeline for the deployment of the licensed data products to the Area(s) of Interest specified under this Agreement. Appendix D outlines the Payment Schedule.

**ORDER DETAILS:**

<b>Customer Name:</b>	City of Spokane, WA	<b>Billing Terms:</b>	
Customer Address:	914 E North Foothills Dr, Spokane, Washington, 99207, United States	Effective Date:	The Effective Date of June 1, 2026 as specified in the Data Products and Platform Agreement Reference SPOKANE004.
		Initial Term:	A period 12 months from the Effective Date.
		Payment Frequency:	The amount is payable in three instalments as follows:  Instalment 1 (50%) is invoiced on the Effective Date.  Instalment 2 (25%) is invoiced four (4) months after the Effective Date.  Instalment 3 (25%) is invoiced eight (8) months after the Effective Date.  Please refer to Appendix D for the complete Payment Schedule.
		Payment Method:	Electronic Fund Transfer only.
Customer Contact:	Jeanne Finger	Payment Terms:	Net 30 days.
Phone:	+1 (509) 867 4735 (JF)	Customer Accounts Payable Contact:	Rebecca Graybeal, Accounts Payable
Email:	<a href="mailto:jfinger@spokanecity.org">jfinger@spokanecity.org</a>	Email:	<a href="mailto:rgraybeal@spokanecity.org">rgraybeal@spokanecity.org</a> , <a href="mailto:AccountsPayable@spokanecity.org">AccountsPayable@spokanecity.org</a>
		Phone:	+1 (509) 625 6093 (RG)



**NOTICE DETAILS:**

<b>Customer:</b>		<b>Rezatec: Treasurer</b>	
Address:	914 E North Foothills Dr, Spokane, Washington, 99207, United States	Address:	251 Little Falls Drive, Wilmington, New Castle County, Delaware, 19808, USA.
Email:	<a href="mailto:jfingert@spokanecity.org">jfingert@spokanecity.org</a> <a href="mailto:jsakamoto@spokanecity.org">jsakamoto@spokanecity.org</a>	Email:	<a href="mailto:legal@rezatec.com">legal@rezatec.com</a>

**PLATFORM SUBSCRIPTION: – Products specifications:**

Data Product	Description	Area of Interest	Price Ex-Tax (USD)
Rezatec Pipeline Risk Standard Package	12-month term; one model delivery during the contract year; deliverables per Rezatec IRFP response 6524-26.	See Appendix A (covering the 1,171 miles of water mains).	\$ 104,942.00  (See Appendix D for full Payment Schedule)
<b>Total Subscription Price</b>			<b>\$ 104,942.00</b>

**DATA PRODUCTS SUBSCRIPTION: – Data Products specifications:**

	Data Product – Model Type	Length to be processed <sup>1</sup>
1	Mains	985.97
2	Transmission	185.52
	<b>Total Length</b>	<b>1,171.39</b>

<sup>1</sup> Final length delivered is always subject to Rezatec feasibility assessment.

**PLATFORM SUBSCRIPTION TERMS – ACCESS TO PLATFORM, DATA PRODUCTS AND AUTHORISED USERS**
**Access to the Platform**

Platform URL	<a href="https://platform.rezatec.com/signin">https://platform.rezatec.com/signin</a>
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**Authorised Users (insert rows as required):**

User Names	User Role:	Email Address:	Data Products Access
Aaron Eirls	Water Service Foreperson	aeirls@spokanecity.org	Rezatec Pipeline Risk
Collin O’Sullivan	Engineer	cosullivan@spokanecity.org	
David St. Pierre	Project Manager	dstpierre@spokanecity.org	
-	-	jdclark@spokanecity.org	
Jeanne Finger	Senior Engineer	jfinger@spokanecity.org	
Jim Sakamoto	Principal Engineer	jsakamoto@spokanecity.org	
Leon Hopkins	Operations Supervisor	lhopkins@spokanecity.org	
Mark Olson	Programmer Analyst	molson@spokanecity.org	
Warren Sirianni	Maintenance Supervisor	wsirianni@spokanecity.org	
Richard Proszek	Senior Engineer	rproszek@spokanecity.org	

**DATA PROTECTION**

<b>Scope of the processing:</b>	Provision of the Data Products and Platform.	<b>Nature of the processing:</b>	Storing password-based access.
<b>Purpose of the processing:</b>	Provision of the Data products and Platform to the Customer.	<b>Duration of the processing:</b>	The duration of this Agreement.
<b>Types of personal data:</b>	Names and email addresses only.	<b>Categories of data subject:</b>	Authorised Users of the Platform only.



**ADDITIONAL TERMS:**

1. This Order Form does not form a contract between Rezatec and the Customer until it has been signed on behalf of both Rezatec and the Customer (at which point a contract is formed). The Customer acknowledges and agrees that by signing this Order Form, it is accepting and agreeing to:
  - the content of this Order Form;
  - the terms and conditions of the Data Products and Platform Agreement Reference SPOKANE004 agreed between Rezatec and the Customer;all of which are made a part of this Order Form by reference as if fully stated within it.
2. Prices shown above do not include any taxes that may apply. Any such taxes are the responsibility of the Customer. This is an Order Form not an invoice.
3. Notwithstanding anything to the contrary, any terms and conditions in any purchase order or similar documents issued by Customer shall not apply.
4. The terms of this Order Form are based on the completion and return to Rezatec of this Order Form on or before June 30<sup>th</sup>, 2026.

The individuals signing below represent that they have the authority to execute this Order Form on behalf of Customer or Rezatec:

**REZATEC GLOBAL, INC.:**

**CITY OF SPOKANE, WA:**

Signature:

Signature:

.....

.....

Print name:

Print name:

.....

.....

Title:

Title:

.....

.....

Date:

Date:

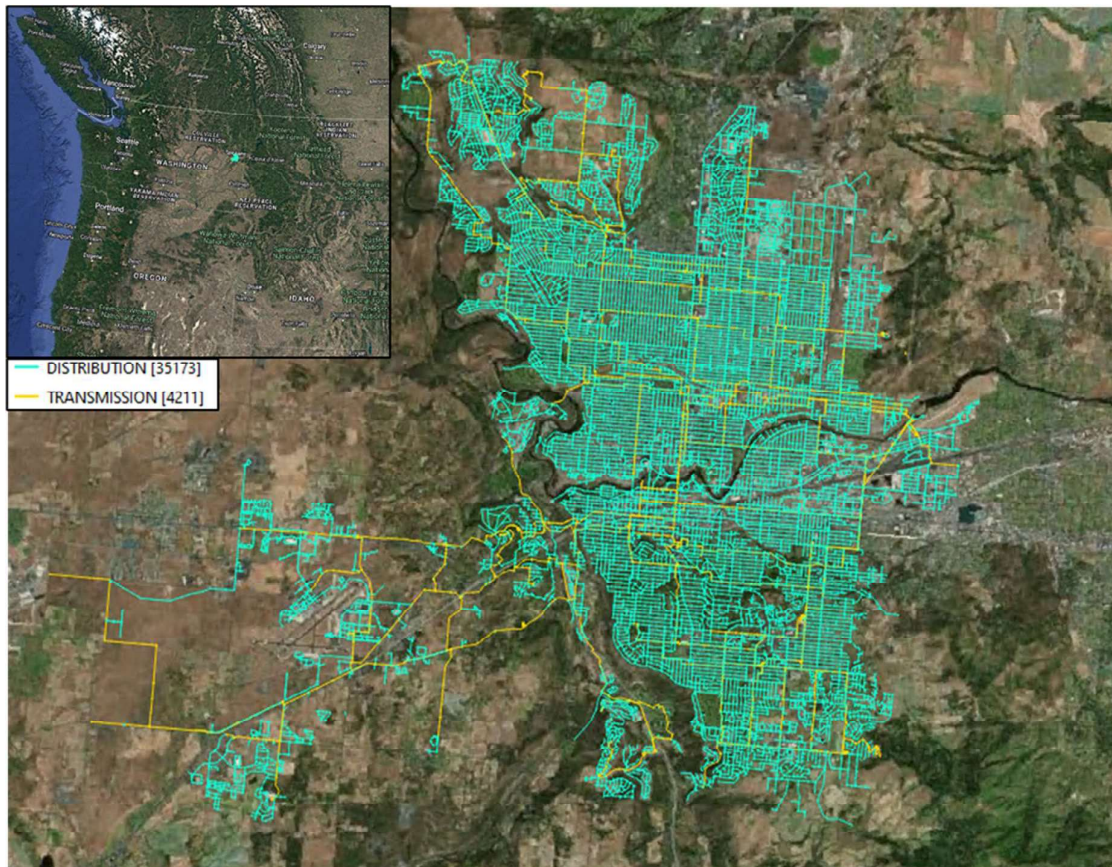
.....

.....

**Appendix A**
**Area of Interest**

- The table outlines the pipe length by transmission, distribution and total length.
- The map outlines the locations of transmission and distribution pipes.

Pipe Type	Length (Miles)
Water Transmission	185.52
Water Distribution	985.87
<b>Total Length</b>	<b>1,171.39*</b>



**Appendix B****Required Data Inputs from Customer**

Rezatec requirements for Pipeline Risk Product:

**Customer Data Requirements**

Processing will only begin once all datasets required for processing have been provided, unless otherwise agreed upon by both parties.

Metadata for any terms in needing definition, such as column and shorthand, translation to English, and direction on what data to use would avoid any unnecessary delays to project processing.

**Likelihood of Failure****Distribution Pipeline Network**

GIS polyline format preferred of the most recent version of the relevant mains network. Please quote the total length of the network being provided.

Distribution pipeline is primarily the pipe type modelled, and data networks will be filtered for just this network type unless otherwise agreed. This will be the case unless the data provider clarifies that the transmission network is not significantly different and does not have a sufficient percentage of missing minimum attributes.

Data provided to Rezatec will be assumed to be active rather than retired pipe unless made explicitly clear by the data provider. This is so that only active pipe is modelled.

Minimum attributes:

- Material (with abbreviations defined)
- Diameter (with unit made clear, e.g., millimetre)
- Age (date of install or years old)
- Length (with unit made clear, e.g., metre)
- Pipeline type if applicable (a means to define distribution network).

Desirable attributes (if available and subject to feasibility results):

- Observed condition
- Street
- Pipe lining date and liner material
- Pressure
- Depth
- Flow
- Pipeline network management areas (e.g. District Metered Area).

The data feasibility is essential to ensure the successful delivery of the distribution network.

**Historic Incidents**

Minimum three years' worth of data in a format that can be assigned to each pipe section (i.e. location coordinates or pipeline section identifier). For retrospective assessment, we use year 1 and year 2 to build the risk model. The results are then compared to year 3 to demonstrate the accuracy of predictions. Please quote the total number of incidents being provided.

Minimum attributes:

- Location of failure (GIS data or XY co-ordinates)
- Date of failure

Desirable attributes (if available):

- Location of failure (which pipeline section)
- Asset number
- Infrastructure type (e.g., pipe, valve, junction, meter)
- Cause of failure (e.g., collapse, vegetation, blockage)
- Rate of leakage
- Length of leakage
- Remedial action taken.

If address-level data is the only available location attribute, Rezatec will need to perform a geocoding process which may impact results and timelines.

Incident data provided to Rezatec will be assumed to be a natural break suitable for modelling unless made explicitly clear by the data provider. Incidents caused by human activity should be identified so they can be excluded.

**Transmission Pipeline Networks**

If included, these parts of the network are usually modelled separately from the distribution network as the attributes and locations are usually very different to distribution.

Please ensure the networks are identified correctly as transmission or distribution. The data feasibility is essential to ensure we can deliver our insights for transmission networks.

**Consequence of Failure**

Areas of high risk to pipeline failure. Examples of these could be locations of:

GIS Point/Polyline/Polygon Format:

- Hospitals
- Schools
- Transport structures like railway stations or critical road links
- Critical business customers
- Water bodies
- Projected environmental areas
- High-pressure zones.

In summary, any locational data that you would like us to factor within the consequence of pipeline failure.

Please note: if you do not have COF areas outlined in your GIS, we can use our standard approach, which includes schools, Hospitals, airports etc to populate these zones for you.

**Consequence tiers**

We also require a guide as to the importance between each kind of risk area relative to each other. We normally ask for tiered classifications of importance. An example of this can be as follows:

- Tier 1 – the least important but still to be considered as a high-risk area of interest (schools, shops)
- Tier 2 – More important levels of risk (key infrastructure – Roads, railway stations)
- Tier 3 – The most important (water bodies, hospitals).

There does not need to be exactly 3 tiers, it can be more or less, but you must be able to provide us with a differentiator between certain consequence variable impacts if you require this to be represented in the model.

**Please note:** if you have no differentiator between your chosen consequence variables, we can assume that all factors will have the same level of weighting within the model.

**Additional Data**

The Rezatec platform can look to host additional data layers alongside the pipeline network results for use in co-prioritisation of planning and operations, or simply visual reference.

Similar GIS formatted data is typically required, or data can be attached at the pipe level if appropriate ID systems can be used to join records.

Examples of additional data include:

- Hydrant and Valve point locations
- Roads/streets (name, type and any further records like age and condition)
- Planning areas for past and future works

**Appendix C**
**Implementation Schedule**

Key Milestones	Description	Estimated Timeline
Welcome	<ul style="list-style-type: none"> <li>Email to introduce the team and next steps.</li> </ul>	On commencement
Customer Data Review	<ul style="list-style-type: none"> <li>Review of new network and incident data received.</li> <li>Data review call if required.</li> </ul>	Week 1
Customer Kick-Off Meeting	<ul style="list-style-type: none"> <li>Meeting to identify outstanding queries regarding data and agree paths to resolution.</li> <li>Opportunity to discuss any additional data visualization requirements.</li> <li>Outline the planned delivery schedule and key dependencies.</li> </ul>	Week 2
Data Preparation	<ul style="list-style-type: none"> <li>Cleaning and preparing data modelling inputs.</li> <li>Filtering relevant data.</li> <li>Segmentation of the pipeline network.</li> </ul>	Week 3-4
Modelling	<ul style="list-style-type: none"> <li>Modelling pipe-level geospatial AI.</li> <li>Combining the appropriate environmental factors with pipeline attributes.</li> </ul>	Week 5-6
Model Validation	<ul style="list-style-type: none"> <li>Evaluating the strength of the model.</li> <li>5-fold cross-validation – intentionally withholding the most recent year of incidents.</li> </ul>	Week 7-9

Key Milestones	Description	Timeline
Platform Upload	<ul style="list-style-type: none"> <li>• Post-model analytic.</li> <li>• Post-model formatting.</li> <li>• Customer site setup.</li> </ul>	Week 10
Customer Data Delivery	<ul style="list-style-type: none"> <li>• Data delivery within 45 business days from kick-off date or by the date agreed with the customer.</li> <li>• Meeting scheduled to recap on scope, show model validation report and analysis results presentation and navigation demo within the platform.</li> </ul>	Week 11
Additional Support	<ul style="list-style-type: none"> <li>• Agree review schedule with the customer to digest the results.</li> <li>• Revisit any questions or clarifications required by customer on model results.</li> <li>• Help design their study.</li> </ul>	Week 12-16
Data Validation and operational workflow mapping	<ul style="list-style-type: none"> <li>• Subject to discussion with customer.</li> </ul>	Week 16+

**Appendix D**
**Payment Schedule**

**Contract Term:** 12 months

**Payment Profile:** Annual invoice split into 3 instalments per Contract Year (50% / 25% / 25%)

**Option Years:** Option Year pricing and invoicing apply only if the City exercises the applicable renewal option and the parties execute a written renewal/amendment for that year.

**Payment Terms:** Net 30 days from date of invoice issuance.

**Taxes:** Prices exclude all taxes. WA State sales tax to be treated in accordance with the executed City contract.

**Table 1 – Summary by Contract Year**

Contract Year	Description	Annual Price (USD, excl. taxes)
Year 1 (2026)	Base Year	\$104,942
Year 2 (2027)	Option Year 1	\$115,436
Year 3 (2028)	Option Year 2	\$132,752
	<b>Total (if all option years exercised)</b>	<b>\$353,130</b>

**Table 2 – Detailed Invoice Schedule**

Contract Year	Status	Instalment	% of Annual	Invoice timing (relative to that year's Effective Date)	Amount (USD, ex-tax)
Year 1 (2026)	Base Year	1	50%	1 June 2026	\$52,471
		2	25%	1 October 2026	\$26,236
		3	25%	1 February 2027	\$26,235
Year 2 (2027)	Option Year 1 <i>(if exercised)</i>	1	50%	On Option Year 1 Effective Date	\$57,718
		2	25%	Option Year 1 Effective Date +4 months	\$28,859
		3	25%	Option Year 1 Effective Date +8 months	\$28,859
Year 3 (2028)	Option Year 2 <i>(if exercised)</i>	1	50%	On Option Year 2 Effective Date	\$66,376
		2	25%	Option Year 2 Effective Date +4 months	\$33,188
		3	25%	Option Year 2 Effective Date +8 months	\$33,188

**DATA PRODUCTS & PLATFORM AGREEMENT BETWEEN  
REZATEC GLOBAL INC. AND CITY OF SPOKANE, WASHINGTON  
REFERENCE: SPOKANE004**

This Agreement is by and between Rezatec Global Inc., a Delaware corporation with its principal place of business at 251 Little Falls Drive, Wilmington, New Castle County, Delaware, 19808 ("Rezatec") and City of Spokane, Washington with its principal place of business at 914 E North Foothills Dr, Spokane, Washington, 99207, United States ("Customer").

**TERMS AND CONDITIONS**

**1. DEFINITIONS AND INTERPRETATION.**

1.1. The following terms shall have the meanings set forth below:

"ADR notice" has the meaning given to it in Section 26 (Dispute Resolution).

"Aggregated Data" means data and information related to Customer Data or Customer's use of the Services that is used by Rezatec in an aggregate and anonymized manner, including to compile statistical and performance information related to the provision and operation of the Services. Aggregated Data does not include (directly or by inference) any: (a) information identifying the Customer or any identifiable individual; or (b) Customer's Confidential Information.

"Agreement" means the agreement between Rezatec and Customer for access to and use of the Platform and the Data Products in accordance with the Order Form, which shall be incorporated in its entirety herein.

"Authorized User" means those employees, officers, agents and independent contractors of Customer (or its affiliates) who are authorized by Customer to use the Platform in accordance with the provisions of this Agreement and for whom access to the Platform has been purchased hereunder.

"Business Days" means any day other than a Saturday or a Sunday or holiday.

"Confidential Information" means all confidential information (however recorded or preserved) that is disclosed or made available (in any form or by any method) by one party (the "disclosing party") to the other in connection with this Agreement including without limitation all confidential or proprietary information relating to the business or affairs, financial or trading position, assets, Intellectual Property Rights, know-how, designs, trade secrets, technical information, software, customers, clients, suppliers, employees, plans, operations, processes, products, intentions or market opportunities of the disclosing party or any member of its group and any other information that is identified by the disclosing party as being of a confidential or proprietary nature. Confidential Information also includes Customer Data provided by Customer to Rezatec under this Agreement and the Data Products provided by Rezatec to Customer under this Agreement.

"Customer Data" means any data provided by Customer to be combined with, used alongside or inputted in the Data Products.

"Data Products" means the exportable data, including tabulated data points to be provided to Customer, as specified in the Order Form, but does not include the algorithms or other proprietary intellectual property used to generate such exportable data.

"Data Protection Laws" means all applicable laws in force relating to the protection of personal information.

"Effective Date" means the commencement date of the Service including any set-up or configuration time and is specified in Section 3 (Access to the Platform).

"Feedback" means any and all suggestions or recommended changes to the Platform or Data Products including new features or functionality relating thereto, or any comments, questions, suggestions, or the like provided by Customer or an Authorized User.

"Fees" means the fees set out in the Order Form or as may be amended in accordance with Section 18 (Fees and Payment) of this Agreement.

"Initial Term" means twelve (12) months from the Effective Date through May 31, 2027.

"Intellectual Property Rights" means any and all intellectual property rights of any nature anywhere in the world whether registered, registrable or otherwise, including patents, utility models, trademarks, registered designs and domain names, applications for any of the foregoing, trade or business names, goodwill, copyright and rights in the nature of copyright, design rights, rights in databases, moral rights, know-how and any other intellectual property rights which subsist in processed data, computer software, computer programs, websites, documents, information, techniques, business methods, drawings, logos, instruction manuals, lists and procedures and particulars of customers, marketing methods and procedures and advertising literature, including the "look and feel" of any websites.

"Normal Business Hours" means 9:00 a.m. to 5:30 p.m. Central Standard Time on

Business Days.

"Order Form" means Rezatec's form for placing orders for Data Products that are agreed and signed on behalf of both Customer and Rezatec.

"Platform" means the Rezatec Geospatial Platform, and any software applications, computer programs, and codes provided by Rezatec through which Customer may remotely access the Data Products.

"Renewal Term" has the meaning given to it in Section 16 (Term and Renewal).

"Service" means the combination of Data Products provided to Customer under this Agreement.

"Writing" shall include communication effected by email, fax or similar means.

1.2. Where there is a conflict between these terms and conditions, the special terms set out in an Order Form, any other terms set out in an Order Form, the order of precedence is as follows: (1) the special terms set out in an Order Form; (2) the terms and conditions set out herein; and (3) any other terms (not being the special terms) set out in an Order Form.

**2. THE DATA PRODUCTS.**

- 2.1. The Data Products to be provided under this Agreement are set out in the Order Form, attached hereto and incorporated into this Agreement by reference.
- 2.2. Provision of the Data Products is made strictly subject to payment by Customer (in accordance with Section 18 (Fees and Payment) of the Fees set out in the Order Form).

**3. ACCESS TO THE PLATFORM.**

- 3.1. The Effective Date of this Agreement is **June 1, 2026**.
- 3.2. On receipt of cleared funds for the initial payment specified in the Order Form, Rezatec will deliver access details and passwords in line with the requested number in the Order Form for the purpose of allowing Authorized Users to use the Platform via a URL specified in the Order Form.
- 3.3. Subject to clause 3.2, within thirty (30) Business Days of written acceptance by Rezatec of Customer data inputs specified in the Order Form after the Effective Date, Rezatec will enable access to the ordered Data Products via a URL specified in the Order Form.
- 3.4. Customer shall contact Rezatec if there is any change in Customer personnel who are Authorized Users (including when Authorized Users cease to be employed or engaged by Customer) and Rezatec will on reasonable notice provide new Platform access details and passwords for new Customer personnel replacing existing personnel's access to the Platform.
- 3.5. Customer shall ensure that all Authorized Users are aware of and abide by the terms of this Agreement and all applicable requirements of Data Protection Laws, including their obligation to comply with any other user terms applicable to the Platform and notified to Customer. Customer shall only provide Authorized Users with access to the Platform via the access method provided by Rezatec and shall not provide access to anyone other than an Authorized User.
- 3.6. Customer shall be liable at all times to Rezatec for all acts and omissions of the Authorized Users and access to and use of the Platform directly or indirectly by or through the Customer systems or its or its Authorized Users' user logons, with or without Customer's knowledge or consent, including all results obtained from, and all conclusions, decisions, and actions based on, such access or use. Rezatec reserves the right to revoke or suspend Customer's access to the Platform as set forth in Section 5 or Section 9, in the event of any breach by Authorized Users of the terms of this Agreement.

**4. AVAILABILITY OF THE PLATFORM.**

- 4.1. Rezatec shall use commercially reasonable endeavours to make the Platform available to Customer twenty-four (24) hours a day, seven days a week excluding:
  - (i) scheduled maintenance which Rezatec shall use commercially reasonable endeavours to undertake between 22.00 – 23.59 Central Standard Time;
  - (ii) emergency maintenance; or
  - (iii) downtime caused in whole or part by an event outside Rezatec's reasonable control in which case Section 28 (Force Majeure) shall apply.
- 4.2. Rezatec will use reasonable endeavours to notify Customer in advance of scheduled maintenance but Customer acknowledges that it may receive no advance notification for emergency maintenance or downtime caused by an event outside Rezatec's reasonable control.
- 4.3. Customer acknowledges that Rezatec is entitled to modify the features and functionality of the Platform as part of its ongoing development of the Platform. Rezatec shall use reasonable endeavors to ensure that any such modification does

not materially diminish the functionality and features of the Platform .

## 5. USE OF DATA PRODUCTS AND PLATFORM .

- 5.1. In consideration of Customer's payment of the Fees in full when due in accordance with the terms of this Agreement and subject to the limitations and prohibitions set out in this Agreement, Rezatec hereby grants to Customer a non-exclusive right for the duration of this Agreement to allow Authorized Users to access the Data Products via the Platform .
- 5.2. Customer represents, warrants and agrees that the Platform and Data Products will be used only in accordance with the terms, conditions and limitations set out in this Agreement.
- 5.3. The right granted by Rezatec to Customer under this Section 5 is subject to the following limitations and (without limitation) to Customer obligations set out in Section 7.1 below:
- (i) the Platform may only be accessed and used by the Authorized Users specified in the Order Form;
  - (ii) access is limited to the Data Products set out in the Order Form; and
  - (iii) Customer and its Authorized Users may, (a) download and print extracts of the Data Products as required in a manner consistent with reasonable internal business use purposes; and (b) may download (via the Platform ) PDF copies of extracts of the Data Products for use for Customer's internal business purposes and send these copies to third parties or store such copies in Customer's systems.
- 5.4. Customer acknowledges and agrees that the Data Products are licensed and not sold and Customer receives no rights other than those specifically granted to Customer under this Agreement.
- 5.5. Rezatec reserves the right to monitor usage by all Authorized Users (by way of audits or otherwise) during the term of this Agreement for the purpose of (among others) ensuring compliance with the terms of this Agreement. Any audit may be carried out by Rezatec or a third party authorized by Rezatec. If any audit reveals that any access details or password have been provided to an individual that is not an Authorized User, Rezatec may, disable any such access details or passwords.
- 5.6. In the event of unauthorized use of the Platform by Customer or Authorized Users, Rezatec reserves the right to deny Customer or Authorized Users access to the Platform , including but not limited to by blocking, without prior notification, the IP addresses that Customer or Authorized Users used to access the Platform .

## 6. CUSTOMER DATA

- 6.1. Customer hereby grants to Rezatec:
- (i) a non-exclusive, non-transferable right, without the right to grant sub-licenses (except to Rezatec's service providers), to use the Customer Data for the purpose and duration of this Agreement; and
  - (ii) notwithstanding the aforementioned, a non-exclusive, royalty-free, transferable, sub-licensable, worldwide, perpetual right to extract data from the Data Products (the extent of which is set out in the Order Form) and use such extracted data for its own business purposes provided that the extracted data is anonymized, Customer cannot be identified from it and none of Customer's Confidential Information is disclosed.
- 6.2. Customer shall provide the Customer Data to Rezatec in a timely manner or by the date set out in the Order Form. Rezatec is not responsible or liable for any delay or failure of performance caused in whole or in part by Customer's delay in performing, or failure to perform, any of its obligations under this Agreement, and Rezatec shall be allowed an extension of time to perform its obligations equal to the delay caused by Customer.
- 6.3. Customer is and shall remain solely responsible to obtain adequately informed consent from data subjects (as required by applicable Data Protection Laws) for the collection and processing of all personal data included in Customer Data.

## 7. CUSTOMER OBLIGATIONS.

- 7.1. Except to the extent such activities are expressly permitted under this Agreement, Customer shall not, and shall ensure all Authorized Users and Customer's employees, officers and representatives shall not, nor attempt to:
- (i) decompile the underlying software (or any part of it) that is used to provide the Platform ;
  - (ii) observe, study or test the functioning of the underlying software (or any part of it) that is used to provide the Platform ;
  - (iii) remove proprietary or confidentiality notices on any Data Products or extracts of Data Products;
  - (iv) be permitted to frame or mirror any part of the Platform other than as expressly permitted by Rezatec in Writing;
  - (v) remove any product identification, trademarks, trade names, proprietary copyright, confidentiality or other notices placed on the Data Products and/or Platform ;
  - (vi) copy, modify, duplicate, create derivative works from, translate, frame, mirror, republish, download, display, transmit, or distribute all or any portion of the Data Products or the Platform in any form or media or by any means;
  - (vii) disassemble, reverse engineer or otherwise reduce to human-perceivable form or otherwise attempt to derive or gain access to the source code of the Platform ;
  - (viii) bypass or breach any security device or protection used by the Platform or access or use the Platform other than by an Authorized User through the use of his or her own then valid access credentials;

- (ix) damage, destroy, disrupt, disable, impair, interfere with, or otherwise impede or harm in any manner the Platform , or Rezatec's provision of services to any third party, in whole or in part;
- (x) access or use the Platform in any manner or for any purpose that infringes, misappropriates, or otherwise violates any Intellectual Property Right or other right of any third party (including by any unauthorized access to, misappropriation, use, alteration, destruction, or disclosure of the data of any other customer of Rezatec), or that violates any applicable law;
- (xi) access all or any part of the Data Product or the Platform in order to build a product or service which competes with the Data Products, the Platform or any part of either of them, or for any other purpose that is to Rezatec's detriment or commercial disadvantage;
- (xii) use the Data Products and/or the Platform to provide services to third parties;
- (xiii) license, sell, rent, lease, transfer, assign, distribute, display, disclose, or otherwise commercially exploit, or otherwise make the Data Products and/or the Platform available to any third party except the Authorized Users;
- (xiv) attempt to obtain, or assist third parties in obtaining, access to the Data Products and/or the Platform ; or
- (xv) extract, re-utilize, use, exploit, redistribute, re-disseminate, copy or store the Data Products (or any part of them); or
- (xvi) otherwise access or use the Services or the Platform beyond the scope of the authorization granted under this Agreement.

- 7.2. Customer shall use all reasonable endeavors to prevent any unauthorized access to, or use of, the Data Products and/or the Platform and, in the event of any such unauthorized access or use, promptly notify Rezatec, and Customer shall control the content and use of Customer Data, including the uploading or other provision of Customer Data for processing by the Platform .
- 7.3. Customer shall not, and shall ensure that the Authorized Users shall not, introduce any software virus or other malware (including any bugs, worms, logic bombs, Trojan horses or any other self-propagating or other such program) that may infect or cause damage to the Platform or Rezatec's systems or otherwise disrupt the provision of the Platform .
- 7.4. The rights provided under this Agreement are granted to Customer and its Authorized Users only.
- 7.5. Customer has and will retain sole responsibility for: (i) all Customer Data, including its content and use; (ii) all information, instructions, and materials provided by or on behalf of Customer or any Authorized User in connection with the Platform ; (iii) all access to and use of the Data Products by any person by or through Customer's systems or any other means controlled by Customer or any Authorized User, including any: (1) information, instructions, or materials provided by any of them to the Platform or Rezatec; (2) results obtained from any use of the Platform or Data Products; and (3) conclusions, decisions, or actions based on such use.

8. **SERVICES EXCLUDED.** This Agreement covers only the right to access and use the Data Products agreed in the Order Form. Customer agrees that Rezatec shall have no liability under this Agreement for the outcome of such additional services or data products even when provided directly to Customer by Rezatec and it is expressly agreed that any claims, demands or other remedies with respect to the performance of such additional services or data products shall be governed strictly outside of this Agreement.

## 9. SUSPENSION OF ACCESS.

- 9.1. Rezatec may suspend, terminate, or otherwise deny Platform set-up activities or access to all or any part of the Platform to Customer's, any Authorized User's, or any other person, without incurring any resulting obligation or liability, if:
- (i) Rezatec receives a judicial or other governmental demand or order, subpoena, or law enforcement request that expressly or by reasonable implication requires Rezatec to do so;
  - (ii) Rezatec suspects in its good faith and reasonable discretion, that: (1) Customer or any Authorized User has failed to comply with any material term of this Agreement (including any payment obligation or any failure to fully fund invoices immediately upon notice of a deficiency), or accessed or used the Platform beyond the scope of the rights granted or for a purpose not authorized under this Agreement or in any manner that does not comply with any material instruction or requirement of the Service, (2) Customer or any Authorized User is, has been, or is likely to be involved in any fraudulent, misleading, or unlawful activities relating to or in connection with any of the Platform , (3) this Agreement expires or is terminated, or (4) suspension is necessary to protect damage or risk to, or degradation of, the integrity, functionality, or ability of other members to use, the Platform ; or
  - (iii) Customer fails to pay any sums due to Rezatec by the due date for payment as specified in the Order Form.
- 9.2. Rezatec will notify Customer or the affected Authorized Users as soon as possible after suspending access to the Platform .
- 9.3. Where the reason for the suspension is suspected misuse of the Platform or breach of this Agreement, without prejudice to its rights under Section 17 (Termination), Rezatec will take steps to investigate the issue and may restore or permanently suspend access at its discretion. If Rezatec considers it appropriate to permanently suspend access to all Authorized Users, it will notify Customer in Writing and this

Agreement will terminate immediately on service of such notice.

- 9.4. In relation to suspensions under Section 9.1(iii) access to Platform will be restored promptly after Rezatec receives payment in full and cleared funds.
- 9.5. The Fees shall remain payable during any period of suspension notwithstanding that Customer or some of the Authorized Users may not have access to the Platform. This Section 9 does not limit any of Rezatec's other rights or remedies, whether at law, in equity, or under this Agreement.

#### 10. OWNERSHIP.

- 10.1. Customer acknowledges that the information within and relating to the Data Products (including Aggregated Data) and/or the Platform is Confidential Information of Rezatec and contains trade secrets and proprietary data belonging to Rezatec and that the presence of copyright notices on any medium containing information supplied by Rezatec does not constitute publication or otherwise impair the confidential nature thereof.
- 10.2. Customer shall own all right, title and interest in and to all of the Customer Data and shall have sole responsibility for the legality, reliability, integrity, accuracy and quality of all such Customer Data. Customer warrants, represents and undertakes that the Customer Data does not infringe any third party Intellectual Property Rights.
- 10.3. Each party shall implement all reasonable measures necessary to safeguard the other party's ownership of, and the confidentiality of (a) the Data Products and the Platform in respect of Rezatec; and (b) the Customer Data in respect of Customer, including without limitation: (i) allowing its employees, agents and third parties access to the Data Products, the Platform or Customer Data (as applicable) only to the extent specifically permitted by this Agreement and in any event as necessary to permit the performance of their ordinary services to Customer and to require, as a condition to such access, that such persons comply with the provisions of this Section 10; and (ii) cooperating with the other party in the enforcement of such compliance by its employees, agents and third parties.
- 10.4. Customer acknowledges and agrees that the skills, know-how and methodologies utilized by Rezatec together with the Data Products and Platform and its associated code and means of delivery, including all Intellectual Property Rights therein constitute valuable trade secrets and Confidential Information of Rezatec and Customer acknowledges and agrees that all Intellectual Property Rights shall remain the sole property of Rezatec (and/or the relevant Rezatec third party licensor). Customer shall gain no right, title or interest in the Data Products, the Platform, the skills, know-how and methodologies by virtue of this Agreement other than the non-exclusive limited, conditional, right of access granted in this Agreement, in each case subject to Section 7.1. All other rights in and to the Platform and Data Products are expressly reserved by Rezatec. In furtherance of the foregoing, Customer hereby unconditionally and irrevocably grants to Rezatec an assignment of all right, title, and interest in and to the Aggregated Data, including all Intellectual Property Rights relating thereto.
- 10.5. Without limiting the foregoing, Customer acknowledges and agrees further that all Intellectual Property Rights in any general improvements or changes to the Data Products, as well as Feedback suggested by Customer which relate to the Data Products and the Platform shall at all times vest in Rezatec and Customer shall take all necessary actions to ensure all such rights are so assigned to and remain with Rezatec. Customer hereby assigns to Rezatec on Customer's behalf, and on behalf of its Authorized Users, all right, title, and interest in such Feedback and all Intellectual Property Rights contained therein. Rezatec is free to use, without attribution or compensation to any part, any and all Intellectual Property Rights contained in the Feedback, for any purpose whatsoever. Notwithstanding the foregoing, Rezatec is under no obligation to make use of any Feedback.
- 10.6. Customer shall take, at Rezatec's option and cost (except where Customer is at fault or where this arises as a result of a breach of this Section 10 or Section 15 (Confidentiality) by Customer) and under Rezatec control and discretion, any legal action necessary whether in the name of Customer or of Rezatec to prevent or stop the unauthorized use of such trade secrets and Confidential Information of Rezatec by any third party or entity who or which has accessed the whole or any part of any trade secrets or Confidential Information.

#### 11. INDEMNITY.

- 11.1. Subject to the remaining provisions of this Section, Rezatec shall defend Customer against any claim that the Rezatec Platform or any Data Products infringes any United States of America patent effective as of the Effective Date, copyright, trade mark, database right or right of confidentiality, and shall indemnify Customer for any reasonable legal costs incurred by, and amounts awarded against Customer in judgment or settlement of such claims, provided that:
- Rezatec is given prompt written notice of any such claim specifying the claim in reasonable detail;
  - Customer provides reasonable assistance and co-operation to Rezatec in the defense and settlement of such claim, at Rezatec's expense;
  - Customer shall not make any admission of liability, agreement or compromise in relation to the claim without the prior consent of Rezatec in Writing;
  - Customer shall give Rezatec and its professional advisers access at reasonable times (on reasonable prior notice) to its premises and its officers, directors, employees, agents, representatives or advisers, and to any relevant assets, accounts, documents and records within the power or control of Customer, so as to enable Rezatec and its professional advisers to examine them and to take copies (at Rezatec's expense) for the purpose

of assessing the claim;

- Rezatec is given sole authority to conduct, and to make decisions in relation to, the defense and/or negotiation and settlement of the claim; and
  - Customer will be entitled to participate in the defense of a claim and to employ legal representation at its own expense.
- 11.2. In the defense or settlement of any claim, Rezatec may at its option and expense:
- procure the right for Customer to continue using the Data Products, materially as contemplated by this Agreement;
  - replace or modify the Data Products so that they become (as so modified or replaced) non-infringing; or, if such remedies are not reasonably available,
  - terminate this Agreement on five (5) Business Days' notice to Customer without any additional liability or obligation to pay liquidated damages or other additional costs to Customer.
- 11.3. In no event shall Rezatec, its employees, agents and sub-contractors have any obligation to indemnify, or have any other liability to, Customer and its Authorized Users under this Agreement to the extent that the alleged infringement is based on:
- Customer's failure to abide by the terms of this Agreement;
  - Customer's use of any third-party services alone or in combination with the Platform;
  - any alteration, configuration, customisation or modification of the Data Products and/or Platform not performed by Rezatec, regardless whether the alteration, configuration, customisation or modification was performed using Rezatec tools, methods documented by Rezatec, or training provided by Rezatec or Rezatec sub-contractors or agents;
  - Customer's use of the Data Products and/or Platform in a manner contrary to the terms of this Agreement or to the instructions or advice given to Customer by Rezatec;
  - Customer's use of the Data Products and/or Platform after notice of the alleged or actual infringement from Rezatec or any appropriate authority;
  - Rezatec's use of any materials provided by Customer or, Rezatec's compliance with any Customer request or instruction; or
  - any Customer Data combined, used alongside or inputted into the Data Products.
- 11.4. THIS SECTION 11 SETS FORTH CUSTOMER'S SOLE REMEDIES AND REZATEC'S SOLE LIABILITY AND OBLIGATION FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT THE PLATFORM OR DATA PRODUCTS OR ANY SUBJECT MATTER OF THIS AGREEMENT INFRINGES, MISAPPROPRIATES, OR OTHERWISE VIOLATES ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD-PARTY.
- 11.5. Customer shall indemnify Rezatec against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred by Rezatec arising out of or in connection with (i) any breach of the warranty contained in Section 10.2; (ii) Customer Data and any use of Customer Data by or on behalf of Rezatec in accordance with this Agreement; (iii) any failure of Customer to comply with the terms of data protection as set forth in Section 14; (iv) any violation of right of privacy or the right of publicity, by Customer; (v) Rezatec's use of materials provided by the Customer or in compliance with any Customer request or instruction; or (vi) any material breach of any representation, warranty, agreement, or obligation made by Customer in this Agreement.
- 11.6. Nothing in this Section 11 shall restrict or limit Customer's general obligation at law to mitigate a loss it may suffer or incur as a result of an event that may give rise to a claim under the indemnity given by Rezatec in this Section 11.

#### 12. DISCLAIMER OF WARRANTIES.

- 12.1. All warranties, conditions, representations and guarantees, whether express or implied, arising by statute, law, custom, oral or written statements of Rezatec, Rezatec's partner(s) or otherwise (including, but not limited to, any warranty or condition as to merchantability, satisfactory quality or fitness for particular purpose or of error-free and uninterrupted use of the Platform) are, to the fullest extent permitted by applicable law, hereby superseded, excluded and disclaimed.
- 12.2. Without limiting the generality of the foregoing, the Data Products are provided to Customer on an "as is" basis and Rezatec does not warrant that Customer's use of the Data Products or the Platform will be uninterrupted or error-free, be compatible or work with any software, system, or other services, or be secure, accurate, complete, free of harmful code; or that the Platform, Data Products and any related documentation and/or the information obtained by Customer through the Platform will meet Customer's requirements. Customer is solely responsible for the use it makes of the Data Products, reliance it places on such Data Products and any judgments it makes irrespective of such Data Products.
- 12.3. Rezatec makes no warranty that the Platform will contain computer programs with characteristics or specifications desired or required by Customer or that access to the Data Products under this Agreement will be continuous and uninterrupted. Customer is solely responsible for, and Rezatec expressly disclaims any and all liability associated with the content of Customer Data. Furthermore, Rezatec shall not be responsible for:
- any delays, delivery failures, or any other loss or damage resulting from the transfer of data over communications networks and facilities,

including the internet, and Customer acknowledges that the Platform may be subject to limitations, delays and other problems inherent in the use of such communications facilities; and

- (ii) the content, accuracy, completeness, timeliness, security, integrity, utility, or applicability of the Customer Data stored or transmitted using the Platform and Customer acknowledges that the Platform functions solely as a conduit for transmission and storage of such Customer Data.

### 13. LIMITATION OF LIABILITY.

13.1. In no event shall Rezatec be liable to Customer for any: (a) loss of profits or loss of revenue; (b) loss of production, use, business, revenue, or profit or diminution in value or loss of contracts; (c) loss of goodwill or reputation; (d) third party claims; (e) loss, damage, corruption, or recovery of data, interruption in the use or availability of data, or breach of data or system security; or (f) consequential, incidental, indirect, special, exemplary, or punitive loss, in each case whether incurred directly or indirectly by Customer under any legal or equitable theory, including arising from negligence, breach of statutory duty, breach of any express or implied warranty, breach of contract, misrepresentation, restitution, strict liability in tort, through indemnification or otherwise.

13.2. Except in relation to the indemnity contained in Section 11 (Indemnity), the maximum aggregate liability of Rezatec whether arising from negligence, breach of statutory duty, breach of any express or implied warranty, breach of contract, misrepresentation, restitution, strict liability in tort or otherwise shall not in any circumstances exceed the Fees paid or payable by Customer to Rezatec during the twelve (12) months immediately preceding the date on which the claim arose. The foregoing limitations apply even if any remedy fails of its essential purpose.

### 14. DATA PROTECTION.

14.1. Both parties will comply with all applicable requirements of the Data Protection Laws. This Section 14 is in addition to, and does not relieve, remove or replace, a party's obligations under the Data Protection Laws.

14.2. If Rezatec processes any personal data on Customer's behalf when performing its obligations under this Agreement (the scope, nature, purpose and duration of which and the types of personal data will be set out in the Order Form):

- (i) Customer shall ensure that the Customer is entitled to transfer the relevant personal data to Rezatec so that Rezatec may lawfully use, process and transfer the personal data in accordance with this Agreement on Customer's behalf;
- (ii) Customer is and shall remain solely responsible to obtain adequately informed consent from data subjects to, such use, processing, and transfer as required by the Data Protection Laws and all other applicable data protection legislation;
- (iii) each party shall take appropriate technical and organizational measures against unauthorized or unlawful processing of the personal data or its accidental loss, destruction or damage appropriate to the harm that might result from the unauthorized or unlawful processing or accidental loss, destruction or damage and the nature of the data to be protected, having regard to the state of technological development and the cost of implementing any measures (those measures may include, where appropriate, pseudonymising and encrypting personal data, ensuring confidentiality, integrity, availability and resilience of its systems and services, ensuring that availability of and access to personal data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the technical and organisational measures adopted by it);
- (iv) Rezatec shall ensure that all personnel who have access to and/or process personal data are obliged to keep the personal data confidential;
- (v) Rezatec shall assist Customer, at Customer's cost, in respect to any request from a data subject and in ensuring compliance with its obligations under the Data Protection Laws with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators, and to demonstrate its compliance with the requirements of Article 28; and
- (vi) Rezatec shall notify Customer of any legal requirement to process data beyond Customer's instructions, unless not permitted to on important grounds of public interest, and if, in Rezatec's opinion, any instruction infringes an applicable Data Protection Law;
- (vii) Rezatec shall notify Customer without undue delay on becoming aware of a personal data breach;
- (viii) Rezatec shall at the written direction of Customer, delete or return the personal data and copies thereof received or created pursuant to the Agreement to Customer on termination of this Agreement unless required by applicable law to retain the personal data.

14.3. Customer consents to Rezatec's use of sub-processors engaged in the processing of Customer's personal data by way of general authorization in respect of all sub-processors as at the date of this Agreement. Rezatec shall make available to Customer a list of its current sub-processors on request and Customer may sign up to receive notifications of changes by Rezatec to its sub-processors to give Customer an opportunity to object to such change. Customer must notify Rezatec in the event that Customer does not agree to a proposed change within sixty (60)

days of receiving a notification from Rezatec, specifying its grounds for such objection (acting reasonably). If Rezatec receives such an objection, then Rezatec may (at its option):

- (i) cancel its plans to change the affected sub-processor;
- (ii) offer an alternative which is acceptable to Customer; or
- (iii) take corrective steps to remove the objection identified by Customer to Customer's reasonable satisfaction, after which Rezatec may proceed with appointing the relevant sub-processor.

If none of the above options resolves the objection, then without liability to Customer, Rezatec may terminate this Agreement by providing written notice with immediate effect.

14.4. Customer acknowledges that Rezatec is reliant on Customer for documented instructions as to the extent to which Rezatec is entitled to use and process any personal data, and Rezatec may process personal data only on documented instructions from controller, including for any transfers to a third country. Consequently, Rezatec will not be liable for any claim brought by a data subject arising from any action or omission by Rezatec, to the extent that such action or omission resulted directly from Customer's instructions.

### 15. CONFIDENTIALITY.

15.1. Each party may be given access to Confidential Information from the other party in order to perform its obligations under this Agreement. A party's Confidential Information shall not be deemed to include information that:

- (i) is or becomes publicly known other than through any act or omission of the receiving party;
- (ii) was in the other party's lawful possession before the disclosure;
- (iii) is lawfully disclosed to the receiving party by a third party without restriction on disclosure;
- (iv) is independently developed by the receiving party, which independent development can be shown by written evidence.

15.2. Each party shall hold the other's Confidential Information in confidence and, unless required by law, not make the other's Confidential Information available to any third party other than its employees, directors, affiliates', auditors or legal counsel or use the other party's Confidential Information for any purpose other than the implementation of this Agreement.

15.3. Each party may disclose the other party's Confidential Information in strict accordance with a judicial or other governmental order, provided that to the extent possible and legally permitted it gives the other party reasonable notice prior to such disclosure to allow the other party a reasonable opportunity to seek a protective order or equivalent.

15.4. Customer acknowledges the confidentiality of the terms and conditions of this Agreement and shall not disclose them to third parties (except Customer's auditors, legal counsel or third parties whose review is mandated by law) without the prior authorization of Rezatec in Writing.

16. **TERM AND RENEWAL.** This Agreement shall, unless otherwise terminated as provided in Section 17 (Termination), commence on the Effective Date and shall continue for the Initial Term. The Agreement shall expire automatically at the end of this term, unless otherwise extended by mutual written agreement (each such renewal period a "Renewal Term").

### 17. TERMINATION.

17.1. Without prejudice to Rezatec's right to terminate this Agreement pursuant to clause 9.3, each party may terminate this Agreement at any time by giving notice in Writing to the other party if that other party commits a material breach of any term of this Agreement and (if such breach is remediable) fails to remedy that breach within thirty (30) days of that party being notified in Writing of the breach.

17.2. Without prejudice to any other rights or remedies to which the parties may be entitled, either party may immediately terminate this Agreement, without liability to the other, in the event that an order is made or a resolution is passed for the winding up of the other party, or circumstances arise which entitle a court of competent jurisdiction to make a winding-up order in relation to the other party; or the other party ceases, or threatens to cease, to trade or conduct business in the normal course; is deemed unable to pay its debts; makes any arrangement or composition with its creditors, or makes an application to a court of competent jurisdiction for the protection of its creditors in any way; a receiver is appointed of any of the other party's assets, or if circumstances arise which entitle a court of competent jurisdiction or a creditor to appoint a receiver or manager of the other party, or if any other person takes possession of or sells the other party's assets; an order is made for the appointment of an administrator to manage the affairs, business and property of the other party, or documents are filed with a court of competent jurisdiction for the appointment of an administrator of the other party, or notice of intention to appoint an administrator is given by the other party or its directors or avails itself of or becomes subject to any similar or analogous action or judicial or administrative proceeding in any jurisdiction in consequence of debt.

17.3. Upon termination of this Agreement for any reason: (i) all of Customer's rights and license to use the Data Products and the Platform will immediately terminate; (ii) Customer shall cease all activities authorized by this Agreement; and (iii) Customer shall immediately pay to Rezatec any sums due to Rezatec under this Agreement.

17.4. The parties acknowledge that Customer may, prior to the termination of this Agreement, extract the Data Products and store the Data Products following termination of this Agreement, solely and strictly for Customer's own internal

- business continuity purposes.
- 17.5. The termination of this Agreement for any reason shall not extinguish or diminish Customer's obligation under Section 10 (Ownership) to maintain the confidentiality of the Platform and any other provision of this Agreement that expressly or by implication is intended to come into or continue in force on or after termination or expiry of this Agreement shall remain in full force and effect including without limitation the following Sections: 1 (Definitions), 10 (Ownership), 12 (Disclaimer of Warranties), 13 (Limitation of Liability), 15 (Confidentiality), 17 (Termination), 21 (Governing Law and Jurisdiction), 22 (Severance), 23 (Variation), 25 (Third Party Rights), 26 (Dispute Resolution), 27 (Notices) and 30 (Entire Agreement).
- 18. FEES and PAYMENT.**
- 18.1. Rezatec shall invoice Customer in advance for the Fees in respect of the Initial Term. No download or modeling functionality for use of the Data Products specified in the Order Form will be made without receipt of payment in full by Rezatec from Customer of the applicable invoiced amount then due under the Order Form.
- 18.2. The Fees in respect of each Renewal Term shall automatically increase from the Fees for the immediately preceding Initial Term or Renewal Term (as applicable). Rezatec will begin the renewal process prior to the commencement of the applicable Renewal Term with the Customer in Writing, around 30 – 90 days prior to the commencement of the applicable Renewal Term.
- 18.3. Customer shall pay Rezatec's invoices at net thirty (30) days.
- 18.4. All Fees are stated exclusive of Sales Tax which shall be payable by Customer in full at the prevailing rate.
- 18.5. All amounts due under this Agreement shall be paid by Customer to Rezatec in full without any set-off, counterclaim, deduction or withholding.
- 18.6. Without prejudice to its other rights and remedies, if Customer fails to pay any amounts to Rezatec when due:
- (i) Customer shall pay interest on the overdue amount at a one and a half percent (1½%) monthly finance charge to be calculated on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. Customer shall pay the interest together with the overdue amount; and
  - (ii) Rezatec may suspend access to the Data Products and the Platform without liability to Customer.
- 19. SUBCONTRACTORS.** Subject to Section 14.2, Customer acknowledges and agrees that Rezatec shall be authorized to sub-contract all or part of the provision of the Platform, provided that Rezatec shall require that any sub-contractor appointed under this Section complies with the terms of this Agreement and provides any sub-contracted services in accordance with the terms of this Agreement.
- 20. ASSIGNMENT.** This Agreement is personal to Customer and neither this Agreement nor any of Customer's rights or duties hereunder shall be assigned, sublicensed, sold or otherwise transferred by Customer; provided, however, that either party may, without consent, assign this Agreement as a result of a merger or a sale of all or substantially all of the assets or stock of that party, or to a parent, subsidiary or affiliate as part of any internal reorganization provided such party assumes in Writing the terms and conditions of this Agreement (and all rights and obligations under it).
- 21. GOVERNING LAW AND JURISDICTION.** This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of the State of New York. Subject to Section 26 (Dispute Resolution), each party irrevocably agrees that the courts of the State of New York shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims). The Parties agree that no provision of the Uniform Computer Information Transactions Act ("UCITA") is intended to apply to the interpretation of this Agreement, whether or not UCITA has been enacted in the applicable jurisdiction.
- 22. SEVERANCE.** If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the extent necessary so as to effect the original intent of the parties as closely as possible in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.
- 23. AMENDMENT.** No amendment of or modification to or rescission, termination, or discharge of this Agreement shall be effective unless in Writing, identified as an amendment to or rescission, termination, or discharge of this Agreement, and signed by the parties (or their authorized representatives).
- 24. WAIVER.** A waiver of any right or remedy under this Agreement or by law is only effective if given in Writing and shall not be deemed a waiver of any subsequent breach or default.
- 25. THIRD PARTY RIGHTS.** A person who is not a party to this Agreement shall have no right to enforce any of its terms.
- 26. DISPUTE RESOLUTION.** If any dispute arises in connection with this Agreement, the parties will first attempt to settle it by mediation. No party may commence any court proceedings in relation to any dispute arising out of this Agreement until it has attempted to settle the dispute by mediation and either the mediation has terminated or the other party has failed to participate in the mediation, provided that the right to issue proceedings is not prejudiced by a delay. The parties shall share equally the costs of any mediation pursuant to this Section.
- 27. NOTICES.**
- 27.1. Any notice given under or in connection with this Agreement shall be in Writing and sent to a party's address, fax number or email address as set out in the relevant section of the Order Form (or as notified in Writing from time to time). Notices shall be delivered by hand or sent by pre-paid first-class post or other next working day delivery service to the other party, or sent by fax or by email.
- 27.2. A notice shall be deemed to have been received if delivered by hand, at the time the notice is left at the proper address (or if delivery is not in Normal Business Hours, at 9 a.m. on the first Business Day following delivery), if sent by pre-paid first-class post or other next working day delivery, at 9 a.m. on the second Business Day after posting, or, if sent by fax or email, on the next Business Day after transmission.
- 27.3. This Section 27 does not apply to notices giving in legal proceedings.
- 28. EQUITABLE RELIEF.** Each party acknowledges and agrees that a breach or threatened breach by such party of any of its obligations under Section 14 or, in the case of Customer, Section 3, Section 6, would cause the other party irreparable harm for which monetary damages would not be an adequate remedy and that, in the event of such breach or threatened breach, the other party will be entitled to equitable relief, including a restraining order, an injunction, specific performance, and any other relief that may be available from any court, without any requirement to post a bond or other security, or to prove actual damages or that monetary damages are not an adequate remedy. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity, or otherwise.
- 29. FORCE MAJEURE.** Rezatec shall have no liability to Customer under this Agreement if it is prevented from or delayed in performing its obligations under this Agreement, or from carrying on its business, by acts, events, omissions or incidents beyond its reasonable control, including, without limitation, strikes, lock-outs or other industrial disputes (other than involving the workforce of Rezatec), failure of a utility service or transport or telecommunications network or the internet, act of God, pandemic, epidemic, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or sub-contractors, provided that Customer is notified of such an event and its expected duration.
- 30. ENTIRE AGREEMENT.** This Agreement contains the entire agreement and understanding of the parties and supersedes and extinguishes all prior agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to the subject matter. Each party acknowledges that it has not entered into this Agreement in reliance on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not expressly set out in this Agreement. Each party agrees that it shall have no claim for innocent or negligent misrepresentation based on any statement in this Agreement.
- 31. COUNTERPARTS.** This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
- 32. MARKETING.** Both parties agree to use respective company logo's on their respective websites and social media channels. Both parties agree on or before the initial 6-month anniversary of the signed date of the agreement, to jointly write news and promotional material to use on their respective websites. Both parties agree to review and refresh these materials on an ongoing annual basis.
- IN WITNESS WHEREOF, each party hereto has executed this Agreement as of the date first written above.**



**For and on behalf of Rezatec Global Inc.:**

**By:** \_\_\_\_\_ **Name:** \_\_\_\_\_

**Position:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**For and on behalf of City of Spokane, Washington:**

**By:** \_\_\_\_\_ **Name:** \_\_\_\_\_

**Position:** \_\_\_\_\_ **Date:** \_\_\_\_\_



CITY OF SPOKANE  
 PURCHASING &  
 CONTRACTS  
 915 N. Nelson St.  
 Spokane, Washington 99202  
 (509) 625-6400

# REQUEST FOR PROPOSALS

<p><b><u>IRFP NUMBER: 6524-26</u></b></p> <p><b><u>RFP TITLE: Pipeline Assessment for Likelihood/Consequence of Failure (LOF/COF) and Criticality</u></b></p> <p><b><u>RFP COORDINATOR: Tanya Lester, City of Spokane Purchasing Department</u></b></p> <p><b><u>QUESTION DEADLINE: Wednesday March 13th</u></b>  <b><u>TIME: 4:30 P.M.</u></b></p>	<p><b><u>PROPOSAL DUE DATE: Wednesday, March 17th</u></b>  <b><u>TIME: 2:00 P.M.</u></b></p> <p><b><u>PROPOSAL SUBMITTAL:</u></b>  <b>All Proposals shall be submitted electronically through the ProcureWare online procurement system portal:</b>  <a href="https://spokane.procureware.com">https://spokane.procureware.com</a> by the due date and time.</p>
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# 1. GENERAL INFORMATION

## 1.1 COMMUNICATION

All communication between the Proposer and the City of Spokane (hereinafter “City”) shall be with the Request for Proposals Coordinator and submitted through the ‘Clarifications’ tab in the City’s online procurement system portal: <https://spokane.procureware.com>. Any communication directed to other parties is prohibited.

## 1.2 BACKGROUND AND PURPOSE SUMMARY

The City, through its Water & Hydroelectric Services Department is initiating this Request for Proposals (hereinafter “RFP”) to solicit Proposals from Firms to provide geospatial analyses and desktop risk assessments for potable water pipelines.

The Department maintains over 1,000 miles of water mains serving over 200,000 drinking water customers. Over half of all pipes are more than 50 years old. While age alone is not necessarily an indicator of asset condition, many could be beyond useful life and in need of replacement due to a combination of factors including material, location, soil type, and other environmental parameters. Though there is a dedicated leak detection crew, much of the network is uninspected annually which increases the risk of undetected leaks and reactive failures. The City experiences an incident rate approaching 100 main breaks per year.

To assist with capital project planning and proactive leak detection, the City requires information about its assets at the individual pipe segment level - a forward prediction for likelihood of failure, consequence of failure, and overall pipeline criticality - highlighting the areas within the network most at risk.

## 1.3 MINIMUM QUALIFICATIONS

The Proposer must have **five (5) years** of experience in geospatial analysis, machine learning expertise, and client access portal / platform software development in the water pipeline industry.

Note: In order to enter into a contract, the Proposer must be licensed to do business in the State of Washington.

## 1.4 CONTRACT PERIOD

Any contract resulting from this RFP will be for a period of 1 Year, with the option of 2 one-year renewals.

## 1.5 ADDENDA

It is the responsibility of Proposers to check the City’s online procurement system <https://spokane.procureware.com> for Addenda or other additional information that may be posted regarding this Request for Proposals.

## 1.6 TERMS AND CONDITIONS

Terms and Conditions applicable to this RFP are included herein by reference and attached to this RFP as Attachment 1.

## 1.7 ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

Deadline for Questions	Wednesday March 13th
Proposals Due	Tuesday March 17th
Evaluation, Negotiation and Contract Award	Week of March 19th
Begin Contract Work	Week of May 11th

The City reserves the right to revise the above schedule.

## 1.8 DEFINITIONS

Definitions for the purposes of this RFP include:

**City** – The City of Spokane, a Washington State municipal corporation, the agency issuing this RFP.

**Firm** – Consultant, Joint Venture, Team, or Company including Sub-consultants.

**Proposal** – A formal offer submitted in response to this solicitation.

**Proposer** - Firm submitting a Proposal in order to attain a contract with the City.

**Request for Proposals (RFP)** – Formal procurement document in which a service or need is identified but no specific method to achieve it has been chosen. The purpose of an RFP is to permit Firms to suggest various approaches to meet the City’s needs at a given price.

## 2. SCOPE OF SERVICES

### 2.1 SCOPE OF SERVICES SUMMARY/DESCRIPTION

Machine learning model processing and analyses of geospatial data variables across the City’s drinking water pipeline network attributes. City access to a web-based precision analytics platform portal that displays results of failure predictions for each pipe segment in map and dashboard view, visual and tabular form. Annual processing and analysis of City-supplied GIS and break data, validation of deliverables, and delivery of results to platform. Contract term is one year with option to renew annually for two additional years. The City’s network includes approximately 1,171 miles of transmission and distribution mains, ranging in diameter from 2-inch to 48-inch of materials including cast iron, ductile iron, steel, PVD, HDPE, and Kalamein. The network is shown on the Map Spokane map viewer. Under the Layer List, select Utilities > Water > Water Main:  
<https://spokane.maps.arcgis.com/apps/webappviewer/index.html?id=3bd21df38df54be58870e0d66c80d6ae>

### 2.2 SCOPE OF SERVICES

#### Deliverables shall include:

1. Platform data layers and insights
  - a. Likelihood of Failure (LoF)
    - i. This data layer defines the highest risk of incident (leakage, burst, etc.) across an entire network. The Likelihood of Failure score is assigned to each pipe segment.
    - ii. This data is delivered in 3 GIS layers:
      1. Likelihood of Failure (LoF) – network-wide LoF metric between 1 and 5
      2. LoF prioritization zones – priority within City-defined zones
      3. LoF prioritization across the network – City-defined % (e.g., top 10% of highest LoF across the entire network)

- b. Consequence of Failure (CoF)
    - i. This data layer defines the impact (consequence) of pipeline failure (i.e. interruption to supply, flooding impact, fire, etc.). This layer will be developed with the City.
    - ii. This data is delivered in a single GIS layer:
      - 1. Consequence of Failure (CoF)– network-wide CoF metric between 1 and 5
      - 2. CoF prioritization across the network– City-defined % breakdown of the CoF data to show highest CoF by percentage across the network
  - c. Criticality (of Cost of Failure)
    - i. This data layer defines the most critically impactful assets by the combination of likelihood and the City-defined consequence of failure.
    - ii. This data is delivered in a single GIS layer:
      - 1. Criticality (combination of LoF and CoF)
  - d. Certainty Index
    - i. This data layer enables a more detailed categorization of low-risk pipes and high-risk pipes. It will assign a 0-1 score, with pipes sitting closer to 1 having a higher certainty. This score reveals how certain the LoF predictions are, based on the inputs it has been provided.
  - e. Pipe LoF Influencers
    - i. Identify the variables most contributing to LoF on a pipe-by-pipe basis, enabling comparison between individual pipes or groups and clearly showing what drives a given score at the local level.
    - ii. Tables or charts on each pipe that provide transparency into why a score is assigned. Filterability to allow users to visualize influencing factors for the entire network or selected subsets, such as pipes or a particular material.
2. Desktop Validation
    - a. Data science assessment of how well the model has performed. The most recent year of pipe failure incidents are intentionally withheld to see how accurately the model can predict the failures recorded in the most recent year.
  3. Field Validation (planning support)
    - a. Support the City in determining the highest-risk areas for investigation while maintaining operational efficiency.
  4. Customer Support and Findings Report
    - a. Meetings for kickoff and data request, data delivery, training, and quarterly follow-ups
    - b. Technical support for City questions and user access
    - c. Findings Report during Year One of contract term
      - i. Accuracy results and KPIs from desktop and field validation
      - ii. Aggregation of data for better use in the field, for example, to facilitate identification of whole pipes or roads with the highest risk pipes
      - iii. List of best candidate pipes for a replacement program
      - iv. Recommendations for leak detection or condition assessment activity

### **3. PROPOSAL CONTENT**

#### **3.1 PREPARATION OF PROPOSAL**

Proposals shall be clear, concise, in sequential order and titled as: Letter of Submittal, Technical Proposal and Cost Proposal. Proposals shall be prepared with the most favorable terms that can be proposed. There is not a “best and final offer” procedure.

#### **3.2 LETTER OF SUBMITTAL**

The Letter of Submittal shall be signed and dated by a person authorized to legally bind the Firm to a contractual relationship. Include the following information about the Firm and any proposed sub-consultants:

- A. Name, address, principal place of business, telephone number, and e-mail address of legal entity or individual with whom contract would be written.
- B. Legal status of the Firm (sole proprietorship, partnership, corporation, etc.) and location of the facility from which the Firm would operate.
- C. Identification of any current or former employees from the participating Agencies employed by or on the Firm’s governing board as of the date of the Proposal or during the previous twelve (12) months.
- D. Confirmation that Firm meets minimum qualifications identified in Paragraph 1.3 “Minimum Qualifications”.
- E. Acknowledgement that the Firm will comply with all terms and conditions set forth in the RFP, unless otherwise agreed by the City.

#### **3.3 TECHNICAL PROPOSAL**

Proposal content for this section shall include an understanding of the City’s requirements with a comprehensive proposed approach, methodology and work plan.

- A. Provide a detailed description of the work plan with all proposed tasks, services, activities, and other items necessary to accomplish the scope of the project as described in the Scope of Services section. Include a project schedule with completion dates for elements of work and deliverables. If applicable, provide name and address of any sub-consultant and what services they may provide. Include the Firm’s expectations regarding any required involvement by City staff in the tasks, services, and activities necessary to execute the work plan.
- B. Indicate the experience the Firm, staff and any sub-consultants have relevant to the scope of services. Explain and provide documentation of how Firm meets the minimum qualifications as identified in Paragraph 1.4 “Minimum Qualifications”.
- C. Include a list of contracts the Firm has had during the last three (3) years up to a maximum of ten (10) contracts that relate to the Firm’s ability to perform the services needed under this RFP. Provide contract period, contact names, phone numbers and e-mail addresses. Identify three (3) specific references from this list and briefly describe the work accomplished. Do not include City staff as references. The Firm grants permission to the City to contact the list provided.
- D. If the Firm has had a contract terminated for default in the last five (5) years, describe the incident. Termination for default is defined as notice to stop performance due to the Firm’s non-performance or poor performance and if the issue of performance was either (a) not litigated due to inaction on the

part of the Proposer, or (b) litigated and such litigation determined that the Proposer was in default. Provide other party's name, address, phone number and email address. If no such termination for default has been experienced by the Firm in the past five (5) years, so indicate.

### 3.5 COST PROPOSAL

The Cost Proposal shall identify all costs to be charged including any expenses necessary to accomplish the tasks and to produce the deliverables under the contract. Submit as a fully detailed budget with a total cost. Firms are required to collect and pay Washington state sales tax, if applicable. Do not include Washington state sales tax in Proposal.

## 4. PROPOSAL SUBMISSION AND EVALUATION

### 4.1 SUBMISSION OF PROPOSALS

Proposals shall be submitted with most favorable terms that can be proposed. There will be no best and final offer procedure. Proposals shall be submitted electronically through the City's online procurement system portal: <https://spokane.procureware.com> before the due date and time. **Hard paper, e-mailed, or faxed copies will not be accepted. Late Proposals shall not be accepted.** Proposers must register if they have not done so previously and follow the steps below to enter and submit the electronic Proposal:

1. Click on "Bids" located on the left hand column.
2. Find the applicable project and click the "Project Number".
3. Click on the "Response" tab.
4. In the "Questions" tab, **answer questions and upload required documents** into the bid portal by clicking on "Browse" for each item. Note that only one document can be uploaded per question line item so combine if necessary.
5. Skip "Pricing" Tab. Cost shall be included in Proposal document submitted.
6. Once the Questions have been entered, the yellow "Question Response" information message will change from incomplete to complete. Then the "Submit" button will become available.
7. Click the "Submit Bid" button and review the terms and conditions, pop-up window that appears. If you agree to the terms and conditions, click the "I Accept and Submit this Bid" button.
8. If you want to remove your Proposal, click the red "Withdraw Bid" button in the "Response" tab for the applicable Proposal.

### 4.2 EVALUATION PROCEDURE

Responsive Proposals will be evaluated in accordance with the requirements stated in this solicitation and any addenda issued. Proposals will be evaluated including overall completeness, quality of content, and ability to follow instructions demonstrating attention to detail as part of the Technical and Management categories. Point scoring is preliminary for evaluation discussion to determine ranking. The City, at its sole discretion, may elect to select the top-scoring Firms as finalists for an oral presentation and evaluation. Commitments made by the Firm at the oral interview will be considered binding. The RFP Coordinator may contact the Firm for clarification of any portion of the Firm's Proposal.

### 4.3 EVALUATION SCORING

The Proposal will be evaluated as follows:

<b>TECHNICAL PROPOSAL – 65%</b>		140 points
Project Approach/Methodology/Understanding	35 Points (Maximum)	
Work Plan/Schedule/Deliverables	35 Points (Maximum)	
Firm and Staff Experience/Qualifications/Capabilities	35 Points (Maximum)	
References	35 Points (Maximum)	
<b>COST PROPOSAL – 30%</b>	60 Points (Maximum)	60 points
<b>GRAND TOTAL FOR WRITTEN PROPOSAL</b>		<b>200 POINTS</b>

### 4.4 AWARD/REJECTION OF PROPOSAL/CONTRACT

This RFP does not obligate the City to award a contract. Any contract awarded as a result of this procurement is contingent upon the availability of funding.

The City reserves the option of awarding this contract in any manner most advantageous for the City and without further discussion of submitted Proposal. Failure to comply with any part of the RFP may result in rejection of Proposal as non-responsive. The City also reserves the right, at its sole discretion, to waive minor irregularities, reject any and all Proposals received without penalty and to not issue a contract from this RFP. More than one contract may be awarded. Contract negotiations may incorporate some or all of the Proposal.

Award of contract, when and if made, will be to the Proposer whose Proposal is the most favorable to the City including, but not exclusively, consideration of the evaluation criteria. Interlocal agreements accessing other agency contracts where applicable may be considered as a Proposal. Contract is optional (non-exclusive) use.

## 6. RFP ATTACHMENTS

Attached to this RFP and incorporated herein by reference are the following background documents:

- Attachment 1 – RFP 6524-26 Terms and Conditions
- Attachment 2 – RFP 6524-26 Proposal Document

## Bid Response Summary

**Bid Number** IRFP 6524-26  
**Bid Title** Pipeline Assessment for Likelihood/Consequence of Failure (LOF/COF) and Criticality  
**Due Date** Tuesday, March 17, 2026 2:00:00 PM [(UTC-08:00) Pacific Time (US & Canada)]  
**Bid Status** Closed to Bidding  
**Company** Rezatec Global Inc  
**Submitted By** Ameer Hamilton - Monday, March 16, 2026 11:20:09 AM [(UTC-08:00) Pacific Time (US & Canada)]  
 ahamilton@thinkcei.com +1 816 213 2056

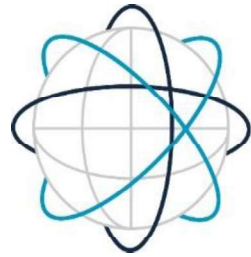
### Comments

### Question Responses

Group	Reference Number	Question	Response
PROPOSER ACKNOWLEDGMENTS:			
	1	Proposer Acknowledges receipt of Addenda by entering quantity of Addenda here (enter 0 if none have been issued):	2
	2	Proposer agrees and acknowledges that Request for Proposal document(s) and all related information has been read and understood.	AGREED AND ACKNOWLEDGED
	3	Proposer agrees and acknowledges compliance with Terms and Conditions in Informal Request for Proposal document(s). If answer is "AGREED WITH EXCEPTION IDENTIFIED", include requested exception in proposal submittal on separate page and title as "Exception to Terms and Conditions". The City will consider and determine if exception will be accepted.	AGREED WITH EXCEPTION IDENTIFIED
	4	Proposer acknowledges and agrees with Paragraph 4.4 Award/Rejection of Proposal/Contract.	AGREED AND ACKNOWLEDGED
	5	Proposer confirms meeting the minimum qualifications as identified in Paragraph 1.3 "Minimum Qualifications".	AGREED AND ACKNOWLEDGED
	6	Proposer agrees and acknowledges that proprietary information must be included in Proposal submittal on separate page(s) and clearly identified as "Proprietary". See "Proprietary Information/Public Disclosure" Paragraph for public record requirements in the Terms & Conditions document.	AGREED AND ACKNOWLEDGED
	7	Proposer has included Letter of Submittal with Proposal combined into one document per Section 4 "Proposal Content" instructions.	YES

8	Provide the name, phone number and email address for point of contact person regarding this Proposal.	Harvey Franklin US Direct Line: +1 (302) 440 6361 harvey.franklin@rezatec.com
9	Provide the name, phone number, and email address for the person in your Firm that would potentially sign a contract through the DocuSign process used by the City.	Amee Hamilton 816-213-2056 ahamilton@thinkcei.com
DOCUMENTS TO UPLOAD:		
1	Upload Request for Proposal Response (your Firm's Proposal). Combine documents as needed. Only one document can be uploaded in this line item.	IRFP 6524-26 - Pipeline Assessment for LOF-COF - Rezatec Response Signed.pdf
2	Upload Addenda documents if applicable and if not combined with uploaded Proposal response. Combine documents as needed. Only one document can be uploaded in this line item.	
3	Upload any other information required or desired. Combine documents as needed. Only one document can be uploaded in this line item.	
4	Upload any other information required or desired. Combine documents as needed. Only one document can be uploaded in this line item.	

March 11, 2026



**Rezatec**

City of Spokane  
Pipeline Assessment for  
Likelihood/Consequence of Failure  
(LOF/COF) and Criticality

IFRP Number: 6524-26

Reference: SPOKANE004

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## (1) Letter of Submittal

### 1.1 Re: IRFP 6524-26 – Pipeline Assessment for Likelihood/Consequence of Failure (LOF/COF) and Criticality

10 March 2026

City of Spokane

Tanya Lester

914 E North Foothills Dr, Spokane, Washington, 99207, United States

Dear Evaluation Committee,

Rezatec Global Inc. (“Rezatec”) is pleased to submit this proposal in response to IRFP 6524-26 – Pipeline Assessment for Likelihood/Consequence of Failure (LOF/COF) and Criticality. This proposal is submitted in the required order: (1) Letter of Submittal, (2) Technical Proposal, and (3) Cost Proposal.

Rezatec proposes to deliver a GIS-ready Pipeline Risk service for the City’s water transmission and distribution networks, including LoF (three GIS layers), CoF, Criticality, a Certainty Index, Pipe LoF Influencers, validation support, and a Year 1 Findings Report, supported by platform access and customer support, as described in the enclosed Technical Proposal.

### 1.2 Vendor Details

**Legal Entity Name:** Rezatec Global Inc.

**Address:** 251 Little Falls Drive, Wilmington, New Castle County, Delaware, 19808

**Principal Place of Business:** 251 Little Falls Drive, Wilmington, New Castle County, Delaware, 19808

**Primary Contracting Contact:** Ameer Hamilton, General Manager

**Telephone:** +1 816-213-2056

**Email:** ahamilton@thinkcei.com

### 1.3 Legal Status and Operating Location

Corporation

Rezatec Global Inc.

**Address:** 251 Little Falls Drive, Wilmington, New Castle County, Delaware, 19808

### 1.4 Required Disclosure Statement

Rezatec confirms that it does not have any current City of Spokane employees or employees of participating agencies, or any former such employees within the prior twelve (12) months, serving on its staff or board of directors.

### 1.5 Minimum Qualifications Confirmation

Rezatec confirms that it meets the minimum qualifications identified in Paragraph 1.4 “Minimum Qualifications,” including:

- A minimum of five (5) years of experience in geospatial analysis in the water pipeline industry;
- A minimum of five (5) years of experience applying machine learning in the water pipeline industry;
- A minimum of five (5) years of experience in client access portal/platform software development in the water pipeline industry; and
- Being licensed to do business in Washington State.

Washington State business licensing evidence: Rezatec holds a Washington State business licence and City endorsement (Spokane General Business – Non-Resident – Active). See Appendix B for supporting documentation.

### 1.6 Acceptance of Terms and Conditions

Rezatec acknowledges and agrees to comply with all terms and conditions set forth in IRFP 6524-26 with some additional clarifications listed in the bid around Ownership of Documents and Insurance Coverage.

### 1.7 Signature



General Manager  
Rezatec Global

March 11, 2026

## (2) Technical Proposal

### 2.1 Executive Summary

Rezatec proposes to deliver a predictive Pipeline Risk service to support the City of Spokane's proactive planning and prioritisation for water main renewal and risk reduction. The service will provide actionable, map-based risk layers and prioritised outputs for Likelihood of Failure (LoF), Consequence of Failure (CoF), Criticality, a Certainty Index, and pipe-level LoF Influencers, supported by desktop validation, field validation planning support, and a Year 1 Findings Report.

Rezatec will provide platform access, training and support to ensure the City can operationalise outputs for renewal planning and targeted inspection/field activities.

### 2.2 Project Approach / Methodology / Understanding

#### 2.2.1 Understanding of Project Objectives and Spokane's Requirements

Rezatec confirms it has read and understood the City's Scope of Services for IRFP 6524-26. The City requires annual machine-learning processing and analysis of City-supplied GIS and break data to generate failure-risk outputs for each pipe segment, with deliverables validated and published to a web-based precision analytics platform (map and dashboard views with visual and tabular outputs). The contract term is one (1) year with the option to renew annually for two (2) additional years at the City's discretion. The City's drinking water pipeline network includes approximately 1,171 miles of transmission and distribution mains.

Based on the City's network information (including diameter range and material types such as cast iron, ductile iron, steel, PVC, HDPE, and Kalamein), Rezatec will deliver LoF, CoF and Criticality outputs, together with supporting confidence and interpretability deliverables (Certainty Index and Pipe LoF Influencers), through the platform in GIS-ready form to enable the City to prioritise renewal, target inspection/leak detection, and support defensible decision-making.

The City requires a solution that supports decision-making at pipe-segment level by delivering GIS-ready outputs and prioritised insights for failure likelihood, failure consequences, combined criticality, and confidence/interpretability outputs to guide intervention planning.

Rezatec's approach is designed to:

- Convert historic failure and asset/environment data into defensible risk scores that are usable for planning and targeting.
- Provide transparent outputs (Certainty Index and Pipe LoF Influencers) that help the City understand where the model is confident and what factors drive risk.
- Validate performance using a blind / hold-out approach and support the City in translating results into field programmes.

#### 2.2.2 Delivery Approach

Rezatec will deliver each contract year through clear phases with defined review and acceptance points:

1. **Initiation & data mobilisation** (data request and kick-off)

2. **Data onboarding & QA/QC** (data readiness confirmation, gap/quality reporting)
3. **Annual model delivery** (publish risk layers and insights to the platform; outputs review session)
4. **Validation & field planning support** (desktop validation summary and field validation planning workshop)
5. **Operationalisation** (training, adoption support, and Year 1 Findings Report)

**Governance & acceptance gates** (to be confirmed during project kick-off):

- **Gate 1:** Data readiness and modelling assumptions agreed (City review)
- **Gate 2:** Annual model outputs published for review (City acceptance of formats/coverage)
- **Gate 3:** Validation summary and field planning outputs delivered (City acceptance)
- **Gate 4:** Findings Report delivered + support plan confirmed

### 2.2.3 Methodology

#### 2.2.3.1 *Data inputs and historic analysis*

Rezatec will work with the City to ingest, structure and QA core datasets typically including (as available): pipe inventory (attributes and geometry), break/leak history, work orders, pressure/zone/operational context, environmental and hazard layers, and consequence drivers (e.g., critical customers, traffic, proximity factors). QA/QC will identify completeness, consistency and joinability issues early and document any limitations in outputs and reporting.

Full data input requirements are outlined in Appendix A.

#### 2.2.3.2 *Machine-learning modelling approach*

Rezatec's methodology applies consistent and repeatable machine-learning analysis across the City's pipe network to support evidence-based prioritisation. The service is delivered via a Software-as-a-Service (SaaS) approach, enabling repeatable updates and a consistent user experience for City teams.

Machine-learning techniques are applied primarily to the Likelihood of Failure (LoF) component to reduce bias from manual scoring and improve robustness when analysing multiple interacting factors. LoF modelling is trained using the City's historic failure records alongside the agreed geospatial inputs (pipe attributes and relevant environmental/operational context), to identify patterns associated with increased likelihood of future failure. This process creates a Spokane-specific failure signature—i.e., the combination of variables that best explains historic failures in Spokane's network and therefore provides the strongest basis for forward prediction.

The Consequence of Failure (CoF) component is developed as a consultative layer with the City to ensure it reflects Spokane's priorities and consequence drivers. LoF and CoF are then combined to produce Criticality, supporting practical programme planning.

Outputs are delivered at a resolution suitable for operational use and field planning, with model results provided per pipe segment and presented as GIS layers.

### 2.2.3.3 *Model transparency and interpretability*

To support operational confidence and explainability, Rezatec provides:

- **Certainty Index** indicating where the model has stronger vs weaker supporting evidence.
- **Pipe LoF Influencers** that highlight key drivers contributing to a pipe's LoF score (e.g., asset attributes, environment, operational factors), enabling engineering review and more informed targeting.

### 2.2.3.4 *Delivery frequency and ongoing monitoring*

Rezatec will deliver one (1) Pipeline Risk model per contract year, including the Base Year and any exercised option years. Each annual delivery includes refreshed GIS layers/insights and the associated validation, reporting, and customer support activities described in this proposal.

Options for additional models can be provided upon request.

## 2.2.4 Validation Approach

### 2.2.4.1 *Desktop validation concept*

Each year following the initial delivery, the incidents that occurred in the last year provided to train the next model will also be used to validate the prior model. The pool of incidents for this validation are typically the passive incidents occurring and reported each year but can be additionally bolstered by any additional leak detection activities. The incidents in the year following each model can then be compared to the risk score given to the associated pipe for a check of incidents occurring on high-risk pipes as well as lacking incidents on low-risk pipes. This approach thus allows for a true-positive and true-negative approach to accuracy validation but can be made flexible to best align with the City's goals and priorities. This validation produces accuracy scoring to support further proactive action to target KPIs like bringing down water loss and repair costs.

The validation is typically visualised in two ways.

1. Ranked percentiles of LoF in classes of 5 along an x-axis against a y-axis counting incidents.
  - a. This visualises the entire spread of incidents on the network in a way that can be best compared year on year as the model improves with further data and continual improvements made by the development team. Percentiles best allow for narrowing the view to the highest and lowest risk pipes in the network for precise targeting.
2. Count of incidents and total network pipe population per LoF category (e.g. 0-1, 1-2... 4-5). Using two y-axes shows the distribution of both incidents and pipe across the model allowing for ratios to be visualised. A further break rate graph can then display the comparative break rates of the different categories increasing with risk.
  - a. While ranked percentiles show the whole distribution, the LoF score distribution across the network does not always follow a perfect normal distribution curve or equal count per LoF category. Networks may often skew with more pipes predicted to be low risk than those predicted to be high-risk.
  - b. This was seen in the pilot with the most populous category being the lower LoF 1-2 with 75 miles to the highest LoF 4-5 category of pipes being a much more concentrated 19 miles. The break rate difference was then significant with 14 per 100 miles just under the AWWA recommendations for a healthy network in the modal 1-2 pipes, and 123 per 100 miles in 4-5, a near nine-fold increase.

#### 2.2.4.2 Field validation planning concept

Rezatec will support the City to translate outputs into an actionable field validation plan, including selection of candidate segments for inspection, balancing risk, certainty and practical constraints. Field validation planning will be supported using the annual model outputs (LoF/CoF/Criticality) alongside Certainty Index and Pipe LoF Influencers, to help the City select candidate segments for inspection that balance risk, certainty and practical constraints. Field findings can be used to refine targeting assumptions and inform future update cycles for proactive action as well as KPI saving on finding leaks early with the field validation itself. Future work can then be integrated to most efficiently work with existing monitoring to improve hit rate while not increasing the workload for leak detection efforts.

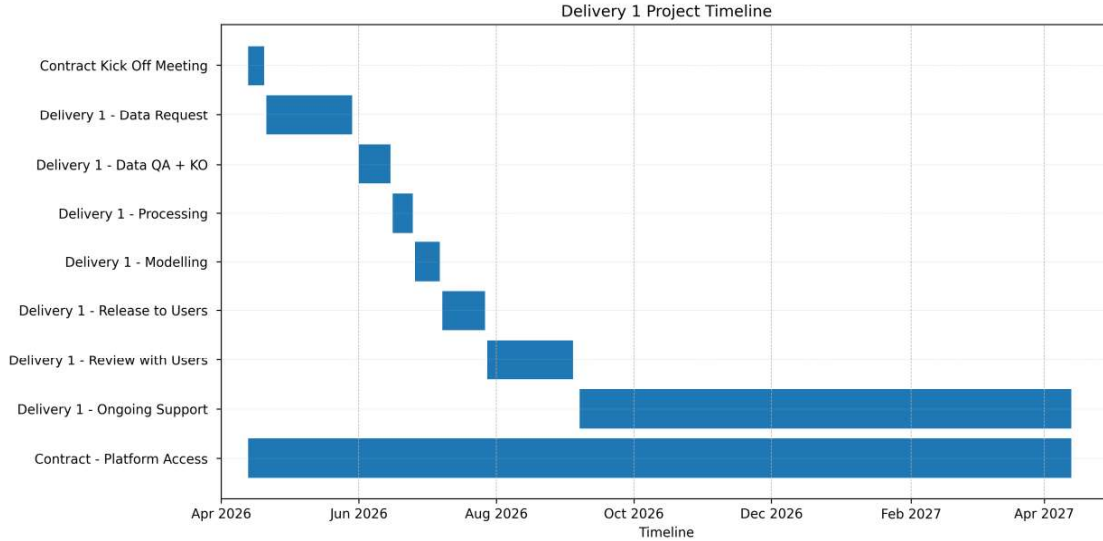
### 2.3 Work Plan, Schedule, and City Involvement

#### 2.3.1 Work Plan and Schedule Completion Dates

Below is a Base Year work plan and schedule (\*illustrative; dates to be confirmed from the Effective Date). Model updates would be initiated one and two years after the Base Year Kick Off and would follow the same delivery timeline each year unless changes to the delivery window are requested. This table is designed to meet Spokane’s requirement for tasks/activities, deliverables, completion dates, and City staff involvement.

<b>Delivery Item</b>	<b>Date Start*</b>	<b>Date End*</b>	<b>Description</b>
<b>Contract Kick Off Meeting</b>	13/04/2026	20/04/2026	Initial project kick off meeting to finalise the timeline to best suite the project requirements of the team.
<b>Data Request</b>	21/04/2026	29/05/2026	Network, leak and any additional data required for modelling requested and to be shared over.
<b>Data QA + KO</b>	01/06/2026	15/06/2026	Rezatec checks of input data received and any requisite changes or formatting. Kick Off meeting option once input data accepted.
<b>Processing</b>	16/06/2026	25/06/2026	External data sourcing, formatting, compilation and pre-model set up for Likelihood of Failure and matrix setup for Consequence.
<b>Modelling</b>	26/06/2026	07/07/2026	Machine learning modelling of the network, leak and input datasets for Likelihood and matrix model running for Consequence.
<b>Release to Users</b>	08/07/2026	27/07/2026	Final processing and upload to Rezatec platform, delivery and showcase to main users of the new data and any new features.
<b>Review with Users</b>	28/07/2026	04/09/2026	Initial delivery support and follow up call for application and validation on previous data. Agreement of timeline for implementation and support through the year.
<b>Ongoing Support</b>	07/09/2026	13/04/2027	Post delivery support, meetings, onboarding new users, meetings and communication on updates to the platform, data use and implementation.

<b>Contract – Platform Access</b>	13/04/2026	13/04/2027	Platform access period tied to and dependent on contract dates.
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### 2.3.2 City Involvement

Rezatec expects the following City involvement to execute the work plan:

- Provide agreed datasets and access (GIS network, breaks history, attribute tables, etc.) in a timely manner.
- Assign City project lead(s) for coordination and acceptance.
- Provide SMEs for assumptions review (asset, operations, planning).
- Participate in review/acceptance workshops: kickoff, initial outputs review, validation review, training/field planning, and Findings Report review.

### 2.3.3 Sub-consultants

No sub-consultants proposed.

## 2.4 Deliverables

Pipeline Risk provides three core analytical outputs that support different aspects of asset planning and risk management. These outputs are calculated using different data inputs and analytical approaches and are designed to be used together to support prioritisation.

We deliver these outputs at the pipe-segment level. Where pipe asset data exceeds 328 feet in length, they are segmented to  $\leq 328$  ft in order to improve spatial accuracy and comparability across the network with more localised environmental differences. We can also deliver our analysis at the

aggregated per asset level, as requested and designated by the customer to produce aggregated risk insights.

Rezatec will provide the following deliverables, aligned to Spokane's requested scope.

#### 2.4.1 Platform Data Layers and Insights

##### 2.4.1.1 Likelihood of Failure (LoF)

Likelihood of Failure (LoF) is a pipe-segment score that estimates where failures (e.g., leaks/bursts) are most likely to occur, based on the relationship between historic failure patterns and available pipe, environmental and operational context data. LoF is used to target proactive intervention by identifying the highest-risk cohorts (e.g., top 10%) and by supporting prioritisation within operational planning areas (e.g., zones/DMA's). In practice, LoF is used to focus leak detection, condition assessment and renewal planning on the areas and assets most likely to fail.

**Outputs provided:** LoF delivered in three GIS layers:

- (i) LoF (network-wide) — LoF metric between 1 and 5
- (ii) LoF prioritisation within City-defined zones
- (iii) LoF prioritisation across the network — City-defined % (e.g., top 10% highest LoF)

##### 2.4.1.2 Consequence of Failure (CoF)

Consequence of Failure (CoF) is a pipe-segment score that represents the potential impact if a failure occurs (for example, service disruption, proximity to sensitive receptors, or other City-defined consequence drivers). CoF is used to ensure that planning and prioritisation reflect not only where failures may occur, but where failures would be most disruptive or costly. It is typically used to guide renewal planning, prioritise contingency planning, and help select pipes for intervention where consequence is highest.

**Outputs provided (required):**

- (i) **CoF (network-wide)** — CoF metric between 1 and 5 (GIS layer)
- (ii) **CoF prioritisation across the network** — City-defined % breakdown highlighting the highest consequence cohorts

##### 2.4.1.3 Criticality

Criticality is a combined view of risk that brings together Likelihood of Failure (LoF) and Consequence of Failure (CoF) to identify the pipe segments where overall risk is highest. Criticality is used to produce an intervention-ready prioritised view for capital planning: it helps identify where a proactive renewal or mitigation will have the greatest risk-reduction benefit, and supports transparent discussion of trade-offs between probability and impact.

**Outputs provided:**

- **Criticality layer** combining LoF and CoF (GIS layer)

#### 2.4.1.4 Certainty Index

The Certainty Index is a confidence score (0–1) that indicates how strongly the available data supports the model’s LoF estimate for each pipe segment. It helps the City interpret outputs responsibly: high-risk/high-certainty pipes may be suitable for immediate prioritisation, while high-risk/low-certainty areas may warrant targeted validation or data improvement before committing to major interventions. It is also used to help structure field validation planning by identifying where inspections will most improve confidence.

##### Outputs provided:

- **Certainty Index** — certainty score between **0 and 1** (per pipe segment)

#### 2.4.1.4 Pipe LoF Influencers

Pipe LoF Influencers provide interpretability and transparency by showing the key factors that most influence the LoF score for a given pipe (and across selected subsets of the network). This helps operational and planning teams understand why a pipe is ranked as higher risk, supports engineering sense-checking, and makes it easier to communicate results internally. Influencers are used alongside LoF and Certainty to guide decisions (e.g., whether to replace, inspect, reline, or improve data) and to compare risk drivers across materials, vintages or operational areas.

##### Outputs provided:

- Pipe-level tables/charts showing influencing factors for each pipe segment (as supported in the platform)

#### 2.4.2 Platform Access

Platform Access provides City users with a consistent way to view and work with the Pipeline Risk outputs, including map-based layers, attribute details, filtering and prioritisation views. Platform access is used to operationalise outputs by enabling engineers and planners to explore risk drivers, validate priorities with local knowledge, and export results for use in City systems and reporting workflows.

##### Outputs provided:

- Web-based access to pipeline risk outputs for authorised users, with map-based viewing and drill-down to pipe-segment details.
- Exportable formats as GIS-compatible spatial layers, tabular datasets (CSV), and supporting visualisation and analysis tools

#### 2.4.3 Desktop Validation

Desktop validation is a statistical assessment of model performance designed to test how well the LoF model identifies future failures. Spokane requires this to be performed using a hold-out approach (withholding the most recent year) to simulate forward prediction. Desktop validation is used to quantify performance (e.g., capture of failures within top risk cohorts) and to provide confidence in using outputs for planning and prioritisation.

**Outputs provided:**

- Desktop validation summary using a hold-out approach (withholding the most recent year)

#### 2.4.4 Field Validation Planning Support

Field validation planning support helps the City translate model outputs into an actionable, practical inspection programme. It is used to select candidate pipe cohorts for condition assessment or targeted inspections in a way that balances LoF/Criticality, Certainty, geographic clustering, and operational constraints. The output is a clear plan the City can execute, and (where feedback is available) it can inform future update cycles.

**Outputs provided:**

- Support to develop a field validation plan and targeting approach.

#### 2.4.5 Customer Support and Findings Report

Customer support ensures the City can successfully adopt and use the deliverables, including support during onboarding, output review, training and ongoing questions. The Year 1 Findings Report provides a consolidated record of what was delivered and learned, including assumptions, limitations, KPI and validation results and recommended actions. It is used as a reference for decision-making, internal reporting, and planning future field activity and future updates.

**Outputs provided:**

- Year 1 Findings Report aligned to Spokane’s requested contents.

## 2.5 Experience and Minimum Qualifications

### 2.5.1 Firm Experience Relevant to Scope

Rezatec has delivered pipeline risk analytics and GIS-ready decision support for water utilities, combining geospatial analysis, machine learning, and platform delivery to operational teams.

Primarily working with North American water utilities, Rezatec has delivered pipeline risk models and supported validation and implementation of data across a world-wide customer base. The platform, delivery and model have been developed and calibrated with the direct feedback of water utilities to support capital replacement planning and leak detection activities. These improvements are continual as shown by the new platform and features being launched this year.

Rezatec additionally brings directly relevant experience having produced the successful pilot on a southern subset of the City of Spokane’s distribution network, including a desktop and proactive validation on accuracy. Rezatec has also worked for a number of years with the city on a continuing dam monitoring project utilising similar satellite data to work best alongside the team and tailor the platform and delivery to the needs of that project.

### 2.5.2 Project Team and Roles

<b>Name</b>	<b>Role</b>	<b>Responsibilities</b>	<b>Relevant experience summary</b>
David Halfacree	Project Manager/Geospatial Lead	Governance, schedule, data QA/QC, GIS integration, outputs	MSc in Geology with over 7 years' experience working in project delivery and GIS.
Asterios Papastergios	Modelling Lead	ML modelling, validation, certainty/influencers	8+ years geospatial data modelling, code design and validation, 5+ years working with diverse customers on geospatial data products
Kevin Shannon	Platform Lead	Platform access, publishing layers, user workflows	13+ years working in User experience and product management.
Jonathan Hicks	Customer Success Manager	Stakeholder management, technical delivery, communications, training, support, adoption and reporting.	Masters of Geology and Remote Sensing with over 6 years working with water utilities and GIS.

### 2.5.3 Minimum Qualifications Evidence

Rezatec confirms it meets Spokane's minimum qualification requirements, including:

- (i) 5+ years geospatial analysis  
Rezatec has worked as a cutting-edge satellite and geospatial analytics company for over a decade, continually improving and adapting new techniques and processes for direct application via GIS enabled platforms. Delivery and platforms have been developed and iterated on to maximise end user ability to extract useful information from remote sensing data by geospatial means and interface.
- (ii) 5+ years machine learning  
Rezatec specialises in utilising machine learning to power analytics tools like pipeline risk utilising satellite and other geospatial data and has done since inception. The company and staff are further specialists in machine learning, with models continuing to iterate and improve new and existing models to better the accuracy and usefulness of our outputs over a decade on.
- (iii) 5+ years client portal/platform software development in the water pipeline industry  
Rezatec has been delivering via platforms developed explicitly for the water industry for over a decade. Continual improvements have been made with live platform development as well as five main platforms developed each to further improve access and useability of delivered data.
- (iv) Licensed to do business in Washington State (please refer to Appendix B).  
Rezatec has worked in Washington State prior and with the City of Spokane on multiple previous projects.

## 2.6 Relevant Contracts and References

### 2.6.1 Contracts List

#### City of Olathe

Four year continual modelling of a growing 600-mile water distribution and transmission network.

<https://www.rezatec.com/city-of-olathe-rezatec-pipeline-risk-solution/>

#### WaterOne

250-mile pilot which expanded to modelling a full 1100-mile city water distribution network.

<https://www.rezatec.com/waterone-validating-the-accuracy-of-geospatial-analytics/>

#### Eden Prairie

400-mile water distribution network staying ahead of breaks.

<https://www.rezatec.com/eden-prairie-driving-water-distribution-network-improvements/>

More examples available on request.

### 2.6.2 Three Nominated References

City of Olathe - Sabrina Parker, Water & Sewer Manager.

WaterOne - Jason Beyer, GIS Lead, Distribution Engineering.

Eden Prairie - Rick Wahlen, Utility Operations Manager.

Phone numbers and email addresses available on request to maintain customer privacy and data protection.

## 2.7 Termination for Default Statement

Rezatec has not had a contract terminated for default in the past five (5) years.

## (3) Cost Proposal

### 3.1 Overview and Contract Term

Any contract resulting from this IRFP will be for a period of one (1) year, with the option of two (2) one-year renewals at the City's discretion.

Pricing below is provided for:

- Base Year (2026)
- Option Year 1 (2027)
- Option Year 2 (2028)

For the avoidance of doubt, "Year 1/2/3" refers to successive contract years commencing from the applicable Effective Date; the calendar years shown above are indicative only. Each contract year includes one (1) Pipeline Risk model delivery, plus platform access and standard support.

Washington State sales tax is excluded from this Cost Proposal in accordance with the City's instructions.

### 3.2 Scope Included in Pricing

The annual pricing includes all costs and expenses necessary to deliver the Scope of Services and associated outputs for each contract year, including the platform layers (LoF, CoF, Criticality, Certainty Index, Pipe LoF Influencers), validation activities, customer support, and reporting described in the Technical Proposal.

### 3.3 Payment Options

Rezatec offers two payment options for each contract year:

#### **Option A** — Annual invoice (one instalment per year)

- Invoice timing: One invoice for 100% of the annual fee issued on the Effective Date for the applicable contract year (Base Year, and for each exercised Option Year).

#### **Option B** — Staged invoices (three instalments per year)

- Invoice timing (per contract year):
  - 50% invoiced on the Effective Date for the applicable contract year
  - 25% invoiced four (4) months after that contract year Effective Date
  - 25% invoiced eight (8) months after that contract year Effective Date
- Renewals: If the City exercises an Option Year, the same staged schedule applies from the Effective Date of that Option Year.

### 3.4 Annual Pricing

Below, we have outlined the annual pricing for each contract year.

<b>Contract Year</b>	<b>Description</b>	<b>Annual Price (USD, excl. taxes)</b>
Year 1 (2026)	Base Year	<b>\$104,942</b>
Year 2 (2027)	Option Year 1	<b>\$115,436</b>
Year 3 (2028)	Option Year 2	<b>\$132,752</b>
	<b>Total (if all option years exercised)</b>	<b>\$353,130</b>

### 3.5 Payment Profile by Option

#### 3.5.1 Option A – One instalment per contract year (100%)

Below, we have outlined the invoicing schedule for Option A, with timings and amounts detailed.

<b>Contract Year</b>	<b>Status</b>	<b>Invoice timing (relative to that year's Effective Date)</b>	<b>Amount (USD, ex-tax)</b>
Year 1 (2026)	Base Year	On Effective Date	<b>\$104,942</b>
Year 2 (2027)	Option Year 1 <i>(if exercised)</i>	On Effective Date	<b>\$115,436</b>
Year 3 (2028)	Option Year 2 <i>(if exercised)</i>	On Effective Date	<b>\$132,752</b>

#### 3.5.2 Option B – Three instalments per contract year (50% / 25% / 25%)

Below, we have outlined the invoicing schedule for Option B, with timings and amounts detailed.

<b>Contract Year</b>	<b>Status</b>	<b>Instalment</b>	<b>% of Annual</b>	<b>Invoice timing (relative to that year's Effective Date)</b>	<b>Amount (USD, ex-tax)</b>
Year 1 (2026)	Base Year	1	50%	On Effective Date	<b>\$52,471</b>
		2	25%	+4 months	<b>\$26,236</b>
		3	25%	+8 months	<b>\$26,235</b>
Year 2 (2027)	Option Year 1 <i>(if exercised)</i>	1	50%	On Effective Date	<b>\$57,718</b>
		2	25%	+4 months	<b>\$28,859</b>
		3	25%	+8 months	<b>\$28,859</b>
Year 3 (2028)	Option Year 2	1	50%	On Effective Date	<b>\$66,376</b>

	<i>(if exercised)</i>				
		2	25%	+4 months	<b>\$33,188</b>
		3	25%	+8 months	<b>\$33,188</b>

### 3.6 Commercial Terms (applicable to Option A and B)

- **Taxes:** Prices exclude all taxes; WA State sales tax excluded per IRFP instruction.
- **Payment terms:** Net 30 days from date of invoice issuance.
- **Included customer support:** 70 hours per contract year.
- **Additional support:** USD \$1,200 per day, subject to agreement.
- **Pricing validity:** Valid until 30 May 2026.

### 3.7 Assumptions

Pricing is based on the scope as described in the Technical Proposal section, including:

- Current network lengths as provided
- Delivery cadence and modelling frequency: one model delivery per contract year, including the Base Year and any exercised option years.
- Standard data inputs and validation processes.

Any material changes to scope, delivery frequency, or data requirements will be subject to mutual agreement and may require pricing adjustment.

## Appendix A— Rezatec Pipeline Risk Data Requirements Sheet (2026)

This appendix summarises the datasets and minimum/desirable attributes required from the City to commence processing and deliver the Pipeline Risk outputs.

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### Rezatec Data Requirements for Pipeline Risk Product

#### Customer Data Requirements

Data processing will only begin once all datasets required for processing have been provided unless otherwise agreed upon by both parties.

Metadata for any terms needing a definition, such as column and shorthand, translation to English, and direction on what data to use would avoid unnecessary delays to project processing.

#### Likelihood of Failure

#### Distribution Pipeline Network

GIS polyline format preferred of the most recent version of the relevant mains network. Please quote the total length of the network being provided.

Distribution pipeline is primarily the pipe type modelled, and data networks will be filtered for just this network type unless otherwise agreed. This will be the case unless the data provider clarifies that the transmission network is not significantly different and does not have a sufficient percentage of missing minimum attributes.

Data provided to Rezatec will be assumed to be active rather than retired pipe unless made explicitly clear by the data provider. This is so that only active pipe is modelled.

##### *Minimum attributes:*

- Material (with abbreviations defined)
- Diameter (with unit made clear, e.g., millimetre)
- Age (date of install or years old)
- Length (with unit made clear, e.g., metre)
- Pipeline type if applicable (a means to define distribution network).

##### *Desirable attributes (if available):*

- Observed condition
- Street
- Pipe lining date and liner material
- Pressure
- Depth
- Flow
- Pipeline network management areas (e.g. District Metered Area).

The data feasibility is essential to ensure the successful delivery of the distribution network.

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## Historic Incidents

Minimum three years' worth of data in a format that can be assigned to each pipe section (i.e. location co-ordinates or pipeline section identifier). For retrospective assessment, we use year 1 and year 2 to build the risk model. The results are then compared to year 3 to demonstrate the accuracy of predictions. Please quote the total number of incidents being provided.

### *Minimum attributes:*

- Location of failure (GIS data or XY co-ordinates)
- Date of failure.

### *Desirable attributes (if available):*

- Location of failure (which pipeline section)
- Asset number
- Infrastructure type (e.g., pipe, valve, junction, meter)
- Cause of failure (e.g., collapse, vegetation, blockage)
- Rate of leakage
- Length of leakage
- Remedial action taken.

If address-level data is the only available location attribute, Rezatec will need to perform a geocoding process which may impact results and timelines.

Incident data provided to Rezatec will be assumed to be a natural break suitable for modelling unless made explicitly clear by the data provider. Incidents caused by human activity should be identified so they can be excluded.

## Transmission Pipeline Networks

If included, these parts of the network are usually modelled separately from the distribution network as the attributes and locations are usually very different to distribution.

Please ensure the networks are identified correctly as transmission or distribution. The data feasibility is essential to ensure we can deliver our insights for transmission networks.

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## Consequence of Failure

### Location Data

Areas of high risk to pipeline failure. Examples of these could be locations of:

GIS Point/Polyline/Polygon Format:

- Hospitals
- Schools
- Transport structures like railway stations or critical road links
- Critical business customers
- Water bodies
- Projected environmental areas
- High-pressure zones.

In summary, any locational data that you would like us to factor within the consequence of pipeline failure.

**Please note:** if you do not have COF areas outlined in your GIS, we can use our standard approach, which includes schools, Hospitals, airports etc to populate these zones for you.

### Consequence Tiers

We also require a guide as to the importance between each kind of risk area relative to each other. We normally ask for tiered classifications of importance. An example of this can be as follows:

- Tier 1 – the least important but still to be considered as a high-risk area of interest (schools, shops)
- Tier 2 – More important levels of risk (key infrastructure – Roads, railway stations)
- Tier 3 – The most important (water bodies, hospitals).

There does not need to be exactly 3 tiers, it can be more or less, but you must be able to provide us with a differentiator between certain consequence variable impacts if you require this to be represented in the model.

**Please note:** if you have no differentiator between your chosen consequence variables, we can assume that all factors will have the same level of weighting within the model.

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## Additional Data

The Rezatec platform can look to host additional data layers alongside the pipeline network results for use in co-prioritisation of planning and operations, or simply visual reference.

Similar GIS formatted data is typically required, or data can be attached at the pipe level if appropriate ID systems can be used to join records.

Examples of additional data include:

- Hydrant and Valve point locations
- Roads/streets (name, type and any further records like age and condition)
- Planning areas for past and future works

## Appendix B — Washington State Business License (Proof of Authority to Do Business)

Included as evidence that Rezatec is licensed/registered to do business in Washington State (Spokane General Business – Non-Resident – Active).



**BUSINESS LICENSE**

STATE OF WASHINGTON

Profit Corporation

REZATEC GLOBAL INC.  
140 EASTERN AVENUE, MILTON PARK  
ABINGDON OXF OX144SB  
UNITED KINGDOM

TAX REGISTRATION - ACTIVE

CITY/COUNTY ENDORSEMENTS:  
SPOKANE GENERAL BUSINESS - NON-RESIDENT - ACTIVE

REGISTERED TRADE NAMES:  
REZATEC  
REZATEC GLOBAL INC.

Issue Date: Mar 14, 2025  
Unified Business ID #: 604879861  
Business ID #: 001  
Location: 0001  
Expires: Mar 31, 2026

This document lists the registrations, endorsements, and licenses authorized for the business named above. By accepting this document, the licensee certifies the information on the application was complete, true, and accurate to the best of his or her knowledge, and that business will be conducted in compliance with all applicable Washington state, county, and city regulations.

*[Signature]*  
Director, Department of Revenue

UBI: 604879861 001 0001

REZATEC GLOBAL INC.  
140 EASTERN AVENUE, MILTON  
PARK  
ABINGDON OXF OX144SB  
UNITED KINGDOM



Expires: Mar 31, 2026

*[Signature]*  
Director, Department of Revenue

## Exception to Terms and Conditions

In Attachment 1 - Terms and Conditions under section 20. Insurance Coverage:

We are a SaaS company rather than a traditional engineering contracting firm. As our services are delivered remotely and do not require on-site work, we typically maintain general liability insurance rather than workers' compensation or auto coverage. We have previously provided proof of general liability insurance to the City of Spokane for past contracts and can provide the same documentation for future agreements.



STATE OF WASHINGTON

# BUSINESS LICENSE

Profit Corporation

REZATEC GLOBAL INC.  
140 EASTERN AVENUE, MILTON PARK  
ABINGDON OXF OX144SB  
UNITED KINGDOM

TAX REGISTRATION - ACTIVE

CITY/COUNTY ENDORSEMENTS:

SPOKANE GENERAL BUSINESS - NON-RESIDENT - ACTIVE

REGISTERED TRADE NAMES:

REZATEC  
REZATEC GLOBAL INC.

Issue Date: Feb 13, 2026

Unified Business ID #: 604879861

Business ID #: 001

Location: 0001

Expires: Mar 31, 2027

This document lists the registrations, endorsements, and licenses authorized for the business named above. By accepting this document, the licensee certifies the information on the application was complete, true, and accurate to the best of his or her knowledge, and that business will be conducted in compliance with all applicable Washington state, county, and city regulations.

Director, Department of Revenue

UBI: 604879861 001 0001

STATE OF WASHINGTON

Expires: Mar 31, 2027

REZATEC GLOBAL INC.  
140 EASTERN AVENUE, MILTON  
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UNITED KINGDOM

TAX REGISTRATION - ACTIVE  
SPOKANE GENERAL BUSINESS -  
NON-RESIDENT - ACTIVE



Director, Department of Revenue

