## THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS BOARD ACTION SUMMARY

DEPT: _	Sheriff's Office	BOARD AGENDA #: *B-9
		AGENDA DATE: January 24, 2017
SUBJECT		
• •	to Purchase a VeroVision Mail Screene ention Facility	r for the Detection of Illicit Substances in th
		,
BOARD A	ACTION AS FOLLOWS:	
B07.1.12 7		<b>No.</b> 2017-33
On motion	of Supervisor Monteith	, Seconded by Supervisor _Withrow
	ved by the following vote,	and Chairman Chiasa
		and Chairman Chiesa
Excused o	or Absent: Supervisors: None	
		·
1)X 2)	Approved as recommended  Denied	
· ———	Approved as amended	
·/———	Approved as afficiliaed	
4)	Other:	

ATTEST: ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

## THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS **AGENDA ITEM**

DEPT:

Sheriff's Office

Urgent O

Routine 0

BOARD AGENDA #:

AGENDA DATE: January 24, 2017

CEO CONCURRENCE

4/5 Vote Required: Yes **⊙** 

No O

## SUBJECT:

Approval to Purchase a VeroVision Mail Screener for the Detection of Illicit Substances in the Adult Detention Facility

### STAFF RECOMMENDATIONS:

- 1. Authorize the purchase of a VeroVision Mail Screener using the Community Corrections Partnership Funds Administrative Overhead allocation.
- 2. Authorize the Auditor-Controller to make the necessary adjustments to increase appropriations and revenue in the Sheriff's Detention Legal Budget Unit as per the 2016-2017 Community Corrections Partnership Budget and presented on the attached budget iournal.
- 3. Authorize the Purchasing Agent to issue a purchase order to ChemImage Sensor Systems in the amount of \$157.825.

### **DISCUSSION:**

This item is being submitted to the Board of Supervisors to authorize the purchase of a specialized mail screener for the detection of illicit substances in the Adult Detention Facility. The funding for this mail screener is provided through the Community Corrections Partnership Administrative Overhead Allocation

One of the many inmate services provided by the Sheriff's Office – Adult Detention Division is the handling, screening and delivery of inmate mail. The Department handles nearly 185,000 pieces of mail each year. Written letters can be an important and inexpensive way to maintain a close relationship with someone who is incarcerated. All mail entering and leaving a jail facility is searched for contraband and the writing is scanned for security issues. In the case of "legal mail" between an inmate and the inmate's attorney, the Facility Commander, the Board of State and Community Corrections, or other public official, checks the correspondence for contraband but does not read or scan with the human eye. The mail screener does not violate the provisions of legal mail and only detects for illegal/illicit controlled substances.

Inmate mail is a primary method of transferring drugs and other illicit/illegal controlled substances into secure detention facilities. Addiction in our community is an epidemic and the interception of controlled substances through mail scanning is critically important to maintaining the safety and security of our detention facilities. Drugs entering correctional facilities are a known problem within the correctional community. Visual inspection of the mail Approval to Purchase a VeroVision Mail Screener for the Detection of Illicit Substances in the Adult Detention Facility

can reveal a suspicious looking powder or a letter adhesive that looks like water has been applied to it. These findings are obvious red flags to most inspectors, but visual cues are not fail-proof and traditional testing of the mail is time-consuming.

The VeroVision Mail Screener by ChemImage Sensor Systems is currently the only technology on the market designed to quickly test mail using light (spectral imaging) to detect illicit/illegal drugs. Using the VeroVision Mail Screener, staff will be able to detect the not-so-obvious presence of an illegal/illicit controlled substance such as methamphetamine, heroin, PCP or cocaine. The mail screener will detect both visible and non-visible drugs that may have been folded or soaked onto paper.

The use of the VeroVision Mail Screener features a simple, one-click detection interface that allows the operator to quickly scan mail and clearly confirm the existence of an illicit/illegal controlled substance. The mail screener uses near-infrared light to reveal what cannot be seen with the human eye. This light penetrates stamps, paper, crayons and other substances used to hide contraband in the mail and identifies the compounds present. The screener detects illegal drugs and common cutting agents by using high-resolution spectral data and makes a presumptive identification of the substance detected. Once detected and the substance identified, that mail can be restricted and possibly result in the arrest of the sender. The use of this technology will significantly improve the health and safety inside of our public safety facilities by eliminating drugs and other smuggled contraband from the inmate mail system.

### **POLICY ISSUE:**

In accordance with the County Purchasing Policy and Board Resolution 2006-58, all contracts or agreements where the total cumulative compensation exceeds \$100,000 must be approved by the Board of Supervisors. Additionally, the adjustment to budgeted appropriations and revenue requires Board approval.

#### **FISCAL IMPACT:**

The Department receives Assembly Bill (AB) 109 realignment funds each year. The 2016-2017 Community Corrections Partnership Plan budget details how these funds are distributed. Approved by the Board of Supervisors in May 2016, the plan identified the amount allocated to the Sheriff's Department as \$8,197,818. The Department's 2016-2017 Proposed Budget had included an estimate for this revenue of \$7,860,600, leaving \$337,218 unbudgeted.

A portion of the AB 109 funds is provided for Administrative Overhead and can be utilized for the purchase of equipment. Based on the quote from Chemlmage Sensor Systems, the VeroVision Mail Screener, installation, and software total \$157,825. Funding for the specialized mail screener is provided through the Community Corrections Partnership (CCP) Administrative Overhead Allocation not previously included in the 2016-2017 Proposed Budget.

Approval to Purchase a VeroVision Mail Screener for the Detection of Illicit Substances in the Adult Detention Facility

Cost of recommended action:

Source(s) of Funding:

CCP Administrative Overhead Allocation

Funding Total:

Net Cost to County General Fund

\$ 157,825

\$ 157,825

\$ 157,825

Fiscal Year:

**Budget Adjustment/Appropriations needed:** 

2016/2017 **Yes** 

**Fund Balance as of 12/27/2016** 

N/A

## **BOARD OF SUPERVISORS' PRIORITY:**

The recommended action supports the Board of Supervisors' priority of a Safe Community by facilitating the screening of illicit/illegal drugs and preventing the transfer of such drugs into secure detention facilities.

### STAFFING IMPACT:

Existing department and County staff will oversee the purchase, installation, training and use of the mail screener.

#### **CONTACT PERSON:**

Adam Christianson, Sheriff

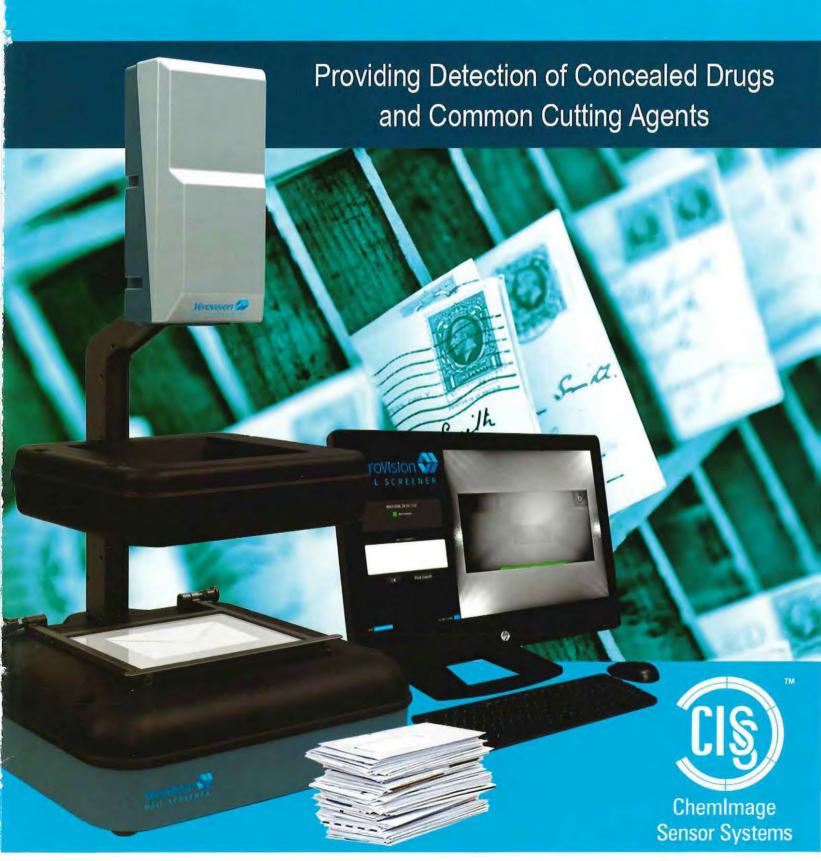
Telephone (209) 525-7216

## ATTACHMENT(S):

- 1. VeroVision brochure
- 2. CISS Proposal/Quote
- 3. Budget Journal

# Attachment 1





## Stop Drugs from Getting Through Your Screening Process

Are drugs entering your facility though the mail, even after visual inspection? The VeroVision Mail Screener features a simple, one click detection interface that allows the operator to quickly scan mail and clearly confirm the existence of an illicit substance.

## The VeroVision Mail Screener

- Provides detection of suspicious substances with just a click of a button.
- Utilizes near-infrared light to reveal what cannot be seen with the human eye.
- Detects illicit drugs and common cutting agents by using advanced acquisition and processing methods.
- Sees through envelopes, paper, stamps, stickers, and even under crayon.
- Can image an entire sheet of paper (9 x 12 inches) in seconds using wide-field spectral imaging.
- Presents the results in an easy-to-understand user interface.
- Generates a report with imagery for documentation; customizable for your facility.
- Detects, collects high-resolution spectral data, and makes a presumptive identification of the substance (future enhancement).



#### One Click Detection

Allows anyone to quickly scan and detect suspicious substances.





Sample of an illicit substance detection; freebase cocaine hidden behind the mailing address label. Sample of a common cutting agent detection; baking soda sealed inside the edge of an envelope.



Photograph of Envelope

Photograph of Envelope



User Interface Screen



User Interface Screen



Photograph of Coloring Book Page



User Interface Screen

Sample detection of Suboxone® that has been mixed with crayon and watercolor.

## Support for Visual Inspections

Visual inspection of mail can reveal a suspicious looking powder, or a letter adhesive that looks like water has been applied to it. These findings are obvious red flags to most inspectors. With the VeroVision Mail Screener, inspectors can detect the not-so-obvious presence of an illicit substance. In the time it takes for a physical/visual inspection, the VeroVision Mail Screener can detect a number of common drugs and cutting agents.

Drugs of Intere	st
Cocaine	
Heroin	
Ketamine	
Methadone	
Methamphetamine	
PCP (Phencyclidine	)
Suboxone®	

Cutting Agents	
Baking soda	
Caffeine	
DMSO	
Lidocaine	
Phenacetin	
Procaine	

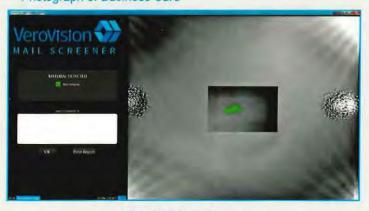
Suboxone® is a registered trademark of Reckitt Benckiser Pharmaceuticals Inc.

Additional drugs of interest may be added to the libraries.



Sample detection of Methamphetamine inserted between the paper layers of a business card.

Photograph of Business Card



User Interface Screen

Sample detection of caffeine, a common cutting agent, hidden between layers of greeting card.



Photograph of Greeting Card



User Interface Screen

## How Does it Work?

The VeroVision Mail Screener uses a method known as hyperspectral imaging to detect and highlight the presence of unknown substances that may be hidden in a sample. Facilitated by innovative imaging spectrometers incorporating a unique sensor technology, this method is highly effective as it targets chemical information that can be specifically visualized in the near-infrared (NIR) spectrum. NIR light, invisible to the human eye, extends just beyond the red portion of the visible spectrum.

The NIR light can penetrate the articles of mail, allowing for detection of concealed illicit substances, while at the same time suppressing background materials, colors and patterns commonly associated with ordinary envelopes, greeting cards, papers, and stamps.

VeroVision utilizes advanced acquisition and processing methods to detect the presence of illicit substances within the articles of mail. These detections are presented to the user in a simple interface which allows for report generation, inclusive of images.

Once an illicit substance has been detected, high-resolution spectral information can be acquired and used to generate a presumptive identification of the substance (future enhancement).

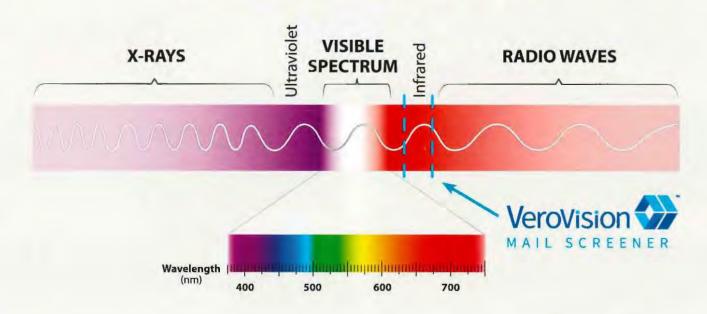


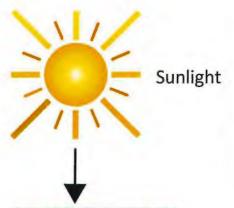


Photograph of coloring book page (upper) and illicit substance detected underneath the sticker (lower).

NIR imaging can minimize background coloring or patterns within a sample (a common interference during visual inspections) to provide an easy and conspicuous detection of an illicit substance.

## Understanding Visible and Invisible Light

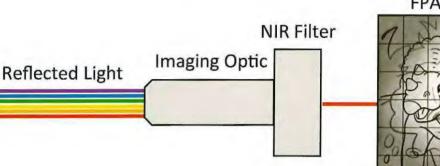




## What is Hyperspectral Imaging (HSI)?

HSI is an extension of digital imaging that acquires many images at different wavelengths. VeroVision utilizes a unique NIR filter technology to control the wavelength of light that passes through the filter and subsequently reaches the camera. After a series of images are collected at different wavelengths, the resulting set of images is called a hypercube.



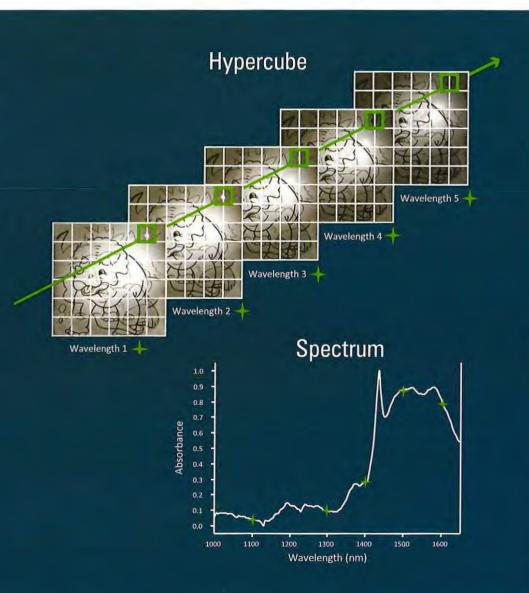


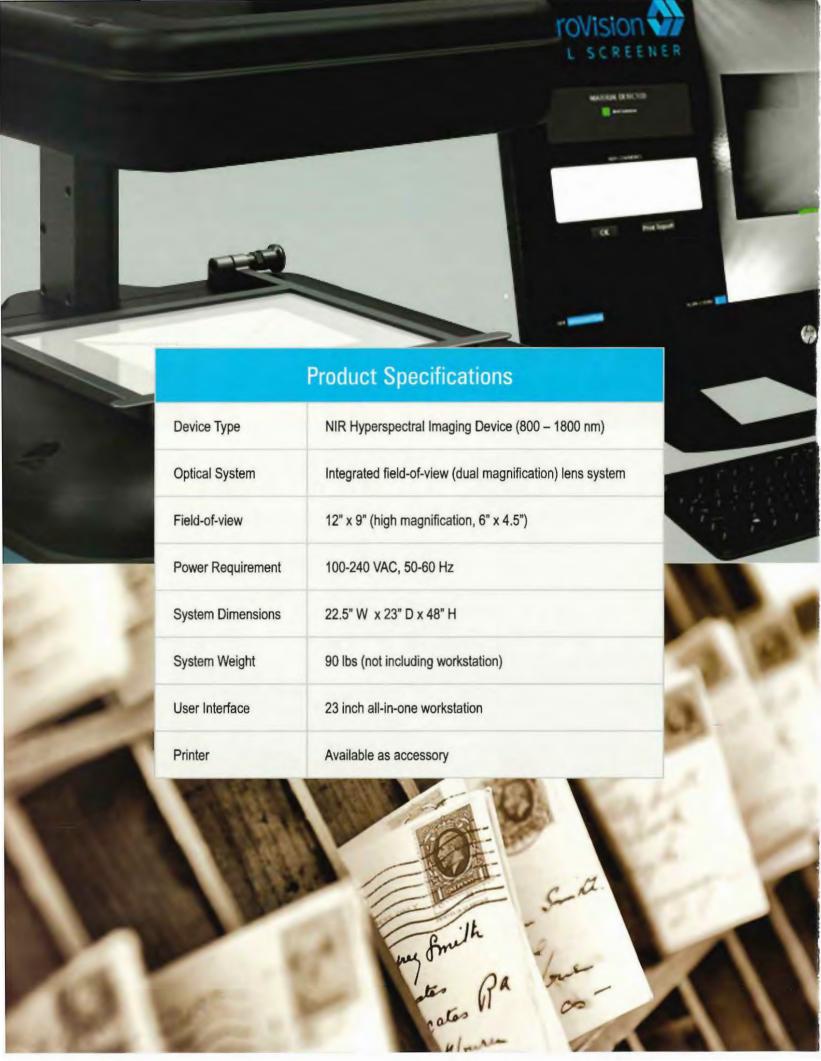


## **Detection Method**

The hypercube (example top right) is a sequence of individual digital images, each collected at a different wavelength.

At every pixel within the image, the intensity is plotted as a function of wavelength, resulting in a spectrum of the material (example bottom right). The spectrum is then used to classify possible illicit substances.











# Attachment 2



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### **PROPOSAL**

Proposal ID 00000401

Bill To NameStanislaus Co. Sheriff's OfficePrepared ByRobert LevyContact NameAdam ChristiansonPhone775-781-2525

Bill To 250 E. Hackett Rd. Email levyr@cisensorsystems.com

Modesto, CA 95358 Expiration Date 3/29/2017

USA

Phone (209) 525-7216

Email chradam@stanislaussheriff.com

Quantity	Product	Line Item Description	List Price	Sales Price	Total Price
3.00	Comprehensive Gold Service Agreement	Comprehensive Gold Service Agreement  • Material (Parts including camera and filters) and labor agreement  • Software and Library Updates as released  • One preventative maintenance including travel costs to site  • Travel costs to site are included for two additional service visits as needed	\$12,995.00	\$12,000.00	\$36,000.00
1.00	VeroVision Mail Screener	VeroVision™ Mail Screener Detection System  • 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	\$147,250.00	\$114,000.00	\$114,000.00

Subtotal	\$150,000.00
Total Price	\$150,000.00
Tax	\$7,125.00
Shipping and Handling	\$700.00
Grand Total	\$157,825.00

## Special Terms

Description Early Adopter / Key Opinion Program

1. ChemImage Sensor Systems (CISS) and Facility will work together to enhance detection and identifications.

ChemImage holds a DEA license and may from time to time request samples where no suspect has been identified to use



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for laboratory experiments related to enhancing drug detections on current and future drugs used for smuggling into custodial facilities.

- 2. All Software, recipe enhancements and future identification software will be provided at no additional costs during duration of the included service contracts.
- 3. Both CISS and the Stanislaus Co. Sheriff's Office agree to work together to evaluate real-world samples; CISS will have
- 4. Facility agrees to host at least one Jail Managers Association or training meeting and will assist CISS with show casing the mail screener technology. This also includes allied agency visits and demonstrations in coordination with CISS.
- 5. Facility agrees to be a positive reference site for CISS and if it is unable to do so, agrees to immediately notify CISS and/or its account manager of such situation so it can be immediately corrected.
- 6. As mutually agreed between Facility and CISS, other interested parties can visit and see a demonstration of the system.
- 7. First year of Gold Service Agreement included in purchase price of unit.
- 8. Second year of Gold Service Agreement is included at no cost as well.
- 9. Stanislaus Co Sheriff's Office agrees to hold a major media event show casing the mail screener as a part of their drug interdiction efforts at their correctional facility. This will include a major television media outlet from either the Sacramento and/or the Bay Area.

#### 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 Chemlmage Biothreat LLC, d/b/a Chemlmage Sensor Systems (Seller) and Customer. Chemlmage objects to, and does not agree to be bound by,



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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. <u>Prices.</u> 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"). Chemlmage 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 Chemlmage 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 Chemlmage, whether or not related to this Agreement, Chemlmage 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.
  - 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. <u>Delivery</u>. 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. <u>Limited Warranties.</u> 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.
  - 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. <u>Comprehensive Service Agreement</u> 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



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- 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.
- 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. <u>Software Licenses</u>. 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 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. <u>Termination.</u> 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. <u>Default Cancellation.</u> 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	Cancellation Charges (Percentage of Sales Price
Delivery	of Goods)



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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. remedy.

- 11. <u>Bankruptcy/Insolvency</u> 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. <u>Force Majeure.</u> 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. <u>Indemnification.</u> 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 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. <u>Assignment.</u> Neither this order nor any rights or obligations herein may be assigned by <u>Customer</u> 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 <u>and</u> attorneys' fees incurred in connection with the dispute irrespective of whether or not a lawsuit is actually commenced or prosecuted to conclusion.
- 17. <u>Invoices and Notices.</u> 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. <u>Severability.</u> 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. <u>Notice.</u> 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.



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- 20. <u>Taxes</u> 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 or exporting defense articles or furnishing defense services, the Customer herby 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 liavility claims, demanda or expenses (including attorney's or other professional fees) arising from or relating to Customer's non-compliance with U.S. export laws.
- 23. <u>Applicable Law</u> 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:

roocpice	1 Dy.	
Name of Facilit	y:	ChemImage Corporation
Address:		7301 Penn Avenue
Name: Title:		Pittsburgh, PA 19208  Name: JOHN S. BELECHAK John Belechok  Title: COO
	APPROVED AS TO FORM: STANISLAUS COUNTY COUNSEL	APPROVED AS TO CONTENT:

Adam Christianson



+1 (412) 241-7335

www.	cisenors	ystems.	.com
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Date:	Date:	
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## Attachment 3

DO NOT CHANGE DO NOT CHANGE DO NOT CHANGE Database FMSDBPRD.CO.STANISLAUS.CA.US.PROD Balance Type Data Access Set Budget County of Stanislaus

Ledger Budget Category Source Currency Period Batch Name \* List - Text County of Stanislaus List - Text LEGAL BUDGET DO NOT CHANGE DO NOT CHANGE DO NOT CHANGE

DO NOT CHANGE ENTER AS MMM-YY (ALL CAPS FOR MMM) EX: NOV-11

List - Text LEGAL BUDGET

List - Text Budget - Upload

List - Text SO BF

List - Text JAN-17

Text

Text SO JV1617-04 Budget

Text CCP Mail Screener Journal Name
Journal Description
Journal Reference
Organization
Chart Of Accounts Text

List - Text Stanislaus Budget Org Accounting Flexfield DO NOT CHANGE DO NOT CHANGE

H F1	und I char) List - Text	Org (7 char)	Account (5 char)	GL Project (7 char)	Location (6 char)	Misc. (6 char)	Other (5 char)	Dehit incr appropriations decr est revenue * Number	Credit decrappropriations increst revenue * Number	Line Description
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Explanation: Increase Revenue and Expenditure Appropriations for Mail Screener for Detention Facility Use Auditors Office Only Requesting Department Data Entry Supervisor's Approval Brooke Freeman proved By Prepared by Keyed by Prepared By 1/10/2017 Date Date Date Date