

Agenda
Eau Claire County
Committee on Judiciary and Law Enforcement
Thursday, July 05, 2018 – 4:30 PM
Courthouse – Room 1273

1. Call to Order
2. Public Comment
3. Approve Minutes from June 07, 2018 Meeting – discussion/action Page 2
4. TRY Mediation 2019 Budget – Todd Tollefson – discussion/action Page 5
5. Sheriff's Department
 - a. Report Back: Lease Options for Full Body Scanner & Mail Screener – discussion/action Page 10
 - b. Update on Inmate Housing/Jail Population/Costs – discussion Page 20
 - c. Staff Recruitment, Retention, & Morale – discussion
6. Set Future Meeting Date(s) – discussion/action
7. Set Future Agenda Item(s) – discussion/action
 - a. Protective Status Legislation – Sheriff's Department
 - b. GPS/Electronic Monitoring
 - c. 2019 Department Budget Presentations
 - d. 2018 2nd Quarter Fiscal Updates
8. Adjourn

Posted: 06/28/2018

Copy: Committee Members
Media

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Minutes
Eau Claire County
Committee on Judiciary and Law Enforcement
Thursday, June 07, 2018 – 4:00 PM
Courthouse – Room 1273

Members Present: Brandon Buchanan, Sue Miller, Sandra McKinney, Gerald Wilkie, and Stella Pagonis

Others Present: Sheriff Ron Cramer, Captain Joel Brettingen, Captain Dan Bresina, Lieutenant Dave Riewestahl, Sergeant Cory Schalinske, Dianne Hughes, District Attorney Gary King, Todd Tollefson, Tiana Glenna, Danielle Powers, Jean Gay, Susan Schaffer, Eric Huse

Call to Order

The meeting was called to order by Chairperson Sue Miller at 4:00 PM.

Public Comment

No public comment was made.

Approve Minutes from May 03, 2018 Meeting

Supervisor McKinney moved to approve the minutes from the May 03, 2018 meeting. The minutes were adopted as published in the meeting materials on 5-0 voice vote.

2018 1st Quarter HR Metrics

Metrics were provided with the agenda packet. HR representative will attend future meeting to discuss if requested.

TRY Mediation Staffing & 2018 1st Quarter Fiscal Update

Todd Tollefson detailed staff changes. Caseload numbers and financial standing was also recapped. Committee members asked clarifying questions regarding the reports. Supervisor Wilkie requested the expense statement be included with future fiscal updates.

Treatment Court Update

Tiana Glenna highlighted on-going initiatives: Data collection & statewide reporting, Department of Justice Triage evaluation and report, TAP (Treatment Alternatives Program) Grant funding, Treatment Court team training, and review of contracts and services provided.

2018 1st Quarter Fiscal Updates

Committee members and departments have questions regarding the “Difference Card” funding related to additional line item(s) on department expense reports. Follow up will need to be done with HR. Fiscal reporting is still a work in progress- there is general aggravation with fiscal reporting from both committee members and departments. See below for individual department reports.

- *Circuit Court*
 - Clerk of Circuit Court Susan Schaffer discussed the Circuit Court budget. Interpreter reimbursement is changing- the State has a new funding formula. General questions regarding specific line items were fielded by Ms. Schaffer. Supervisor Pagonis noted a recent Supreme Court ruling that changes the rate for Court Appointed attorneys. It was noted that the fiscal data is through April 2018, not just the first quarter.
- *Clerk of Courts*
 - Clerk of Circuit Court Susan Schaffer outlined the Clerk of Courts budget. Staffing was also discussed- it has been fairly stable. It was also noted that the fiscal data is through April 2018, not just the first quarter.
- *Criminal Justice Collaborating Counsel*
 - Tiana Glenna outlined the document provided in the agenda packet. Ms. Glenna also discussed additional funding and expanding positions.

- *District Attorney*
 - Danielle Powers, District Attorney's Office Manager, gave the fiscal update. Ms. Powers explained the grant funding reimbursement schedule differs from the County budget schedule. She pointed out Diversion numbers have been lower, but DAGP numbers are at an appropriate level. Restitution collections are up for the quarter. Discovery fees are also up for the quarter. Detailed an uptick in felony filings and related expenses. General case numbers were also detailed. Currently on pace to file 503 more cases this year than last year.
- *Register in Probate/Clerk of Juvenile Court*
 - Jean Gay, Register in Probate/Clerk of Juvenile Court, reported the current fiscal situation. Ms. Gay reported the department is right on target with budgeting.

Sheriff's Department

- *1st Quarter Fiscal Update*
 - Dianne Hughes recounted the Sheriff's Department current fiscal situation. Detailed discrepancies in funding (i.e. grant funds, inmate accounts, etc.). The payroll/overtime budgeting formula was explained. The Department and finance are reworking the accounts for the 2019 budget. They are going back to three divisions: Field Services, Secure Services, and Administration.
- *2019 Capital Outlay Requests*
 - Jail Radio Project
 - Captain Bresina discussed this request and need. Huber cannot communicate with secure side of the jail. There was discussion about potential capital budget in fiscal 2018 for this request. Vice-Chairperson Wilkie recommended moving this request forward in fiscal 2018 based on perceived urgency. Supervisor Buchanan moved to approve request and forward to finance for approval in fiscal year 2018. **Approved** 5-0 via voice vote.
 - Fleet Replacement
 - Captain Brettingen commented on this proposal. Sale of old squad vehicles and budgeting in conjunction with their sale was discussed. The total request is \$177,286 and does not take into consideration the auction revenue of old squad vehicles.
 - Handgun Replacement
 - Captain Brettingen outlined this request. Captain Brettingen also discussed potential training handgun purchases. A future request for the training handguns may be brought at later time. The request takes into consideration the trade-in value of the handguns that would be replaced.
 - Jail Mail Screener
 - Lieutenant Riewestahl explained that this request is closely aligned with the full body scanning system request. The mail screener is designed to capture hidden items/drugs in packages, mail, and other parcels. There was discussion on new challenges & risks associated with mail and packages being delivered to the jail. There was also discussion about alternatives to purchase and a potential lease option.
 - Rifle Maintenance and Part Replacement
 - Captain Brettingen gave a brief overview of request and need. There were no questions or comments from the committee.
 - Courthouse Screening Project
 - Captain Bresina discussed this request. This request came out of the Courthouse Security Committee in conjunction with County Administrator Schauf. The proposal is for screening of the 2nd floor of the Government Center (Court floor) from 7:30 AM - 5:30 PM beginning in 2019. There are two options for the equipment that would be used:
 - a. Option 1: Traditional metal detector with baggage screening
 - b. Option 2: Full body scanner with baggage screening
 - c. Both options include implementing screening on the 2nd floor in 2019 and reviewing the 1st floor for screening options in 2020 or 2021

- There was discussion regarding the building being a Government Center vs. Courthouse and potential issues with screening 1st floor
- General consensus among the committee that this request should be forwarded on to the full County Board
- Vice-chairperson Wilkie moved to endorse Option 2, less the consulting fee, and forward to finance. **Approved** 5-0 via voice vote.
- Full Body Security Scanning System
 - Captain Bresina explained this proposal and described it as priority number four. Captain Bresina outlined new changes to laws/rules regarding searches of persons and increased security concerns. The device is a low radiation x-ray machine that captures a generic image of a body that highlights areas of concern.
- *Additional Action on 2019 Capital Outlay Requests*
 - Supervisor Pagonis moved to endorse the Fleet Replacement, Handgun Replacement, Full Body Security Scanning System, , and Rifle Maintenance and Part Replacement requests and forward to finance.
 - Vice-chairperson Wilkie moved to amend Supervisor Pagonis's motion: to remove Jail Mail Screener request. **Failed** 1-4 via voice vote.
 - The original motion by Supervisor Pagonis to endorse the Fleet Replacement, Handgun Replacement, Full Body Security Scanning System, Jail Mail Screener, and Rifle Maintenance and Part Replacement requests and forward to finance was **Approved** 4-1 via voice vote.
- *Update on Inmate Housing/Jail Population/Costs*
 - \$76,724 in out of county housing. Medical bill for inmate housed in hospital for medical reasons will be forthcoming.
- *Staff Recruitment, Retention, & Morale*
 - Survey was circulated to staff in January. Another survey was circulated recently. Overall, the survey showed morale is doing well.

Future Meeting Date(s)

The committee will meet again on Thursday, July 5, 2018 at 4:30 PM.

Future Agenda Item(s)

- *Protective Status Legislation – Sheriff's Department*
- *GPS/Electronic Monitoring*
- *Department Budget Presentation Scheduling*

Adjourn

The meeting was adjourned by Chairperson Miller at 6:09 PM

Respectfully Submitted:

Eric Huse
Committee Clerk

**EAU CLAIRE COUNTY, WISCONSIN
2019 BUDGET
OUTSIDE ORGANIZATION REQUEST**

Organization	TRY Mediation, Inc.
Prepared by:	Todd Tollefson
Phone #	39-6295
E-Mail	Todd.tollefson@co.eau-claire.wi.us

Request for Eau Claire County County Funds for the year beginning January 1, 2019: **\$133,619**

Organization Purpose:

TRY Mediation is a private, not for profit agency that began its partnership with Eau Claire County in 1985 in an effort to provide a cost effective alternative to using the judicial system to resolve disputes.

Provide revenue and expense figures for your total organization's 2019 budget:

REVENUES AND EXPENSES	ACTUAL 2017	ESTIMATED 2018	REQUEST 2019
REVENUES:			
EAU CLAIRE COUNTY REQUEST	133,619	133,619	133,619
USER FEES	30,539	25,000	27,823
ALL OTHER REVENUE	50,759	50,400	50,400
TOTAL REVENUES	214,917	209,019	211,842
EXPENSES:			
SALARIES, WAGES & FRINGES	180,984	185,307	188,955
SUPPLIES & SERVICES	20,520	23,712	22,887
CAPITAL OUTLAY	0	0	0
TOTAL EXPENSES	201,504	209,019	211,842

List the programs provided to Eau Claire County residents:

1. Family Mediation:

TRY Mediation is the designated provider of all court-ordered family mediations for contested child custody and/or placement disputes (State Statute 767.405). Parents of children involved in disputed placement litigation meet with the mediator in an effort to create a placement plan. In 2017 250 family mediation files were referred to TRY Mediation from Eau Claire County Courts. This compares with 262 files in 2015 and 275 files in 2016.

2. Small Claims Mediation:

TRY Mediation is the designated provider of all court-ordered small claims mediation. Local Rule mandates small claims mediation before a hearing can be scheduled in Court. In 2017 there were 523 small claims mediations referred to TRY Mediation. This compares to 491 files in 2015 and 470 in 2016.

3. Families in Transition Class:

TRY Mediation's "Families in Transition" program is in accordance with State Statute 767.401 and Eau Claire County Local Rule (dated January 22, 2009). Parents are ordered by the Court to attend training to more effectively communicate so as to keep their children from harmful discourse. In 2017, 359 parents attended the Parenting Program. This compares with 262 parents in 2015 and 275 in 2016. We have successfully implemented an evening class, in addition to the afternoon class, to accommodate working parents.

4. Community Mediation:

TRY Mediation provides (at no cost) community mediation services to the Eau Claire area. Community mediations include landlord/tenant cases, disputing neighbors, car accidents, etc.

5. Financial Mediation:

In situations where the parties are disputing variable expenses TRY Mediation will work with the parties to assist with resolving the past expenses and to put together a plan for future variable expenses.

6. Parent Coordinator:

In 2009 TRY Mediation created a Parent Coordinator Program for Eau Claire County. This is a 12-month program that assists parents to problem solve, develop communication skills, and to work towards their established goals. There were 3 Parent Coordinator appointments in 2017. This compares with 4 appointments in 2015 and 3 in 2016.

7. Voluntary Mediations:

TRY Mediation has received a number of mediation requests from citizens who are not filing motions with the courts. These Voluntary Mediations are fee based and, if requested by the participants and appropriate to do so, the mediation agreement is sent to the appropriate court with jurisdiction. In 2017 there were 23 Voluntary Mediations conducted at TRY Mediation.

List the major goals of your organization for 2019 and beyond:

1. TRY Mediation will continue to provide exceptional mediation services to citizens of Eau Claire County.
2. TRY Mediation will provide cost effective alternatives to litigating civil matters in court, reducing the court's caseloads.
3. TRY Mediation continues to seek outside revenue sources.
4. TRY Mediation will retain our highly motivated, exceedingly skilled volunteer Community Mediators for small claims actions.
5. TRY Mediation will continue our shared services relationship with Buffalo, Chippewa, Dunn and Pepin Counties.
6. TRY Mediation is beginning to explore the possibility of providing evening mediation appointments on a limited basis.

What funding alternatives do you have in the event Eau Claire County funding is reduced or eliminated?

If funding was eliminated, TRY Mediation would be forced to change venues and continue serving our partnering counties.

If funding were to be reduced but services continue in Eau Claire County the Director's position would need to be reduced from full time to part time.

TRY MEDIATION, INC.
Proposed Budget
2019

	Proposed	
	2018	2019
Ordinary Income/Expense		
Income		
Inkind Rent/County	3,000.00	3,000.00
Revenue		
County - Revenue		
County - Buffalo	3,000.00	3,000.00
County - Chippewa	25,000.00	25,000.00
County - Eau Claire	133,619.00	133,619.00
County - Pepin	2,100.00	2,100.00
County Dunn	17,000.00	17,000.00
Total County - Revenue	<u>180,719.00</u>	<u>180,719.00</u>
Interest Income	300.00	300.00
Mediation Fees	0.00	0.00
Mediation Fees - Buffalo	1,408.00	1,231.00
Mediation Fees - Chippewa	938.00	1,938.00
Mediation Fees - Dunn	520.00	1,520.00
Mediation Fees - Eau Claire	6,946.00	7,946.00
Mediation Fees - Pepin	188.00	188.00
Total Mediation Fees	<u>10,000.00</u>	<u>12,823.00</u> + 2,823
Parent Education	15,000.00	15,000.00
Total Revenue	<u>206,019.00</u>	<u>208,842.00</u>
Total Income	<u>209,019.00</u>	<u>211,842.00</u>
Gross Profit	209,019.00	211,842.00
Expense		
Advertising/Public Information	100.00	100.00
Assistant's compensation	28,385.00	30,385.00 + 2000
Bank Service Fee	65.00	65.00
Client Refunds	300.00	300.00
Credit Card Fees	1,600.00	1,600.00
Director's compensation	47,965.00	47,965.00
Equipment and Furniture(expense	2,292.00	2,292.00
FICA - Employer's Share		
FICA-Employer - Eau Claire		
FICA-Employer/Mediator/Chippewa		
FICA - Employer's Share - Other	9,930.00	10,030.00 + 100
Total FICA - Employer's Share	<u>9,930.00</u>	<u>10,030.00</u>
In-Kind Rent Expense-E.C.	3,000.00	3,000.00

TRY MEDIATION, INC.
Proposed Budget

	2019	
	2018	Proposed 2019
Insurance - Liability	366.00	366.00
Insurance - Malpractice	1,054.00	1,054.00
Insurance - Workman's Comp.	833.00	833.00
Mediator Training	1,248.00	1,248.00
Medicare Tax -Employer's Share	2,322.00	2,375.00 +53
Membership Dues	110.00	110.00
Payroll Expenses	300.00	300.00
Postage	1,200.00	1,100.00 (-100)
Printed Material	500.00	500.00
Professional Fees	4,000.00	4,000.00
Salaries -		0.00
Salaries-Dunn	17,000.00	17,000.00
Salaries - Buffalo	0.00	0.00
Salaries - Chippewa	4,000.00	4,000.00
Salaries - Eau Claire	43,415.00	44,415.00 +1000
Salaries - Pepin	0.00	0.00
Total Salaries -	64,415.00	65,415.00
SEP Retirement		
Health Insurance Reimbursement	18,000.00	18,000.00
SEP Retirement - Other	14,290.00	14,560.00 +270
Total SEP Retirement	32,290.00	32,560.00
State Unemployment	525.00	225.00 (-300)
Supplies	1,219.00	1,019.00 (-200)
Telephone	1,200.00	1,000.00 (-200)
Recognition	800.00	800.00
Travel and Conference	3,000.00	3,200.00 +200
Total Expense	209,019.00	211,842.00
Net Ordinary Income	0.00	0.00
Net Income	0.00	0.00



SOTER RS

INDUSTRY LEADING CONTRABAND DETECTION

Eau Claire County Jail, Wisconsin Commercial Proposal

PREPARED BY



John Shannon
OD Security North America
2453 Daniel Island Drive,
Daniel Island, SC 29492

PROPOSAL DATE

May 22, 2018

Commercial Proposal

Delivered, installed and calibrated (F.O.B Destination) – Eau Claire County Jail, 710 Second Avenue, Eau Claire, WI 54703

<p style="text-align: center;">Option 1. 1 x SOTER RS Full Body Security Scanning System Capital Cost \$118,750</p> <p style="text-align: center;">Option2. 1 x SOTER RS Full Body Security Scanning System 7-year Lease with Option to Purchase Program 84 monthly payments of \$1,666.67</p>
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Options 1 and 2 include - Shipping, Installation, Calibration and Testing, Operator and Administrator Training, **2-years Full Manufacturer’s Warranty** (parts and labor, to include time and travel associated with servicing and maintenance)

Delivery and installation – 45 days after receipt of Contract Deposit

Proposal includes (for the operational life of the System) –

- Provision of 24/7 Toll Free Support Line and 24/7 On-Line Help Desk
- Same day Technical/Engineering Support (**WI based Technicians**)
- Annual re-calibration and Annual State Certification
- **All software upgrades through-out term of contract**
- **Provision of Random Scanning Software Upgrade**
- **Provision of Biometric Hardware/Software Upgrade**
- **Provision of PREA Compliant Software Upgrade**

Additional Features

1. Provision of Full Warranty (Maintenance/Service) Contract (parts and labor and including time and travel) year 3 onwards

\$9,750 annually, payable in advance

2. SOTER RS Tablet

Unit Cost -

Hardware - 1 x Dell Latitude 2 in 1, 7275 (12.5") (3840x2160) Touch - **\$2,139 (one-off)**

Software - SOTER RS Operator Interphase (OI) Software (Annual Software License) - **\$2,400 annually, payable in advance**

Terms remain valid until June 21st 2018

GOVERNMENT LEASING COMPANY

MUNICIPAL LEASING - MUNICIPAL RENTAL - FEDERAL FINANCING

830 Tenderfoot Hill Rd Suite 301, Colorado Springs, CO 80906 PH: 800-822-8070 FAX: 719-576-0370 WEB: <http://www.gleasing.com>

MUNICIPAL LEASE PURCHASE RATE QUOTE FOR FINANCING

4/24/2018

ATTN: Mr. Michael Cisar CisarM@Chemimage.com
ChemImage Sensor Systems, LLC
PA

FROM: Tom Wittwer

PH# (412) 241-7335
FAX:

QUOTE: 22917

LESSEE: Eau Claire

STATE: WI

LEASED PROPERTY: Vero Vision Mail Screener

Leased Property Cost	*Maintenance Amount Financed	Other Adjustments to Net Equipment Cost ¹	Total Amount Financed	Total # of Pmts/Pmts per Year	Payment	# Pmts in Adv
\$116,450.00	\$40,000.00	\$0.00	\$156,450.00	5/1	\$34,955.00	1
	\$0.00	\$0.00	\$0.00			
	\$0.00	\$0.00	\$0.00			
	\$0.00	\$0.00	\$0.00			
	\$0.00	\$0.00	\$0.00			

A Municipal Lease Purchase Agreement has standard non-appropriation protections for the Lessee and provides the Lessee with an option to purchase the leased property for \$1.00 after the timely making of all lease payments.

*Maintenance of \$10,000.00/yr paid annually in advance beginning with the second year and annually thereafter upon receipt of the corresponding annual payment

This quotation is valid for fifteen (15) days and is subject to, and contingent upon, approval of the Lessee's financial statements, the timely execution and delivery of transaction documents containing such terms and conditions as shall be determined by Government Leasing Company in its sole discretion. By submitting this quotation, Government Leasing Company is not agreeing to any other terms or conditions, express or implied, including, but not limited to any terms in any bid solicitation and award related to this proposed transaction.

¹ Other Adjustments include any: down payment to vendor, buyout of prior lease, sales taxes and credit for trade-in.



ChemImage Corporation
 7301 Penn Avenue
 Pittsburgh, PA 15208
 United States

+1 (412) 241-7335

www.chemimage.com

PROPOSAL

Proposal ID 00000634

Bill To Name Eau Claire County WI Jail

Prepared By Michael Cisar

Contact Name Dan Bresina

Email cisarm@chemimage.com

Bill To 710 2nd Ave
 Eau Claire, WI 54703

Expiration Date 6/23/2018

Phone (715) 839-4702

Email dan.bresina@co.eau-claire.wi.us

Quantity	Product	Line Item Description	List Price	Sales Price	Total Price
1.00	VeroVision Mail Screener	VeroVision™ Mail Screener Detection System <ul style="list-style-type: none"> • SWIR Hyperspectral Unit (SHU) • Mail Screening Lighting Stand for Document Scanning (Reflectance and Transmittance Modes) • Workstation Operator Control Unit with 23" Touch Screen Display • Ethernet and Sensor Head cables • Operator Manual • Limited Warranty • Installation and Training 	\$124,900.00	\$115,994.63	\$115,994.63
4.00	Extended Comprehensive Service Agreement (Single Year)	<ul style="list-style-type: none"> • Single Year • Recipe development support • Library expansion when available • Material & labor covered (includes camera and filters) • One annual preventative agreement 	\$12,900.00	\$10,000.08	\$40,000.32

Subtotal	\$155,994.95
Total Price	\$155,994.95
Shipping and Handling	\$450.00
Grand Total	\$156,444.95

Special Terms

Description - Quote includes (1) VeroVision Mail Screener and (4) years extended warranty (for a total of 5 years of extended warranty)
 - Sales tax, if applicable, is not included in this quote
 - Payment: Net 30 days from invoice
 - See additional Terms and Conditions below



ChemImage Corporation
7301 Penn Avenue
Pittsburgh, PA 15208
United States

+1 (412) 241-7335

www.chemimage.com

Shipping

Delivery: 90-120 days ARO
Shipping: Prepay and add FOB Shipping Point
Payment: Net 30 days from invoice
See additional Terms and Conditions below

Remittance Address

ChemImage Corporation
7301 Penn Avenue
Pittsburgh, PA 15208

Make checks payable to: ChemImage Corporation
Federal E.I.N. #54-2081245

Customer Service

ChemImage Sensor Systems, LLC. Confidential Quotation
Customer Service or Questions regarding this quotation call: +1 412-241-7335
The release of this information is approved as: EAR99/NLR-No License Required "These commodities, technology or software are controlled by the Export Administration Regulations (EAR). The export or subsequent re-export must be in accordance with United States export laws and regulations. Diversion contrary to United States law is prohibited."

TERMS & CONDITIONS

Terms and Conditions

Shipping: Prepay and add
Payment: Net 30 days from invoice

These Terms and Conditions constitute a material part of the agreement between ChemImage Biothreat LLC, d/b/a ChemImage Sensor Systems (Seller) and Customer. ChemImage objects to, and does not agree to be bound by, any changes to these terms and conditions. These terms and conditions supersede any inconsistent terms and conditions in any documentation submitted by Customer to Seller. ChemImage agrees to sell the Products to Customer provided that (i) the Products are available at the time of the order, (ii) ChemImage accepts the order, and (iii) Customer is in full compliance with the terms and conditions of this Agreement. Customer agrees to purchase the Products for use within the United States.

1. **Prices.** Prices are based on the products and quantity described in the quote. Any changes or deletions to the product, quantity, or specifications may alter the price. Seller reserves the right to alter the product and prices in the quote, subject to Customer's confirmation.
2. **Payment.** Payment Terms. Payment terms are net thirty (30) days from date of invoice ("Due Date"). ChemImage must receive payment at the "Remit To" address listed on the invoice on or before the Due Date to be considered as received on time. Customer shall pay ChemImage a service charge of 1-1/2% per month (18% per year) or the highest amount allowed by law, if lower, on all past due amounts. In the event Customer is delinquent in payment of any amounts to ChemImage, whether or not related to this Agreement, ChemImage may, at its option declare all amounts owed to it under all agreements as due and payable immediately, and terminate this Agreement.
3. Seller offers eCommerce solutions giving customers flexible invoice and payment options.



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7301 Penn Avenue
Pittsburgh, PA 15208
United States

+1 (412) 241-7335

www.chemimage.com

1. Invoice Options. Customer may choose to receive invoices
 1. Electronically via email
 2. by mail
 3. or by email and mail
2. (b) Payment Options. Payment to ChemImage may be made either electronically (preferred method) or by check. In the event that an electronic payment is made, Customer must include a remittance or invoice number with each transaction.
4. Delivery. Freight terms are FOB Seller's shipping point unless otherwise specified. Notwithstanding anything in the foregoing to the contrary, Seller also charges a shipping charge for any of the Products. Additional charges for emergency or overnight deliveries will be the responsibility of Customer and will be added to the invoice.(a) Damage or Shortage in Shipment. Seller exercises care in packing shipments. To minimize the possibility of error, all orders should be inspected upon receipt. ANY DAMAGE, SHORTAGE OR OVERAGE DUE TO SHIPPING SHOULD BE REPORTED TO SELLER'S CUSTOMER SERVICE DEPARTMENT AT 412.241.7335 or 1-877-241-3550 WITHIN TWO (2) BUSINESS DAYS OF RECEIPT. Seller may reject requests for return authorization received later than two (2) business days from Customer's receipt of the Products. Customer's cooperation in providing this information will enable Seller to expedite the necessary adjustments. Customer agrees to purchase any and all insurance necessary to indemnify it against any loss in shipping. Seller will pre-pay and add shipping charges to the initial invoice. Delivery dates are not guaranteed, but are estimated on the basis of immediate receipt by Seller of all information and approvals to be furnished by Customer and the absence of delays which are excused under Section 8 (Force Majeure). Seller shall endeavor in good faith to meet estimated delivery dates.
5. Limited Warranties. Seller warrants to the Customer that for a period of 1 year from the date of installation, equipment manufactured by us shall be free from defects in materials and workmanship for a period of one (1) year from the date of installation of such equipment. Services performed by Seller in connection with such equipment, such as site training and installation services relating to the equipment, shall be free from defects for a period of one year from the date of shipment. If defects in materials or workmanship are discovered within the applicable warranty period as set forth above, Seller shall, at its sole option a) in the case of equipment, either repair or replace the equipment or b) in the case of defective services, re-perform such services. Seller shall have the option of replacing equipment with substitute products or new or used replacement parts.
 1. Basic Service Agreement provides updates to either repair or replace the equipment or b) in the case of defective services, re-perform such services. Seller shall have the option of replacing equipment with substitute products or new or used replacement parts.
 2. Comprehensive Service Agreement provides updates to either repair or replace the equipment or b) in the case of defective services, re-perform such services. Seller shall have the option of replacing equipment with substitute products or new or used replacement parts. In addition, the comprehensive service agreement provides software enhancement (no hardware changes) and additional of additional libraries (recipes) when available at no charge. During the comprehensive service agreement one preventative maintenance visit is also covered.
 3. If the customer is out of warranty, updates to software and libraries may be purchase for an additional cost. Any requests for service when system is out of warranty will be billed as time and material plus travel.
6. Software Licenses. ChemImage grants Buyer a limited, revocable, non-exclusive right and license for the use of ChemImage VeroVision Mail Screener Software only in the specific configuration provided by ChemImage, and subject to Buyer's acceptance of the ChemImage End User License Agreement upon purchase of the VeroVision Mail Screener. Buyer shall not acquire title to ChemImage VeroVision Mail Screener Software. All updates or upgrades to the software that may be provided later by ChemImage as part of any maintenance, technical support, or other services program for the software shall also be subject to the End User License Agreement, unless a separate software license is provided. Such upgrades may be subject to additional charge.
7. Return Goods Policy. Seller can accept for credit only those Products that (a) do not perform pursuant to Seller's specifications for the Products, (b) may have been damaged during transportation, or (c) Customer may have received in error. Return of the Products must be authorized before any returns will be accepted. In



ChemImage Corporation
 7301 Penn Avenue
 Pittsburgh, PA 15208
 United States

+1 (412) 241-7335

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cases of Products damaged during shipments, Customer must contact Seller according to the procedures in Section 4(a) of these Terms and Conditions, and must do so within the time period specified. Customer shall contact Seller Customer Service for instructions on the return procedure to be followed.

8. Warranty shall be void due to any of the following: a) If the product has been opened, modified, altered, or repaired, except by Seller or its authorized agents, b) if the product has not been installed or maintained or used in accordance with instructions provided by Seller, c) misuse, abuse, accident, thermal or electrical irregularity, theft, vandalism, fire, water, or other peril, d) damage caused by containment and/or operation outside the environmental specification of the product, e) connection of the product to other systems, equipment, or devices or use with other software (other than software specifically provided by Seller), or f) removal or alteration of identification labels on the product or its parts. EXCEPT AS SET FORTH HEREIN, NO OTHER WARRANTIES OR REMEDIES, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESSED, IMPLIED (INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) OR OTHERWISE, SHALL NOT APPLY. IN NO EVENT SHALL SELLER HAVE ANY LIABILITY FOR ANY SPECIAL, EXEMPLARY, PUNITIVE, INDIRECT OR CONSEQUENTIAL LOSSES OR DAMAGES OF ANY NATURE WHATSOEVER, WHETHER AS A RESULT OF BREACH OF CONTRACT, TORT LIABILITY (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. REPAIR OR REPLACEMENT OF THE EQUIPMENT DURING THE APPLICABLE WARRANTY PERIOD IS YOUR SOLE AND EXCLUSIVE REMEDY UNDER THIS WARRANTY. IN NO EVENT SHALL SELLER OR ITS SUBCONTRACTORS HAVE ANY LIABILITY TO CUSTOMER, WHETHER AS A RESULT OF BREACH OF CONTRACT, TORT LIABILITY (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, AND WHETHER ARISING BEFORE OR AFTER DELIVERY OF THE GOODS AND/OR PERFORMANCE OF THE SERVICES FURNISHED UNDER THE SALES CONTRACT, FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PENAL LOSS OR DAMAGE OF ANY NATURE WHATSOEVER, INCLUDING WITHOUT LIMITATION, DAMAGE TO OR LOSS OF USE OF PLANT OR EQUIPMENT, EXPENSES INVOLVING INTEREST CHARGES OR COST OF CAPITAL, LOSS OF PROFITS OR REVENUES, COST OF SUBSTITUTE EQUIPMENT, FACILITIES OR SERVICES, OR CLAIMS OF CUSTOMER. .
9. Termination. Seller may terminate the performance of the work under the agreement in whole at any time, or from time to time in part, by written notice to Customer.
10. Default – Cancellation. Customer may not cancel this order, or any portion thereof, except upon written notice to Seller and upon payment to Seller of the cancellation charges specified below. Customer acknowledges that such charges have been agreed upon, not as a penalty, but as a result of the difficulty of computing actual damages and the inconvenience and non-feasibility of Seller otherwise obtaining an adequate remedy.

Cancellation Notice Received Prior to Scheduled Delivery	Cancellation Charges (Percentage of Sales Price of Goods)
Less than 30 Days	50%
45 Days or More	25%

Customer may not cancel any order, or portion thereof, after shipment, Buyer may not reschedule or change any order, or portion thereof, without Seller's prior written consent.

11. Bankruptcy/Insolvency - In the event of Customer's bankruptcy or insolvency, or in the event any proceeding is brought against Customer, voluntarily or involuntarily, under the bankruptcy or insolvency laws, Seller may cancel any order then outstanding at any time during the period allowed for filing claims against the estate, and shall be paid the cancellation charges specified in Section 6 (Default—Cancellation).
12. Force Majeure. Neither party shall be liable for defaults or delays due to Acts of God or the public enemy, acts or demands of any Government or any Governmental agency, strikes, fires, floods, accidents, or other unforeseeable causes beyond its control and not due to its fault or negligence. Each party shall notify the other in writing of the cause of such delay within five (5) days after the beginning thereof.
13. Indemnification. Customer will defend, hold harmless, and indemnify Seller from and against any liability and expenses (including, without limitation, attorney and other professional fees and disbursements) arising from



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or in connection with any damages, injuries, or third party claims of demands to recover for personal injury, death, or property damage caused by or arising out of any of the goods or services supplied the Seller (regardless of whether such claim or demand arises under tort, negligence, contract, warranty, strict liability or other legal theories), except to the extent such injury, damage, or loss results from Seller's negligent actions.

14. Assignment. Neither this order nor any rights or obligations herein may be assigned by Customer nor may Customer delegate the performance of any of its duties hereunder without Seller's prior written consent.
15. Intellectual Property. Seller warrants that products furnished under the Sales Contract, and any part thereof, shall be delivered free of any rightful claim of any third party for infringement of any United States patent. Customer acknowledges and agrees that all intellectual property rights in the Products and Software and in any Seller technology, intellectual property, and know-how used to make or useful for the manufacture or use of the products will at all times remain vested in the Seller. Customer shall not use Seller's trademark, tradename, or other indication in relation to the Product unless in accordance with Seller's instructions or prior written approval and solely for the purposes expressly specified by Seller in writing. Customer shall not have nor obtain any right, title, or interest in or to any Seller's owned trademarks, tradenames, or other indications. Customer acknowledges all rights, title, and interest of Seller in respect of and to Seller's owned trademarks, tradenames, and other indications.
16. Attorneys' Fees. In the event there is any dispute concerning the terms of this agreement or the performance of any party, and any party retains counsel of the purpose of enforcing any of the provisions of this agreement or asserting the terms of this agreement in defense of any suit filed against said party, each party shall be solely responsible for its own costs and attorneys' fees incurred in connection with the dispute irrespective of whether or not a lawsuit is actually commenced or prosecuted to conclusion.
17. Invoices and Notices. All correspondence covering this quote must be addressed to ChemImage Biothreat LLC, d/b/a ChemImage Sensor Systems, 7301 Penn Ave., Pittsburgh, PA 15208. The parties agree that for any transactions subject to this quote, facsimile signatures shall be accepted as original signatures, orders may be transmitted electronically and any document created pursuant to this order may be maintained in an electronic document storage and retrieval system, a copy of which shall be considered an original. Neither party shall raise any objection to the authenticity of this quote or any document created hereunder, based on the use of a facsimile signature, electronic order or the use of a copy retrieved from an electronic storage system.
18. Severability. In case any one or more provisions contained in this quote shall be invalid, illegal, or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
19. Notice. Any notice given under this quote shall be in writing and will be effective: (i) when delivered if delivered in person; or, (ii) three (3) days after deposited in the United States mail to the address provided on the first page of this quote. Email communications are solely for the convenience of the parties and will not constitute valid or effective legal notice for purposes of this quote.
20. Taxes Prices do not include any municipal, provincial, state or federal sales, use, excise, value added or similar taxes. Consequently, in addition to prices specified, the amount of any present or future taxes, duties and/or tariffs that may be imposed shall be paid by Customer, or in lieu thereof, Customer will provide Seller with a tax exemption certificate acceptable to the taxing authorities. International sales are subject to applicable transportation and import duties, licenses, and fees, or as agreed to by the purchase order.
21. Export Laws Customer agrees to comply with all applicable export laws, assurances, codes, and license requirements and controls of the United States and other applicable jurisdictions in connection with the use and resale of products including Customer's acceptance of responsibility for the payment of any relevant taxes or duties, etc.
22. ITAR Compliance. Customer is advised that this purchase order may involve goods or services subject to the International Traffic in Arms Regulations (ITAR) ITAR 22 CFR , Chapter 1, Sub-Chapter M, §120-§130, the Export Administration Regulations, and other applicable U.S. export laws and regulations, as may be amended from time to time. Sale of goods may be subject to licensing requirements by the U.S. Government, and may not be resold, diverted, transferred, or otherwise be disposed of, to any other country or to any person other than the authorized end-user or consignee(s), either in their original form or after being incorporated into other end-items, without first obtaining approval from the U.S. Department of State or use of an applicable exemption. If Customer is a U.S. company that engages in the business of either manufacturing



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or exporting defense articles or furnishing defense services, the Customer hereby certifies that it has registered with the U.S. Department of State, Directorate of Defense Trade Controls and understands its obligations to comply with the International Traffic in Arms Regulations (ITAR) and the Department of Commerce, Export Administration Regulations (EAR). Customer shall indemnify and hold Seller harmless from and against any liability claims, demands or expenses (including attorney's or other professional fees) arising from or relating to Customer's non-compliance with U.S. export laws.

- 23. Applicable Law This Agreement is governed by the laws of the Commonwealth of Pennsylvania, excluding the United Nations Convention on Contracts for the International Sale of Goods ('CISG') and excluding its conflict of laws rules. Customer submits to the jurisdiction of the state and federal courts located with the County of Allegheny within the Commonwealth of Pennsylvania.
- 24. Entire Agreement; Additional or Different Provisions Rejected; Modifications; Amendment. This quote constitutes the entire agreement between Customer and Supplier, unless superseded by a Distribution Agreement signed by both parties. Any additional or different provisions proposed by Customer are rejected and will not be effective unless agreed to in writing by Seller. The parties may agree to amend provision(s) contained in these Terms and Conditions if such amendment (1) specifically references the provision(s) in these Terms and Conditions to be amended; (2) specifically provides how such provision(s) is amended, and (3) is executed by the President of Seller. Otherwise, this Quote may be amended or renewed only by written agreement of both parties.

Purchase Order must reference Quotation Number

Accepted by:

Name of Facility: _____

ChemImage Corporation

Address: _____

7301 Penn Avenue

Pittsburgh, PA 19208

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Out of County Housing - 2018

Month	Chippewa County (\$43/day)	Dunn County (\$47/day)
January	\$5,977.00	\$7,285.00
February	\$7,525.00	\$3,337.00
March	\$18,533.00	\$10,011.00
April	\$16,254.00	\$7,802.00
May	\$11,653.00	\$8,037.00
June		
July		
August		
September		
October		
November		
December		
Total by county	\$59,942.00	\$36,472.00

Grand Total: \$96,414.00