

APPROVE EXERCISING THE FIRST OPTION TO RENEW A SOFTWARE LICENSE AGREEMENT WITH MERCURY INTERACTIVE CORPORATION FOR KINTANA SOFTWARE PRODUCTS AND CONSULTING SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew a software license agreement with Mercury Interactive Corporation (Mercury Interactive) for Kintana software products and consulting to be used by the Office of Technology Services ("OTS") at a cost for the option not to exceed \$192,440.92. Software licensor was selected on a non-competitive basis because of their expertise in Project Management software. A written license document exercises this option is currently being negotiated. Agreement shall be made

to software Licensor prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this option is stated below.

SPECIFICATION No.: 03-250255

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Kintana software modules:

- Provide technical knowledge and development skills in the required development tools and knowledge of the Kintana Project Management modules.
- Provide deep and relevant business and functional knowledge of the Kintana Project Management modules.
- Provide online training.

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.