INGHAM COUNTY BOARD OF COMMISSIONERS
P.O. Box 319, Mason, Michigan 48854 Telephone (517) 676-7200 Fax (517) 676-7264

THE FINANCE COMMITTEE WILL MEET ON WEDNESDAY, SEPTEMBER 21, 2016 AT 6:00 P.M., IN THE PERSONNEL CONFERENCE ROOM (D & E), HUMAN SERVICES BUILDING, 5303 S. CEDAR, LANSING.

Agenda

1. Clerk’s Office
   a. Resolution to Authorize Entering into a Three-Year Contract with the State of Michigan Department of Health and Human Services (MDHHS) for the Use of the Michigan Centralized Birth Certification System (MiCBCS) and Adding Applicable Fees to Established Certified Copy Fees to Cover the System-Access Cost
   b. Resolution Authorizing $10.00 Fee for Veteran Identification Cards to be Issued by the Ingham County Clerk

2. Register of Deeds - Resolution to Authorize an Extension of the Agreement with Fidlar Technologies for a Record Management Software System for the Register of Deeds Office

3. Sheriff’s Office
   a. Resolution Authorizing the Closure of Post #7 at the Ingham County Jail, thus Reducing the Jail’s Rate of Capacity from 569 Beds to 511 Beds
   b. Resolution to Enter into a Contract with Mid-Michigan Kennels Using FY 2015 Homeland Security Grant Program Funds

4. Animal Control - Resolution to Accept the Second 2017 Bissell Pet Foundation Super Saturday Free Adoption Grant

5. Circuit Court/Family Division - Resolution to Authorize Acceptance of United States Department of Agriculture and Michigan Department of Education Grant Award to the Ingham County Family Center for Kitchen Equipment

6. Human Resources
   a. Resolution Setting Probate Judges Annual Salaries
   b. Resolution Approving a Letter of Understanding with United Automobile Aerospace and Agricultural Implement Workers of America (UAW-TOPS) Regarding the Medical Assistant Classification
7. **Facilities Department**
   a. Resolution Amending Resolution #16-267 to Add a Day Porter at Forest Community Health Center
   b. Resolution Authorizing Amending Resolution #16-267 for RNA Facilities Management Janitorial Services

8. **Health Department**
   a. Resolution to Amend Resolution #15-354 to Accept Additional Funding to Provide Refugee Health Assessments
   b. Resolution Authorizing a Contract for Medical Direction and Consultation with Barry Eaton District Health Department
   c. Resolution to Amend the Collaborative Agreement with the Capital Area United Way
   d. Resolution to Authorize a FY 2017 Provider Agreement with the Ingham Health Plan Corporation
   e. Resolution to Authorize an Amendment to the Contract with the Ionia County Health Department for Medical Direction and Program Consultation
   f. Resolution Authorizing an Agreement with Hospital Network Healthcare Services Medical Waste Management/Disposal through HPS Group Purchasing Contract
   g. Resolution Authorizing an Agreement with Volunteers of America Michigan to Provide Certain Dental Services for Poor and Uninsured Individuals who Reside within Ingham County

9. **Innovation and Technologies Department** - Resolution to Approve the Purchase of Darktrace

10. **Road Department**
    a. Resolution Authorizing the Purchase of 2016-2017 Winter Season Supply of Plow/Grader Blade Cutting Edges for the Road Department
    b. Resolution to Approve Local Road Program Agreement with Delhi Township for the Ingham County Road Department
    c. Resolution to Amend Resolution #16-331 which Authorized a Second Party and Third-Party Agreements

11. **Parks**
    a. Resolution Approving the Application Form for the Trails and Parks Program Application
    b. Resolution Approving the Scoring/Ranking Criteria for the Trails and Parks Program Application

12. **Financial Services** - Discussion Item: Update on Recommendation for Housing Commission Audit

13. **Controller/Administrator’s Office**
    a. Resolution to Proceed with Plans for Constructing, Equipping, and Financing a New County Animal Shelter Facility
    b. Resolution to Approve a Debt Financing Policy
    c. Resolution to Terminate an Agreement between Ingham County and the Potter Park Zoological Society
Announcements
Public Comment
Adjournment

PLEASE TURN OFF CELL PHONES OR OTHER ELECTRONIC DEVICES OR SET TO MUTE OR VIBRATE TO AVOID DISRUPTION DURING THE MEETING

The County of Ingham will provide necessary reasonable auxiliary aids and services, such as interpreters for the hearing impaired and audio tapes of printed materials being considered at the meeting for the visually impaired, for individuals with disabilities at the meeting upon five (5) working days notice to the County of Ingham. Individuals with disabilities requiring auxiliary aids or services should contact the County of Ingham in writing or by calling the following: Ingham County Board of Commissioners, P.O. Box 319, Mason, MI 48854 Phone: (517) 676-7200. A quorum of the Board of Commissioners may be in attendance at this meeting. Meeting information is also available on line at www.ingham.org.
RESOLUTION ACTION ITEMS:

The Controller’s Office is recommending approval of the following resolutions:

1a. **Clerk’s Office – Resolution to Authorize Entering into a Three-Year Contract with the State of Michigan Department of Health and Human Services (MDHHS) for the Use of the Michigan Centralized Birth Certification System (MiCBCS) and Adding Applicable Fees to Established Certified Copy Fees to Cover the System-Access Cost**

The County Clerk seeks approval of a resolution that would authorize a three-year contract with the Michigan Department of Health and Human Services (MDHHS) granting access to the Michigan Centralized Birth Certificate System (MiCBCS). Access to MiCBCS would allow the Clerk’s office to quickly verify and provide quality certified copies of birth records for persons born in Ingham County. MiCBCS fees, if applicable, would be added to the established fee schedule. Fees collected and transferred to the State would not exceed $8,000 in the first year; $8,800 in the second year and $9,680 in the third year.

1b. **Clerk’s Office – Resolution Authorizing $10.00 Fee for Veteran Identification Cards to be Issued by the Ingham County Clerk**

The County Clerk has proposed initiation of a veteran photo identification card program. Veterans could utilize their identification cards to take advantage of veteran discounts offered by many businesses instead of using bulky discharge certificates. Start-up costs for the program, approximately $300, would be drawn from the Clerk’s budget. Under the resolution proposed by the Clerk, a fee of $10 would be charged to offset card production costs.

2. **Register of Deeds – Resolution to Authorize an Extension of the Agreement with Fidlar Technologies for a Record Management Software System for the Register of Deeds Office**

Resolution 11-179 approved on June 14, 2011 authorized purchase of a record management system and associated maintenance agreement from Fidlar Technologies to improve efficiency and accuracy of the office’s workflow. The Register of Deeds requests approval of a resolution to renew the contract with Fidlar Technologies through August 31, 2019 at a total annual cost not to exceed $90,000.

3a. **Sheriff’s Office – Resolution Authorizing the Closure of Post # 7 at the Ingham County Jail, Thus Reducing the Jails Rate of Capacity from 569 Beds to 511 Beds**

This resolution authorizes several things including an amendment to the agreement with Michigan Department of Corrections (MDOC) to reduce the amount of inmates to be housed by 58 inmates from 158 to 100 inmates for the remainder of their contract (September 30, 2016). Post 7 is closed effective September 1, 2016 which holds 58 inmates and is staffed by six (6) Deputies. The Deputies will continue to work as floaters to reduce overtime until they are assimilated into the workforce through natural attrition. The design rated bed capacity of the Ingham County Jail will be reduced from 569 beds to 511 beds, however the local beds capacity remains at 408.
This second post Closure (Post #6 with 32 beds was closed in July) is being taken to mitigate the loss of state prisoners being sent to the County as the MDOC has been reducing the prisoners being housed at local County jails throughout the State for some time. There are not sufficient state funds to continue this program at the same level in the State’s 2017 budget effective October 1, 2016. Therefore the 2017 budget does include contract revenue and expenses from the continuation of a 100 MDOC inmate prisoner contract, a reduction of 90 beds (see attached memo for details).

3b. Sheriff’s Office – Resolution to Enter into a Contract with Mid-Michigan Kennels Using FY 2015 Homeland Security Grant Program Funds

This Resolution authorizes entering into a contract with Mid-Michigan Kennels for an amount not to exceed $10,500 for the purchase of an explosive detection canine which includes training.

The Ingham County Office of Homeland Security & Emergency Management has previously applied for and was approved to receive a pass through grant funds from the FY 2015 Homeland Security Grant Program (HSGP).

NOTE: IN ORDER TO COMPLY WITH FEDERAL GRANTS POLICY REQUIREMENTS OTHER QUOTES ARE BEING SOUGHT PRIOR TO THE LAW & COURTS MEETING AND WILL BE EVALUATED.

4. Animal Control – Resolution to Accept the Second 2017 Bissell Pet Foundation Super Saturday Free Adoption Grant

This resolution authorizes acceptance of a second grant in 2017 to reimburse Ingham County Animal Control (ICAC) for no fee adoptions to be completed on October 22, 2016 as part of the BISSELL Pet Foundations Super Saturday Free Adoption event. The first one was held in May. ICAC will make animals available to qualifying adopters for free.

ICAC will use their regular adoption application, screening process and adoption agreement for adoptions as part of this event. The grant will facilitate an increase in adoptions and marketing of the event will help raise the profile of ICAC’s adoption program in the community.

The amount of the grant will be determined by the number, species, and ages of the animals adopted on October 22, but is anticipated not to exceed $4,000. There is no match requirement.

5. Circuit Court/Family Division – Resolution to Authorize Acceptance of United States Department of Agriculture and Michigan Department of Education Grant Award to the Ingham County Family Center for Kitchen Equipment

This Resolution authorizes the acceptance of a grant in the amount of $17,649 from the Department of Agriculture and the Michigan Department of Education to purchase new kitchen equipment to support the Ingham Academy at the Ingham County Family Center.

This grant focuses on the implementation of smarter lunchrooms: an innovative strategy to encourage healthy eating in the cafeteria, equipment that improves the safety of food, and overall energy efficiency of the school food service operations (see attached memo for details).
6a. **Human Resources – Resolution Setting Probate Judges Annual Salaries**

The resolution will provide Ingham County Probate Judges with a pay raise per Public Act 31 (2016 PA 31).

The State Court Administrator of the Michigan Supreme Court has provided a memorandum clarifying Public Act 31 (2016 PA 31) amending the statutes governing judges’ annual salaries. This legislation and memorandum provide guidelines for implementation of a one percent (1%) increase, effective October 1, 2016 for probate court judges statewide.

For calendar year 2016, probate judges will receive a total salary of $140,267.47 and for the calendar year 2017, probate judges will receive a total salary of $141,318.19 (see attached memo for details).

6b. **Human Resources – Resolution Approving a Letter of Understanding with United Automobile Aerospace and Agricultural Implement Workers of America (UAW-TOPS) Regarding the Medical Assistant Classification**

This resolution approves a letter of understanding with UAW-TOPS to allow for medical assistants to perform medication administration. Currently this function is performed only by Registered Nurses (RNs). If approved, the resolution would allow for future program expansion and for RNs to provide care that only they can perform. The Medical Assistants will be paid a one-time lump sum of $1000, less applicable withholdings.

7a. **Facilities Department – Resolution Amending Resolution #16-267 to Add a Day Porter at Forest Community Health Center**

7b. **Facilities Department – Resolution Authorizing Amending Resolution #16-267 for RNA Facilities Management Janitorial Services**

These resolutions amend the contract with RNA Facilities Management for janitorial services, to add a day porter at Forest Community Health Center and remove the Drain Office and 55th District Court from the contract. The inclusion of a day porter at Forest will add an additional cost of $27,720 for the first year, and removing the Drain Office and 55th District Court from the contract will provide a savings of $34,580. The net savings to the contract from these two resolutions is $6,860.

8a. **Health Department – Resolution to Amend Resolution #15-354 to Accept Additional Funding to Provide Refugee Health Assessments**

This resolution amends an existing agreement with the Michigan Department of Health and Human Services (MDHHS) to provide refugee health assessments by increasing the amount of the agreement from $600,000 to $760,000 and updating the service language. This agreement is in effect from October 1, 2015 through September 30, 2018.

8b. **Health Department – Resolution Authorizing a Contract for Medical Direction and Consultation with Barry Eaton District Health Department**

This resolution authorizes a contract to provide medical direction and consultation to the Barry-Eaton District Health Department (BEDHD). Ingham County will provide approximately 20% of the Medical Director’s time to the BEDHD, including a commitment to being on site at least 16 hours during each month. BEDHD will compensate Ingham County $54,104 for services in 2017; an increase of 2% to an annual rate of $55,187 for services in 2018; and an increase of 2% to an annual rate of $56,290 for services in 2019.
8c. **Health Department – Resolution to Amend the Collaborative Agreement with the Capital Area United Way**

This resolution amends the 2016 collaborative agreement with the Capital Area United Way (CAUW) to support the Community Indicators Project and includes additional funding to bring the not to exceed total to $38,051.

8d. **Health Department – Resolution to Authorize FY 2017 Agreement with the Ingham Health Plan Corporation**

This resolution authorizes an agreement with the Ingham Health Plan Corporation (IHPC) to provide members of the Ingham Health Plan with the services of physicians and other professional healthcare providers and to provide funding for other healthcare services to serve low-income populations in Ingham County. The agreement will be for the period of October 1, 2016 through September 30, 2017. IHPC will reimburse the County on a fee-for-service basis, according to a negotiated fee schedule.

8e. **Health Department – Resolution to Authorize an Amendment to the Contract with the Ionia County Health Department for Medical Direction and Program Consultation**

This resolution authorizes an extension to the contract to provide medical direction and consultation to the Ionia County Health Department. The contract includes an increase in compensation from Ionia County of 2%, to an annual rate of $54,104 for services in 2017; an increase of 2% to an annual rate of $55,187 for services in 2018; and an increase of 2% to an annual rate of $56,290 for services in 2019.

8f. **Health Department – Resolution Authorizing an Agreement with Hospital Network Healthcare Services Medical Waste Management/Disposal through HPS Group Purchasing Contract**

This resolution authorizes entering into a contract with Hospital Network Healthcare Services (HNHS) for disposal of medical waste collected by the ICHD CHCs, for the period of October 1, 2016 through September 30, 2019, with a two (2) year period renewal option. The rates of the HNHS contract for each container of medical waste are as follows: 1-3 containers at $50 each, 4-8 containers at $40 each, 9 or more containers at $35 each. Funds for this contract are included in the 2017 recommended budget.

9. **Innovation and Technology Department – Resolution to Approve the Purchase of Darktrace**

The Information and Technology Department (IT) has been working to ensure not only that any known network weaknesses are addressed, but also to remain vigilant about any other vulnerabilities in our systems. To attain these goals, IT has been testing a new cybersecurity tool called Darktrace, a software product inspired by the self-learning intelligence of the human immune system. This new approach is delivered by cutting-edge technology capable of learning “self” within an organization in real time - enabling it to detect emerging threats that bypass other security controls. This self-learning process makes it unique among the various cybersecurity devices and software in the marketplace. The IT Department asks for authorization to purchase Darktrace at a cost not to exceed $59,998.

This sophisticated, proprietary and highly innovative security monitoring system would allow the IT Department to monitor for advanced persistent threats to internal computer and communications systems. Darktrace is uniquely qualified to provide this service as the only source that will satisfy the requirements of the IT Department and circumstances of the County network. For this reason, the IT Department recommends award of a contract to Darktrace without competition.
10a. **Road Department** – Resolution Authorizing the Purchase of 2016-2017 Winter Season Supply of Plow/Grader Blade Cutting Edges for the Road Department

The Road Department and Purchasing Department request authorization to purchase plow/grader blade cutting edges from Valk Manufacturing Company and from Chemung Supply Corporation as they both submitted bids that met County specifications. The Road Department seeks Board authorization to purchase blades from Chemung Supply Corporation should the Valk Manufacturing Company blades fail to meet expectations. The Road Department recommends that Valk Manufacturing Company, (second low bidder - $39,734.50), be awarded as the primary supplier and that Chemung Supply, (lowest bidder - $39,012.00), be awarded as secondary supplier, to be used in the event of inferior product or lack of supply from Valk Manufacturing Company.

10b. **Road Department** – Resolution to Approve Local Road Program Agreement with Delhi Township for the Ingham County Road Department

Resolution 16-299 approved on June 28, 2016 authorized an Agreement with Delhi Township for a local road project in the English Meadows subdivision to be funded through a special assessment imposed upon subdivision property owners. Delhi Township petitioned the Road Department to revise that agreement to include an additional $15,000 needed to complete the project. The proposed resolution would allow utilization of funds otherwise designated for local road projects in Delhi Township. Road Department officials concur with the Township request.

10c. **Road Department** – Resolution to Amend Resolution #16-331 which Authorized Second-Party and Third-Party Agreements

Resolution 16-331 approved on July 26, 2016 authorized a third party agreement to construct township-requested sanitary sewer work along Park Lake Road, on behalf of Meridian Charter Township. Since that approval, the Township has requested additional sidewalk and utility work. The Road Department seeks to amend Resolution 16-331 to increase the township funding component of the Agreement by $66,900, for a total estimated cost of $126,000. All other terms and conditions of Resolution 16-331 remain in effect.

11a. **Parks Department** – Resolution Approving the Application Form for the Trails and Parks Program Application

Resolution 16-106 approved on March 22, 2016 authorized a second round of applications for distribution of Trails and Parks Millage funds to be taken beginning October 1, 2016 that will address new construction as identified as regional priority corridors, and special projects (including blue ways) as well as repairs, rehabilitation, and long-term maintenance projects. The resolution stipulated that application forms would be reviewed and approved by the Board of Commissioners prior to the second round. The Parks Department developed an application form and has submitted the form for approval.

11b. **Parks Department** – Resolution Approving the Scoring/Ranking Criteria for the Trails and Parks Program Application

The Parks Department recommends approval of scoring/ranking criteria for use in evaluating Trails and Parks Program Applications for the second round of applications received by the deadline of October 1, 2016. Projects include new construction as identified as regional priority corridors in Figure 24 of the Ingham County Trails and Parks Comprehensive Report and special projects (including blue ways) as well as repairs, rehabilitation, and long-term maintenance projects.
13a. Controller/Administrator’s Office – Resolution to Proceed with Plans for Constructing, Equipping, and Financing a New County Animal Shelter Facility

The resolution authorizes the Ingham County Building Authority to proceed with constructing, equipping, and financing a new county animal shelter which would replace the existing facility based on the preliminary plans and cost estimates provided to the Law & Courts, County Services, and Finance Committees.

The projected cost of construction, equipment, and financing plus fees and borrowing costs is not to exceed a total project cost of $7,777,704.

All funds will come from the recently approved Animal Control Shelter Replacement and Operational Millage (see attached memo for details).

13b. Controller/Administrator’s Office – Resolution to Approve a Debt Financing Policy

Ingham County will be asked to consider projects in the future that will require debt financing which includes general obligation bonds, special assessment bonds, revenue bonds, temporary notes, lease/purchase agreements, and other County obligations permitted to be issued or incurred under Michigan law. Noting potential building projects, statements made in budget narratives, and promises made to rating agencies, the Controller proposes adoption of a Debt Financing Policy. The draft policy sets forth comprehensive guidelines for the financing of capital expenditures.

13c. Controller/Administrator’s Office – Resolution to Terminate an Agreement between Ingham County and the Potter Park Zoological Society

Resolution 14-503 approved on December 9, 2014 authorized a contract with the Potter Park Zoological Society for services at the Potter Park Zoo, under mutually agreeable terms and conditions to both parties, effective upon execution on January 27, 2015, for a five year term, unless terminated earlier. Section 5 of the Agreement reserves to the County the right to terminate the Agreement with or without cause upon 60 calendar days-prior written notice. A proposed new operations structure will require significant changes to the Agreement. A resolution to terminate the existing contract is offered, effective December 31, 2016.

OTHER ITEM:

8g. Health Department – Resolution Authorizing an Agreement with Volunteers of America Michigan to Provide Certain Dental Services for Poor and Uninsured Individuals who reside Within Ingham County

This resolution authorizes a contract with Volunteers of America Michigan (VOAMI) to provide dental services. The contract is necessary for VOA to take advantage of funding made available through the Dental Adjuster Payment (DAP) for the dental clinic at their location. The Deputy Controller and the Health Officer have deep reservations in recommending approval of the resolution recognizing that other options exist to serve the poor and uninsured by utilizing current dental services within the Health Department (ICHD). In addition this agreement between ICHD and VOAMI for dental services will require redirection of current ICHD staffing to fulfill the terms of the contract.

DISCUSSION ITEM:

12. Financial Services – Update on Recommendation for Housing Commission Audit
MEMORANDUM

TO: County Services and Finance Committees

FROM: Ingham County Clerk Barb Byrum

DATE: September 6, 2016

RE: Resolution authorizing entering into a three-year contract with the State of Michigan Department of Health and Human Services (MDHHS) for the use of the Michigan Centralized Birth Certification System (MiCBCS) and adding applicable fees to established certified copy fees to cover the system-access cost

It is requested that the Board of Commissioners approve the attached resolution which, if approved, would authorize the County Clerk to access the Michigan Centralized Birth Certification System (MiCBCS).

My office only has birth records on file for individuals who were born in Ingham County. Therefore, my office contacts and/or refers customers to the State of Michigan at least twenty times per week to obtain a certified copy of a birth record.

There are three reasons why a record would be sealed and only accessible through MiCBCS: 1) Adoption; 2) Name Change; or 3) Record prior to 1980 and the parents were unwed at the time of birth.

In addition, birth records dating 1948-1958 in my office are black documents with white script that are often illegible when transposing the document for certification purposes. My office would be able to access legible birth records for this time period by using MiCBCS. This is very important as many people who were born during this time are requesting certified copies of their birth records for retirement purposes.

There are no additional costs anticipated to utilize MiCBCS as searching, viewing, printing file copies, corrections or updates are free. Additional fees, if applicable, would be added to the already-established fees set forth in my office to the customer if the record was retrieved from MiCBCS, as outlined below:
<table>
<thead>
<tr>
<th></th>
<th>County Clerk’s Fee</th>
<th>State’s Fee</th>
<th>Customer’s Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Copy – Clerk Paper</td>
<td>$20.00</td>
<td>$4.00</td>
<td>$24.00</td>
</tr>
<tr>
<td>Additional Copies - Clerk Paper</td>
<td>$10.00</td>
<td>$1.00</td>
<td>$11.00 (each additional copy)</td>
</tr>
<tr>
<td>1st Copy – State Paper (State-record only)</td>
<td>N/A</td>
<td>$34.00</td>
<td>$34.00</td>
</tr>
<tr>
<td>1st Copy – State Paper (State-record only) Senior Citizen</td>
<td>N/A</td>
<td>$14.00</td>
<td>$14.00</td>
</tr>
<tr>
<td>Additional Copies – State Paper (State-record only)</td>
<td>N/A</td>
<td>$16.00</td>
<td>$16.00 (each additional copy, regardless if senior)</td>
</tr>
</tbody>
</table>

Contingent upon the adoption of this resolution, the two-phase system training for MiCBCS can begin for my staff.

Please feel free to contact me with any questions or concerns you may have.
Introducing by the County Services and Finance Committees of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO AUTHORIZE ENTERING INTO A THREE-YEAR CONTRACT WITH THE STATE OF MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES (MDHHS) FOR THE USE OF THE MICHIGAN CENTRALIZED BIRTH CERTIFICATION SYSTEM (MiCBCS) AND ADDING APPLICABLE FEES TO ESTABLISHED CERTIFIED COPY FEES TO COVER THE SYSTEM-ACCESS COST

WHEREAS, the Ingham County Clerk has determined that contracting with MDHHS for the use of the MiCBCS is the best solution to be able to quickly access, verify, and provide quality certified copies of birth records for those individuals born in Ingham County; and

WHEREAS, the County Clerk has met with State Registrar Glenn Copeland who advised that other county clerks were currently accessing the MiCBCS and encouraged the Ingham County Clerk to do the same; and

WHEREAS, the fees for using the MiCBCS are as follows: non-state-only records are $4 for the first copy and $1 for each additional copy; state-only records are $34 for the first copy and $16 for each additional copy; and state-only senior citizen records are $14 for the first copy and $16 for each additional copy; and

WHEREAS, the MiCBCS fees, if applicable, would be added to the already-established fees set by the Board of Commissioners; and

WHEREAS, it has been determined that it is prudent to implement access immediately to the MiCBCS, so that Ingham County Clerk’s Office staff may begin training on MiCBCS; and

WHEREAS, the MDHHS shall provide quarterly reports and invoices to the Ingham County Clerk’s Office for reimbursement for MiCBCS services used that are outlined in the fee schedule.

THEREFORE BE IT RESOLVED, that the Board of Commissioners, in conjunction with the Ingham County Clerk, hereby authorizes entering into a three-year contract with the MDHHS for the access to and usage of the MiCBCS.

BE IT FURTHER RESOLVED, the Board of Commissioners authorize the collection of fees for using the MiCBCS by the Ingham County Clerk in the amounts contemplated in Attachment 1 over and above the current fee schedule the Ingham County Clerk is authorized to collect.

BE IT FURTHER RESOLVED, collected MiCBCS fees shall be transferred to the MDHHS pursuant to the agreement.

BE IT FURTHER RESOLVED, that the Ingham County Controller/Administrator is hereby authorized to make any transfers or adjustments to the 2016, 2017, 2018 and 2019 budgets necessary to properly budget and account for these revenues, expenditures, and transfers.
BE IT FURTHER RESOLVED, that the applicable MiCBCS fees to be collected and transferred shall not exceed $8,000 for the first year; $8,800 for the second year and $9,680 for the third year.

BE IT FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is hereby authorized to sign any necessary documents on behalf of the County after approval as to form by the County Attorney.
MEMORANDUM

September 1, 2016

TO: County Services and Finance Committees

FROM: Ingham County Clerk Barb Byrum

RE: Resolution authorizing $10.00 Fee for Veteran ID Cards to be issued by the Ingham County Clerk

It is requested that the Board of Commissioners approve the attached resolution which, if approved, would authorize the County Clerk to charge $10.00 to issue a Veteran Photo ID card.

Public Act 83 of 1867, as amended, (Sec. 35.32) authorizes county clerks to record military discharge records that are presented to them for recording. There is no charge for recording.

A Veteran’s ID Card would allow veterans to take advantage of veteran discounts offered by businesses. The military discharge certificates (DD-214) are too bulky to be carried around easily. Many counties throughout Michigan issue Veteran ID Cards for a fee of $10.00, including Livingston and Washtenaw Counties. With the Veteran ID card, veterans can easily provide proof of their service in order to receive these discounts.

A $10 fee would cover the cost of the card and printing them.

Start-up costs would be minimal, approximately $300, and would be drawn from the Clerk’s budget. I plan to utilize the camera and IdentiPhoto software used for Concealed Pistol Licenses to process the Veteran photo ID cards.

Contingent upon the adoption of this resolution, this service can be offered as soon as the card layout is designed.

The Clerk’s Office is not expecting a high volume of requests based on the number of military discharge certificates currently recorded.

Please feel free to contact me with any questions or concerns you may have.
RESOLUTION AUTHORIZING $10.00 FEE FOR VETERAN IDENTIFICATION CARDS TO BE ISSUED BY THE INGHAM COUNTY CLERK

WHEREAS, Public Act 83 of 1867, as amended, (Sec. 35.32) authorizes Michigan county clerks to record military discharge certificates (e.g., DD-214 forms) that are presented to them; and

WHEREAS, the Ingham County Clerk’s Office records military discharge certificates from military veterans; and

WHEREAS, to obtain a Veteran Identification Card (Veteran ID Card), a veteran would visit the County Clerk’s Office in the Mason Historical Courthouse, present original military discharge papers for recording or already have their military discharge papers recorded, present valid government issued identification with a current Ingham County address, pay the a fee, and have their photograph taken; and

WHEREAS, there is currently no charge for the recording of military discharge certificates, a fee of $10.00 would be necessary to cover the cost of issuing Veteran ID Cards; and

WHEREAS, the majority of other Michigan counties that provide Veteran ID Cards charge $10.00 for this service; and

WHEREAS, the Veteran ID Cards can be used by veterans to obtain discounts at many businesses with ease and convenience.

THEREFORE BE IT RESOLVED, that the Board of Commissioners hereby authorizes the assessment and collection of a $10.00 fee for the County Clerk to issue Veteran ID Cards.

BE IT FURTHER RESOLVED, that the Board of Commissioners hereby authorizes that the funds collected by this fee be deposited in the general fund.

BE IT FURTHER RESOLVED, that the Controller/Administrator is authorized to make any necessary budget adjustments.
MEMORANDUM

TO: County Services and Finance Committees

FROM: Derrick Quinney, Register of Deeds

DATE: September 6, 2016

SUBJECT: Resolution to Authorize an Extension of the Agreement with Fidlar Technologies for a Record Management Software System for the Register of Deeds Office

For the meeting agendas of September 20 and September 21

BACKGROUND

In 2011, the Register of Deeds requested approval for a new records management system to improve the efficiency and accuracy of the office’s workflow. Resolution #11-179 authorized a five-year agreement with Fidlar Technologies for this system.

ALTERNATIVES

None.

FINANCIAL IMPACT

2011-2015 Annual LifeCycle Payment $82,000/year
2011-2015 AVA – county website search portal hosting $8,000/year
2016-2019 Annual LifeCycle Payment $84,000/year
2016-2019 Direct Search (replaces AVA) – county website search portal $6,000/year

Total contracted yearly amount will essentially be the same as in the previous contract. Funding will come from the Register of Deeds Automation Fund. The new contract will be effective from September 1, 2016 through August 31, 2019.

OTHER CONSIDERATIONS

None.

RECOMMENDATION

Based on the information presented, I respectfully recommend approval of the attached resolution.
Agenda Item 2

Introduced by the County Services and Finance Committees of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO AUTHORIZE AN EXTENSION OF THE AGREEMENT WITH FIDLAR TECHNOLOGIES FOR A RECORD MANAGEMENT SOFTWARE SYSTEM FOR THE REGISTER OF DEEDS OFFICE

WHEREAS, in 2011 the Register of Deeds needed a new system to improve accuracy and speed of work flow in his office; and

WHEREAS, the Register of Deeds required a new system to comply with State of Michigan laws, particularly dealing with the order in which documents are put on record; and

WHEREAS, the Register of Deeds needed to capture more data on each document to help protect citizens from fraud; and

WHEREAS, the Register of Deeds determined a new system was needed to ensure the protection of online data; and

WHEREAS, Resolution #11-179 authorized a five year agreement with Fidlar Technologies for a new record management software system; and

WHEREAS, the Register of Deeds is recommending an extension of that agreement for another three years.

THEREFORE BE IT RESOLVED, the Board of Commissioners authorizes a three year extension of the agreement with Fidlar Technologies from the Register of Deeds Automation Fund for a record management system, effective September 1, 2016 through August 31, 2019.

BE IT FURTHER RESOLVED, that Board of Commissioners authorizes an amount not to exceed $84,000 annually for the AVID program and not to exceed $6,000 annually for the Direct Search function from the Register of Deeds Automation Fund.

BE IT FURTHER RESOLVED, that the Controller/Administrator is authorized to make any necessary budget adjustments.

BE IT FURTHER RESOLVED, that the Chairperson of the Ingham County Board of Commissioners is authorized to sign any contract documents consistent with this resolution and approved as to form by the County Attorney.
TO: Law and Courts Committee
Finance Committee

FROM: Major Sam L. Davis

DATE: August 22, 2016

RE: Request to close Post 7 at the Ingham County Jail

The Michigan Department of Corrections (MDOC) has decided that they will no longer fund the Virtual Boarder (VB) program in the county jails effective October 1, 2016.

Prior to that decision, the State was unable to fulfill their commitment to us for 90 State beds for the Ingham County VB program; therefore in July, per resolution, we eliminated 32 VB beds reducing our count to 58 which necessitated the closing of Post 6.

With the MDOC decision to eliminate the Virtual Boarder Program from their 2017 fiscal budget, we will need to eliminate the remaining 58 VB beds that we had allocated for MDOC use. To cover this loss of beds, we are requesting authorization from the Board to close Post 7 which currently has 57 beds.

No staff will be losing their job as a result of this closure; the staff will be reduced naturally by attrition.
July 28, 2016

Sheriff Gene Wrigglesworth  
630 N. Cedar St.  
Mason, MI 48854

Dear Sheriff Wrigglesworth,

Re: Virtual Boarders/Long Term Boarders

Governor Snyder has signed the State Budget for Fiscal Year 2017, which will begin on October 1, 2016. The appropriations for the Michigan Department of Corrections as approved by the Legislature no longer include funding for the MDOC leased beds program. This program is also known as the virtual boarders or long term boarders program in some counties.

To comply with the upcoming budget, all MDOC offenders in these leased beds will be returned to a MDOC facility prior to September 30, 2016. Robin Gilbert will be in contact with each of your agencies with the schedule of dates and times these offenders will be withdrawn from your custody.

I would like to thank the county jails for the participation in this program since 2012 and remind you that while this program has been eliminated, reimbursements under the County Jail Reimbursement Program have been increased for Fiscal Year 2017.

Sincerely,

Heidi E. Washington, Director
Agenda Item 3a

Introduced by the Law & Courts and Finance Committees of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION AUTHORIZING THE CLOSURE OF POST #7 AT THE INGHAM COUNTY JAIL, THUS REDUCING THE JAIL’S RATE OF CAPACITY FROM 569 BEDS TO 511 BEDS

WHEREAS, the Ingham County Sheriff’s Office has a contract with the Michigan Department of Corrections for 100 beds for detainers and parole violators at $36.00 a day; an additional 58 beds that are for virtual boarders at $36.00 per day; and

WHEREAS, the Michigan Department of Corrections Director, Heidi Washington, has indicated that the Department of Corrections is going to eliminate the virtual bed rental program effective October 1, 2016; and

WHEREAS, the Michigan Department of Corrections will no longer be making use of their designated beds, the Sheriff’s Office is recommending closing Post 7, which holds 57 inmates and is staffed by six (6) deputies.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners hereby authorizes the closing of Post 7 effective October 1, 2016 and the reduction of 6 Corrections Deputies through natural attrition.

BE IT FURTHER RESOLVED, that the contract with the Michigan Department of Corrections for 158 beds for detainers, parole violators and virtual boarders be amended to reduce the amount of inmates to be housed by 58 inmates from 158 to 100 inmates.

BE IT FURTHER RESOLVED, that the Controller/Administrator is authorized to amend the Ingham County Sheriff’s Office 2016 budget and Position Allocation List in accordance with this resolution.

BE IT FURTHER RESOLVED, that the Chairperson of the Ingham County Board of Commissioners and the Sheriff are authorized to sign any necessary contract documents consistent with this resolution and approved to form by the County Attorney.
MEMORANDUM

TO: Law & Courts Committee
    Finance Committee

FROM: Major Joel Maatman

DATE: September 7, 2016

RE: Purchase of new ICSO K-9

This resolution requests permission for the Ingham County Sheriff’s Office to enter into a contract for purchasing a new K-9 dog for our K-9 program. This would replace a K-9 that is now out of service. The contract for the K-9 also includes training for its new handler. This is a fully grant-funded project using FY2015 Homeland Security Grant Program (HSGP) funds designated for Ingham County. The overall grant was approved with resolution 15-421 and this project will come out of the allocation for the Law Enforcement Terrorism Prevention Program (LETPP.)

Quotes for purchasing records: Other Quotes have been requested and will be evaluated prior to September 15, 2016 Law & Courts Meeting.

Mid-Michigan Kennels: $10,500
Oakland Police Academy: $12,000 + travel / hotel / per diem
K-9 Academy: $11,600 + travel / hotel / per diem
WHEREAS, the Ingham County Office of Homeland Security & Emergency Management has previously applied for and approved to receive pass through grant funds from the FY2015 Homeland Security Grant Program (HSGP); and

WHEREAS, the purpose of these grant funds is to purchase equipment and to provide training in the Homeland Security & Emergency Management field; and

WHEREAS, the following request has been submitted and approved by the Michigan State Police Emergency Management and Homeland Security Division; and

WHEREAS, the Sheriff’s Office has demonstrated the need for a dual-purpose Explosive Detection / Patrol Canine for CBRNE Detection/Prevention and requested use of the grant funds.

THEREFORE BE IT RESOLVED, the Ingham County Board of Commissioners authorizes entering into a contract with Mid-Michigan Kennels for an amount not to exceed $10,500 for the purchase of an explosive detection canine which includes training.

BE IT FURTHER RESOLVED, that the Controller/Administrator is authorized to make any necessary budget adjustments consistent with this resolution.

BE IT FURTHER RESOLVED, that the Ingham County Board of Commissioners authorizes the Board Chairperson to sign any necessary subcontract or purchase documents that are consistent with this resolution and approved as to form by the County Attorney.
TO: Board of Commissioners Finance and Law & Courts Committee
FROM: John Dinon, Director – Ingham County Animal Control
DATE: 26 August 2016
SUBJECT: Resolution to accept Bissell Pet Foundation Grant

For the meeting agendas of September 15 and 21, 2016

BACKGROUND
The Ingham County Animal Control Department (ICAC) has applied for and been awarded a grant to reimburse ICAC for no fee adoptions finalized on October 22, 2016 as part of the BISSELL Pet Foundations Super Saturday Free Adoption event. ICAC will make animals available to qualifying adopters for free and The Foundation will reimburse ICAC at the following rates:

- $58/senior dog (6 years and older)
- $102/dog (6 months to 6 years)
- $135/puppy (under 6 months)
- $45/senior cat (6 years and older)
- $70/cat or kitten (under 6 years)

ICAC will use our regular adoption application, screening process and adoption agreement for adoptions done as part of this event. The grant will facilitate an increase in adoptions and marketing of the event will help raise the profile of ICAC’s adoption program in the community.

The amount of the grant will be determined by the number, species and ages of the animals adopted on October 22, but is anticipated not to exceed $4,000. There is no match requirement.

ALTERNATIVES
If the grant is not accepted, ICAC will adopt animals at the regular adoption fees that date.

FINANCIAL IMPACT
Accepting the grant may slightly enhance County revenue due to increased adoptions.

OTHER CONSIDERATIONS
The first Bissell Foundation Super Saturday on May 7, 2016 was very successful; 21 dogs and 20 cats/kittens were adopted on that day.

RECOMMENDATION
Based on the information presented, I respectfully recommend approval of the attached resolution to accept the Bissell Pet Foundation Grant.
WHEREAS, the Ingham County Animal Control has applied for and has been approved to receive a grant from the BISSELL Pet Foundation; and

WHEREAS, the purpose of this grant is to reimburse Ingham County Animal Control for no fee animal adoptions finalized on October 22, 2016; and

WHEREAS, the award amount of this grant is dependent on the number of animals adopted on October 22, but is anticipated to not exceed $4,000.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners approves acceptance of the grant from the BISSELL Pet Foundation for an amount to be determined by the number of adoptions finalized on October 22, 2016, but not to exceed $4,000 with no match requirement.

BE IT FURTHER RESOLVED, the Ingham County Board of Commissioners authorizes the Board Chairperson to sign any necessary contract documents which are consistent with this resolution and approved as to form by the County Attorney.

BE IT FURTHER RESOLVED, the Ingham County Board of Commissioners authorizes the Controller/Administrator to make the necessary budget adjustments to the Ingham County Animal Control budget.
MEMORANDUM

TO: Law and Courts Committees

FROM: Maureen Winslow, Deputy Court Administrator

DATE: August 30, 2016

SUBJECT: Resolution to Authorize Acceptance of USDA and MDE Grant Award

This resolution authorizes the acceptance of $17,649.00 in grant assistance from the United States Department of Agriculture and the Michigan Department of Education to support the Ingham Academy, located in the Ingham County Family Center, in purchasing new kitchen equipment.

This grant focuses on the implementation of smarter lunchrooms, an innovative strategy to encourage healthy eating in the cafeteria. Additionally, the focus will include equipment that improves the safety of food and overall energy efficiency of the school food service operations.
INTRODUCED BY THE LAW & COURTS AND FINANCE COMMITTEES OF THE:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO AUTHORIZE ACCEPTANCE OF UNITED STATES DEPARTMENT OF AGRICULTURE AND MICHIGAN DEPARTMENT OF EDUCATION GRANT AWARD TO THE INGHAM COUNTY FAMILY CENTER FOR KITCHEN EQUIPMENT

WHEREAS, the United States Department of Agriculture awards grants to support schools serving healthier meals and snacks; and

WHEREAS, these funds will allow schools to purchase equipment needed to serve healthier meals, meet the new nutritional standards, improve food safety, and improve quality; and

WHEREAS, the Ingham Academy, a day treatment program for medium and high risk delinquent youth, provides breakfast and lunch for up to 90 students each school day; and

WHEREAS, on July 23, 2016, a grant application for $17,649 in federal assistance to purchase new kitchen equipment in the Ingham County Family Center was submitted; and

WHEREAS, on August 11, 2016, the United States Department of Agriculture and Michigan Department of Education awarded $17,649 to the Ingham County Family Center to be used to purchase new kitchen equipment.

THEREFORE BE IT RESOLVED, the Ingham County Board of Commissioners accepts the $17,649 in grant assistance from the United States Department of Agriculture and Michigan Department of Education to support the Ingham Academy, located in the Ingham County Family Center, to purchase new kitchen equipment.

BE IT FURTHER RESOLVED, the Controller/Administrator is authorized to make any necessary adjustments to the budget consistent with this resolution.

BE IT FURTHER RESOLVED, the Chairperson of the Board of Commissioners is hereby authorized to sign any necessary contract document on behalf of the County after approval as to form by the County Attorney.
TO: Board of Commissioners Law and Courts Committee and Finance Committee  
FROM: Travis Parsons, Human Resources Director  
DATE: September 6, 2016  
SUBJECT: Amendments to the Statutes Governing Judges’ Annual Salaries  
Law and Courts September 15th and Finance Committee September 21st Agendas

BACKGROUND

The Board of Commissioners established a parity system in the setting of judicial salaries through Resolution 80-359, which set the Circuit Court, probate Court, and District Court salaries at a certain percentage of State Supreme Court Justice salary.

The Michigan Supreme Court, State Court Administrator, provided a memorandum (copy attached) dated August 17, 2016, providing clarification on Public Act 31 (2016 PA 31). Public Act 31 provides that judges’ annual salaries be increased. Effective October 1, 2016, judges will receive a one percent increase in their annual salary. This does not impact the local salaries paid to circuit or district court judges; however, there is an impact on the local salaries paid to probate court judges.

ALTERNATIVES

There are no alternatives.

FINANCIAL IMPACT

The financial impact is a one percent (1%) increase to the $139,919 salary of a probate judge, which increases the salary cost for the remainder of 2016 (October 1, 2016 – December 31, 2016) by $348.47 and will increase the salary cost for 2017 by $1399.19.

OTHER CONSIDERATIONS

No other consideration at this time.

RECOMMENDATION

Based on the information presented, I respectfully recommend approval of the resolution.
MEMORANDUM

DATE: August 17, 2016

TO: Probate Judges
    County Administrators
    Probate Registers/Administrators

FROM: Milton L. Mack, Jr.

SUBJECT: Judges’ Salaries

On March 8, 2016, amendments to the statutes governing judges’ annual salaries were signed into law by the Governor (2016 PA 31), with immediate effect. Public Act 31 provides that judges’ annual salaries shall be increased by the percentage pay increase, excluding lump-sum payments, paid to civil service nonexclusively represented employees classified as executives and administrators on or after January 1, 2016. This pay increase takes effect on the same date as the effective date of the pay increase paid to civil service nonexclusively represented employees classified as executives and administrators.

Effective October 1, 2016, judges will receive a one percent increase in their annual salary. This does not impact the local salaries paid to circuit and district judges ($45,724); however, there is an impact on the local salaries paid to probate judges. For calendar year 2016, probate judges should receive a total salary of $140,267.47. For calendar year 2017, probate judges should receive a total salary of $141,318.19. Please adjust the amount per pay period accordingly. If there is a pay increase in 2017, we will provide you with the amounts of the calendar year salaries to be paid.

If you have any questions regarding the statutorily required annual salary of a judge, please contact Diane Giganti at 517-373-5540 or GigantiD@courts.mi.gov.
Agenda Item 6a

Introduced by the Law & Courts and Finance Committees of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION SETTING PROBATE JUDGES ANNUAL SALARIES

WHEREAS, Public Act 31 (2016 PA 31) was signed into law by Governor Rick Snyder on March 8, 2016, amending the statutes governing judges’ annual salaries; and

WHEREAS, the State Court Administrator of the Michigan Supreme Court has provided a memorandum clarifying PA 31 and providing guidelines for implementation of a one percent (1%) increase, effective October 1, 2016; and

WHEREAS, there is an impact on local salaries paid to probate judges; and

WHEREAS, for the calendar year 2016, probate judges should receive a total salary of $140,267.47 and for the calendar year 2017, probate judges should receive a total salary of $141,318.19.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners hereby sets the probate judges salaries in accordance with the enacted legislation.

BE IT FURTHER RESOLVED, that the County Controller be authorized to make the appropriate adjustment to reflect the above compensation rates.
TO: Board of Commissioners Human Services Committee, County Services Committee and Finance Committee

FROM: Travis Parsons, Human Resources Director
        Linda Vail, Public Health Officer

DATE: September 1, 2016

SUBJECT: LOU – UAW-TOPS for Human Services Agenda - September 19th, County Services Agenda - September 20th and Finance Agenda - September 21st

BACKGROUND

The Ingham County Health Department, specifically the Ingham Community Health Centers, have evaluated the current practice of only allowing RN’s to perform medication administration. This practice has limited RN’s from performing at the top of their scope of work, impacts program sustainability and extends patient wait times.

Medication administration is not currently part of the job description for Ingham County Medical Assistants but is part of the standard scope for Medical Assistants currently being trained to enter this field. Medical Assistants routinely perform this level of work at other Federal Qualified Health Centers and at private practices statewide.

Medical Assistants currently employed by the Ingham County Health Department will be assessed for their current knowledge and skill level related to medical administration and will be provided refresher training based upon their level need, based upon previous training and comfort with current requirements. After successfully demonstrating competency, Medical Assistants will be able to perform medication administration duties. Some Medical Assistants may require additional employer paid training and this will be provided as required to allow all Medical Assistants to begin to perform these duties and demonstrate proficiency.

The Employer engaged the UAW to discuss the need for the change in the Medical Assistants job description. The UAW agreed to the conditions outlined in the attached Letter of Understanding (LOU).

ALTERNATIVES

Maintaining the current model increases allocated costs and is not sustainable.

FINANCIAL IMPACT

Limiting medication administration to RN’s will eventually effect the ability to offer programs within the established budget. Future program expansion will require the utilization of the most cost effective options possible to deliver care.

Upon demonstrating proficiency, the Medical Assistants will be paid a one-time lump sum of $1000, less applicable withholdings.
OTHER CONSIDERATIONS

Future program expansion will require utilization of the most cost effective options possible to deliver care. By changing the model of care, RN’s will start doing care that only they can perform, including Care Management and oversight of clinical operations at each location.

Through the meet and confer process, the Employer and the UAW reached agreement and captured the agreement in the attached LOU.

RECOMMENDATION

Based on the information presented, we respectfully recommend approval of the attached resolution authorizing the Letter of Understanding between the Employer and UAW regarding the change in duties to the Medical Assistant Classification.
WHEREAS, the County of Ingham (Employer) and the United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) have entered into a collective bargaining agreement with a term running from January 1, 2015 through December 31, 2017; and

WHEREAS, the Employer recognized a need to assign medication administration duties to the Medical Assistant classification, represented by UAW; and

WHEREAS, the Employer and the UAW-TOPS, Local 2256 are agreeable to the change to the duties of the classification, as reflected in the attached Letter of Understanding between the parties; and

WHEREAS, the provisions of the Letter of Understanding have been approved by the Human Services Committee, County Services Committee and Finance Committee regarding the addition of medication administration to the classification.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners hereby approves the attached Letter of Understanding.

BE IT FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is authorized to sign the Letter of Understanding on behalf of the County, subject to the approval as to form by the County Attorney.
LETTER OF UNDERSTANDING
BETWEEN
COUNTY OF INGHAM (Employer)
AND
UNITED AUTOMOBILE AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA (UAW) INGHAM COUNTY UNIT LOCAL #2256 (Union)

WHEREAS, the Employer and the Union have entered a collective bargaining agreement that covers the Medical Assistant classification (“MA”), extending through December 31, 2017; and

WHEREAS, the Employer seeks to assign medication administration duties to the MAs; and

WHEREAS, those MAs who complete the necessary training or are currently certified to perform medication administration and demonstrate proficiency will assume those job duties and responsibilities set out in the new position description; and

WHEREAS, the Employer recognizes that the addition of medication administration duties for current MAs justifies additional compensation in the form a one-time lump sum payment; and

WHEREAS, the Employer and the Union agree to add medication administration duties for those MAs that demonstrate proficiency.

NOW, THEREFORE, IT IS HEREBY AGREED between the parties as follows:

1. Those MAs that are employed by the Employer on the date this LOU is executed by both parties will be required to attend training, paid for by the Employer, for medication administration. For those MAs that are currently certified for medication administration, they may begin performing these duties as soon as they have demonstrated proficiency to the Employer’s satisfaction, with or without completing the training.

2. Upon completion of the training, 80% of the total number of MAs that are employed by the Employer on the date this LOU is executed must demonstrate proficiency to the Employer’s satisfaction and be willing and able to perform medication administration. In the event a current MA does not demonstrate proficiency or is unwilling and unable to perform medication administration, they may continue to be employed under the previous position description (that does not include medication administration) or reassigned.

3. The revised MA position description that includes medication administration is attached as Exhibit 1.

4. Upon demonstrating proficiency in medication administration to the Employer’s satisfaction, those MAs that are employed by the Employer on the date this LOU is executed by both parties will be paid on a one-time basis the gross sum of $1,000.00 by separate payroll check, less applicable withholdings.
5. In the event the ability of the MAs to perform medication administration is challenged before MERC, the Employer may suspend or discontinue this LOU upon 30 days written notice to the Union.

6. It is expressly understood and agreed by the parties that because of the particular set of factual circumstances, this LOU is without precedence or prejudice as to any other cases.

7. All the other terms and condition specified in the parties’ collective bargaining agreement shall remain in full force and effect.

COUNTY OF INGHAM

Kara Hope, Chairperson
Ingham County Board of Commissioners

UAW LOCAL 2256

Sally Auer, Chairperson

APPROVED AS TO FORM
FOR THE COUNTY OF INGHAM:
COHL, STOKER & TOSKEY, P.C.

Mattis Nordfjord
TO: Board of Commissioners, Human Services, County Services and Finance Committees
FROM: Rick Terrill, Facilities Director
DATE: September 6, 2016
SUBJECT: Amend Resolution #16-267 to add a day porter at Forest Community Health Center

For the meeting agendas of: September 19, 20 and 21

BACKGROUND
Resolution #16-267 approved a contract with RNA Facilities Management for janitorial services in several county buildings. Forest Community Health Center does not currently have a day porter. Both the Community Health Center Supervisor and the Facilities Department would like to add one day porter scheduled to work 12:00 pm-5:00 pm Monday through Friday.

ALTERNATIVES
There are no alternatives for this project.

FINANCIAL IMPACT
Adding a day porter five hours per day Monday through Friday will add an additional cost of $27,720.00 for the first year. Years two and three will also increase, according to Living Wage.

Funds for the additional cost are available in the appropriate Forest Community Health Center contractual line item.

OTHER CONSIDERATIONS
Adding a day porter will provide the clean environment needed for patient care.

RECOMMENDATION
Based on the information presented, I respectfully recommend approval of the attached resolution amendment to support adding a day porter at Forest Community Health Center from 12:00 pm – 5:00 pm Monday through Friday.
WHEREAS, Resolution #16-267 approved a contract with RNA Facilities Management for janitorial services in several county buildings; and

WHEREAS, Forest Community Health Center does not currently have a day porter; and

WHEREAS, both the Community Health Center Supervisor and the Facilities Department would like to add one day porter scheduled to work from 12:00 pm – 5:00 pm Monday through Friday; and

WHEREAS, adding a day porter will provide the clean environment needed for patient care; and

WHEREAS, adding a day porter five hours per day Monday through Friday will add an additional cost of $27,720 for the first year; and

WHEREAS, years two and three will increase according to Living Wage; and

WHEREAS, funds for the additional cost are available in the appropriate Forest Community Health Center contractual line item.

THEREFORE BE IT RESOLVED, the Ingham County Board of Commissioners hereby authorizes amending Resolution #16-267 with RNA Facilities Management, 4722 S. State Road, Ann Arbor, Michigan, 48108, to provide a day porter at Forest Community Health Center from 12:00 pm – 5:00 pm Monday through Friday.

BE IT FURTHER RESOLVED, adding a day porter from 12:00 pm – 5:00 pm Monday through Friday will add an additional first year cost of $27,720, with years two and three increasing according to Living Wage.

BE IT FURTHER RESOLVED, the Ingham County Board of Commissioners authorizes the Board Chairperson to sign any necessary documents that are consistent with this resolution and approved as to form by the County Attorney.
TO: Board of Commissioners, Human Services, County Services and Finance Committees
FROM: Rick Terrill, Facilities Director
DATE: September 6, 2016
SUBJECT: Amend Resolution #16-267, RNA Facilities Management for janitorial services
For the meeting agendas of: September 19, 20 and 21

BACKGROUND
Resolution #16-267 for janitorial services includes the Drain Office and 55th District Court. The Facilities Department would like to remove these locations from the janitorial contract continuing with Facilities Department staff servicing these areas, as they have in the past.

ALTERNATIVES
There are no alternatives for this project.

FINANCIAL IMPACT
Removing the Drain Office and 55th District Court from the contract will provide a savings of $34,580.00 the first year as well as substantially higher savings amounts in the two years following.

OTHER CONSIDERATIONS
There are no other considerations for this project.

RECOMMENDATION
Based on the information presented, I respectfully recommend amending Resolution #16-267 to remove the Drain Office and 55th District Court from the janitorial contract; continuing to have Facilities Department staff service these areas in lieu of RNA Facilities Management.
Agenda Item 7b

Introduced by the Human Services, County Services and Finance Committees of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION AUTHORIZING AMENDING RESOLUTION #16-267 FOR RNA FACILITIES MANAGEMENT JANITORIAL SERVICES

WHEREAS, Resolution #16-267 for janitorial services includes the Drain Office and 55th District Court; and

WHEREAS, the Facilities Department would like to remove these locations from the janitorial contract continuing with Facilities Department staff servicing these areas as they have in the past; and

WHEREAS, removing the Drain Office and 55th District Court from the contract will provide a savings of $34,580 for the first year as well as substantially higher savings amounts in the two years following.

THEREFORE BE IT RESOLVED, the Ingham County Board of Commissioners hereby authorizes amending Resolution #16-267 to remove the Drain Office and 55th District Court from the janitorial contract; continuing to have Facilities Department staff service these areas in lieu of RNA Facilities Management.

BE IT FURTHER RESOLVED, the Ingham County Board of Commissioners authorizes the Board Chairperson to sign any necessary documents that are consistent with this resolution and approved as to form by the County Attorney.
Agenda Item 8a

TO: Board of Commissioners Human Services & Finance Committees

FROM: Linda S. Vail, MPA, Health Officer

DATE: 8/22/16

SUBJECT: Resolution to Amend Resolution #15-354
For the meeting agenda of September 27, 2016

BACKGROUND

Resolution #15-354 authorized the Ingham County Health Department (ICHD) to enter into an agreement with the Michigan Department of Health and Human Services (MDHHS) to provide refugee health assessments. This agreement is in effect from October 1, 2015 through September 30, 2018. MDHHS recently informed ICHD that it plans to increase the maximum allowable amount of this agreement from $600,000.00 to $760,000.00; the service language within this agreement will also be updated. ICHD would like to amend Resolution #15-354 to reflect this increase in funding.

ALTERNATIVES

There are no alternatives.

FINANCIAL IMPACT

MDHHS funding for ICHD to provide refugee health assessments will increase by $160,000.00 (from $600,000.00 to $760,000.00).

OTHER CONSIDERATIONS

There are no other considerations.

RECOMMENDATION

Based on the information presented, I respectfully recommend approval of the attached resolution to amend Resolution #15-354 and authorize acceptance of an additional $160,000.00 in funding from MDHHS and of the updated service language.
INTRODUCED BY THE HUMAN SERVICES AND FINANCE COMMITTEES OF THE:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO AMEND RESOLUTION #15-354 TO ACCEPT ADDITIONAL FUNDING TO PROVIDE REFUGEE HEALTH ASSESSMENTS

WHEREAS, Resolution #15-354 authorized the Ingham County Health Department (ICHD) to enter into an agreement with the Michigan Department of Health and Human Services (MDHHS) to provide refugee health assessments; and

WHEREAS, this agreement was authorized for a maximum allowable amount not to exceed $600,000 and is in effect from October 1, 2015 through September 30, 2018; and

WHEREAS, MDHHS recently informed ICHD that it plans to increase the maximum allowable amount of this agreement by $160,000, from $600,000 to $760,000 and update the service language within the agreement; and

WHEREAS, all other terms of the agreement shall remain the same; and

WHEREAS, the Health Officer recommends that the Board of Commissioners authorize the amendment of Resolution #15-354 to allow for the increase in funding and the updated service language.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners authorizes amending Resolution #15-354 to reflect the $160,000 increase of the maximum allowable amount of the MDHHS agreement, from $600,000 to $760,000 and for the updated service language.

BE IT FURTHER RESOLVED, that all other terms of the agreement shall remain the same.

BE IT FURTHER RESOLVED, that the Controller is authorized to make any necessary budget adjustments consistent with this resolution.

BE IT FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is hereby authorized to sign any necessary contract documents on behalf of the County after approval as to form by the County Attorney.
TO: Board of Commissioners, Finance Committee and Human Services Committee
FROM: Linda S. Vail, MPA, Health Officer
DATE: August 16, 2016
SUBJECT: Berry Eaton County Health Department - Contract for Medical Direction
For the meeting agenda of September 27, 2016

BACKGROUND

Barry-Eaton District Health Department (BEDHD) has contacted Ingham County Health Department (ICHD) to provide medical direction and consultation to the Barry-Eaton District Health Department. ICHD currently provides medical direction and consulting for Ionia County in a similar capacity.

ALTERNATIVES

N/A

FINANCIAL IMPACT

The compensation for the agreement will represent about 20% of the cost of supporting one full time physician. The recommendation includes an annual rate of $54,104 for services in 2017; an increase of 2% to an annual rate of $55,187 for services in 2018; and an increase of 2% to an annual rate of $56,290 for services in 2019.

OTHER CONSIDERATIONS

Under this agreement ICHD agrees to provide approximately 20% of the Medical Director’s time to the BEDHD, including a commitment to being on site at least 16 hours during each month. This commitment will be fulfilled primarily by Dr. Sugandha Lowhim. Additionally, the agreement provides that the administrative staff of ICHD occasionally consults with the staff of BEDHD County.

RECOMMENDATION

Based on the information presented, I respectfully recommend approval of the attached resolution to support an agreement for Medical Direction between ICHD and BEDHD for the term of January 1, 2017 through December 31, 2019.
INTRODUCED BY THE HUMAN SERVICES AND FINANCE COMMITTEES OF THE:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION AUTHORIZING A CONTRACT FOR MEDICAL DIRECTION AND CONSULTATION WITH BARRY EATON DISTRICT HEALTH DEPARTMENT

WHEREAS, Barry-Eaton District Health Department (BEDHD) has contacted Ingham County Health Department (ICHD) to provide medical direction and consultation to the Barry-Eaton District Health Department; and

WHEREAS, ICHD currently provides medical direction and consulting for Ionia County with a similar agreement; and

WHEREAS, the compensation for the agreement will represent about 20% of the cost of supporting one full time physician; and

WHEREAS, the recommendation includes an annual rate of $54,104 for services in 2017; an increase of 2% to an annual rate of $55,187 for services in 2018; and an increase of 2% to an annual rate of $56,290 for services in 2019; and

WHEREAS, this recommendation authorizes an agreement for the term of January 1, 2017 through December 31, 2019.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners authorizes the contract for Medical Direction between ICHD and BEDHD for the term of January 1, 2017 through December 31, 2019.

BE IT FURTHER RESOLVED, that the agreement includes an annual rate of $54,104 for services in 2017; an increase of 2% to an annual rate of $55,187 for services in 2018; and an increase of 2% to an annual rate of $56,290 for services in 2019.

BE IT FURTHER RESOLVED, that the Controller is authorized to make any necessary budget adjustments consistent with this resolution.

BE IT FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is hereby authorized to sign any necessary contract documents on behalf of the County after approval as to form by the County Attorney.
TO: Board of Commissioners Human Services and Finance Committees

FROM: Linda S. Vail, MPA, Health Officer

DATE: August 31, 2016

SUBJECT: Amend Collaborative Agreement with the Capital Area United Way For the meeting agenda of September 27, 2016

BACKGROUND

Resolution #05-148 authorized a collaborative agreement between Ingham County Health Department (ICHD) and Capital Area United Way (CAUW). Since that resolution passed in 2005, the agreement has been extended multiple times to allow CAUW to contract with a vendor for data collection on behalf of and with funding from ICHD, Barry-Eaton District Health Department (BEDHD), and Mid-Michigan District Health Department (MMDHD), to support the Community Indicators Project, a core component of ICHD’s strategy for informing the community about the health status of residents. Without this data, ICHD would be unable to fulfill our obligations towards the Community Indicators Project; it would also harm ICHD’s ability to provide partner organizations such as local hospitals and community based organizations with some of the valuable information they use in their planning efforts.

This project is also instrumental to the Healthy! Capital Counties project, a community health assessment done in collaboration with BEDHD, MMDHD, Sparrow Health Systems, McLaren Greater Lansing, Hayes-Green Beach Medical Center, and Eaton Rapids Medical Center. The current agreement expired September 30, 2015; we would like to extend this agreement through September 30, 2016.

ALTERNATIVES

N/A

FINANCIAL IMPACT

N/A

OTHER CONSIDERATIONS

N/A

RECOMMENDATION

Based on the information presented, I respectfully recommend approval of the attached resolution to amend the collaborative agreement with CAUW to extend the term of the agreement through September 30, 2016.
WHEREAS, the Behavioral Risk Factor Survey (BRFS) measures a number of health indicators and quality of life indices including: chronic diseases, cigarette and alcohol use, obesity and physical activity, and neighborhood safety, often to available at county and definitely not available at sub-county geographies; and

WHEREAS, information from the BRFS is used to gauge the number of uninsured and access to care is central to the Board of Commissioners’ goal of promoting access to care; and

WHEREAS, data from the BRFS is essential to the Healthy! Capital Counties, a community health assessment done in collaboration with two of our neighbor local health departments and the four local hospitals in our region; and

WHEREAS, data from the BRFS is central to the Community Indicators Project, a core component of the Department’s strategy for informing the community about health status; and

WHEREAS, Ingham County Health Department (ICHD) and the Capital Area United Way (CAUW) executed a collaborative agreement in 2005, wherein CAUW arranges for consulting and contractual services in support of the Community Indicators Project; and

WHEREAS, the collaborative agreement was originally authorized in Resolution #05-148 and amended in Resolutions #06-205, #07-154, #08-239, #09-197, #10-023, #11-399, #13-16, #14-226, and #15-176 and collaborative activities have continued since the agreement’s inception; and

WHEREAS, under this agreement CAUW has coordinated funding from Barry-Eaton District Health Department, Mid-Michigan District Health Department, and Ingham County Health Department to administer the BRFS; and

WHEREAS, this resolution will authorize an amendment extending the agreement with CAUW through September 30, 2016, allowing data collection to continue; and

WHEREAS, the amount of additional funding for this amendment was anticipated in the ICHD FY 2016 budget and is not to exceed $38,051, the same amount of funding for FY 2015; and

WHEREAS, the Health Officer has recommended to amend the collaborative agreement with CAUW to extend the term of the agreement through September 30, 2016 and to include additional funding for FY 2016 in an amount not to exceed $38,051.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners authorizes an amendment to the collaborative agreement with CAUW to extend the term of the agreement through September 30, 2016 and to include additional funding for FY 2016 in an amount not to exceed $38,051.
BE IT FURTHER RESOLVED, that the Controller is authorized to make any necessary budget adjustments consistent with this resolution.

BE IT FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is hereby authorized to sign any necessary contract documents on behalf of the County after approval as to form by the County Attorney.
TO: Board of Commissioners Human Services and Finance Committees
FROM: Linda S. Vail, MPA, Health Officer
DATE: 8/22/16
SUBJECT: Primary Care Provider Agreement with Ingham Health Plan Corporation
For the meeting agendas of September 27, 2016

BACKGROUND
The Ingham Health Plan Corporation (IHPC) has historically contracted with Ingham County Health Department (ICHD) to provide members of the Ingham Health Plan with the services of physicians and other professional healthcare providers and to provide funding for other healthcare services to serve low-income populations in Ingham County. IHPC has proposed a provider agreement with ICHD for this purpose for the period of October 1, 2016 through September 30, 2017.

ALTERNATIVES
N/A

FINANCIAL IMPACT
The provider agreement will allow IHPC to pay on a fee-for-services basis for primary care services provided to IHP members assigned to the ICHD Community Health Centers. ICHD will receive the same fee-for-service payment as other IHP medical providers. The reimbursement amount will be no less than Medicaid reimbursement rates, less co-payments, deductibles and other such amounts.

OTHER CONSIDERATIONS
N/A

RECOMMENDATION
Based on the information presented, I respectfully recommend approval of the attached resolution to authorizing ICHD to enter into a provider agreement with IHPC for the period of October 1, 2016 through September 30, 2017.
WHEREAS, the Ingham Health Plan Corporation (IHPC) has historically contracted with Ingham County Health Department (ICHD) to provide members of the Ingham Health Plan with the services of physicians and other professional healthcare providers and to provide funding for other healthcare services to serve low-income populations in Ingham County; and

WHEREAS, IHPC has proposed a provider agreement with ICHD for this purpose for the period of October 1, 2016 through September 30, 2017; and

WHEREAS, the provider agreement will allow IHPC to pay on a fee-for-services basis for primary care services provided to IHP members assigned to the ICHD Community Health Centers; and

WHEREAS, the Health Officer has recommended that the Board of Commissioners authorize a provider agreement with the IHPC.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners authorizes a provider agreement with IHPC for the period of October 1, 2016 through September 30, 2017.

BE IT FURTHER RESOLVED, that the IHPC will pay ICHD through the Provider Agreement, on a fee-for-service basis, according to a negotiated fee schedule.

BE IT FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is hereby authorized to sign any necessary contract documents on behalf of the County after approval as to form by the County Attorney.
TO: Board of Commissioners, Finance and Human Services Committees

FROM: Linda S. Vail, MPA, Health Officer

DATE: 08/16/16

SUBJECT: Contract Amendment for Medical Direction and Consultation for Ionia County
For the meeting agenda of September 27, 2016

BACKGROUND

Since the mid-1980’s, the Ingham County Health Department (ICHD) has provided Medical Direction and Consultation to the Ionia County Health Department. The current agreement will expire on December 31, 2016. This is a recommendation to authorize an amendment to extend that relationship through 2019 with annual increases in compensation.

ALTERNATIVES

N/A

FINANCIAL IMPACT

Through the current agreement ending December 31, 2016, Ionia County is paying ICHD $53,044 for services provided. This compensation represents about 20% of the cost of supporting one full time physician. With the new agreement the recommendation includes an increase of 2%, to an annual rate of $54,104 for services in 2017; an increase of 2% to an annual rate of $55,187 for services in 2018; and an increase of 2% to an annual rate of $56,290 for services in 2019.

OTHER CONSIDERATIONS

Under this agreement ICHD agrees to provide approximately 20% of the Medical Director’s time to the Ionia County Health Department, including a commitment to being on site at least 16 hours during each month. This commitment will be fulfilled primarily by Dr. Sugandha Lowhim. Additionally, the agreement provides that the administrative staff of ICHD occasionally consults with the staff of Ionia County.

RECOMMENDATION

Based on the information presented, I respectfully recommend approval of the attached resolution to support an amendment for Medical Direction and Consultation between ICHD and Ionia County Health Department for the term of January 1, 2017 through December 31, 2019.
INTRODUCED BY THE HUMAN SERVICES AND FINANCE COMMITTEES OF THE:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO AUTHORIZE AN AMENDMENT TO THE CONTRACT WITH THE IONA COUNTY HEALTH DEPARTMENT FOR MEDICAL DIRECTION AND PROGRAM CONSULTATION

WHEREAS, since the mid-1980's, ICHD has provided Medical Direction and Consultation to the Ionia County Health Department; and

WHEREAS, through the current agreement ending December 31, 2016, Ionia County is paying ICHD $53,044 for services provided; and

WHEREAS, with the new agreement the recommendation includes an increase of 2%, to an annual rate of $54,104 for services in 2017; an increase of 2% to an annual rate of $55,187 for services in 2018; and an increase of 2% to an annual rate of $56,290 for services in 2019; and

WHEREAS, under this agreement ICHD agrees to provide approximately 20% of the Medical Director’s time to the Ionia County Health Department, including a commitment to being on site at least 16 hours during each month; and

WHEREAS, additionally, the agreement provides that the administrative staff of ICHD occasionally consults with the staff of Ionia County; and

WHEREAS, this recommendation authorizes an amendment to extend that relationship through 2019.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners authorize an amendment to the contract for Medical Direction between ICHD and Ionia County Health Department for the term of January 1, 2017 through December 31, 2019.

BE IT FURTHER RESOLVED, that the new agreement recommendation includes an increase of 2%, to an annual rate of $54,104 for services in 2017; an increase of 2% to an annual rate of $55,187 for services in 2018; and an increase of 2% to an annual rate of $56,290 for services in 2019.

BE IT FURTHER RESOLVED, that the Controller is authorized to make any necessary budget adjustments consistent with this resolution.

BE IT FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is hereby authorized to sign any necessary contract documents on behalf of the County after approval as to form by the County Attorney.
Agenda Item 8f

TO: Board of Commissioners, Finance Committee & Human Services Committee
FROM: Linda S. Vail, MPA, Health Officer
DATE: August 11, 2016
SUBJECT: Medical Waste Management/Disposal Contract with Hospital Network Healthcare Services through HPS Group Purchasing Contract

For the meeting agenda of September 27, 2016

BACKGROUND

Ingham County Health Department (ICHD) is required to properly dispose of potentially infectious medical waste. The service is for medical waste disposal for Ingham County Health Department’s nine Community Health Centers (CHCs) for a period of three years with the option of a two-year renewal. ICHD currently has a group purchasing agreement contract with Hospital Purchasing Services (HPS) and Hospital Network Healthcare Services (HNHS) is one of the medical waste management vendors within this contract.

FINANCIAL IMPACT

Funds for this purpose are included in the FY17 budget at a reduced rate as the current contract cost is at over $90,000 annually. Based on the current annual volume of medical waste disposal containers (less than 150) and the rates of the HNHS contract for each container (1-3 containers at $50 each, 4-8 containers at $40 each, 9 or more containers at $35 each), there is a potential savings of $50,000 or more if the collection remains at the current level.

OTHER CONSIDERATIONS

N/A

RECOMMENDATION

Based on the information presented, I respectfully recommend approval of the attached resolution to contract with Hospital Network Healthcare Services (HNHS) for the disposal of medical waste collected by the ICHD CHCs, for the period of October 1, 2016 through September 30, 2019, with a two (2) year period renewal option.
Introduces by the Human Services and Finance Committees of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION AUTHORIZING AN AGREEMENT WITH HOSPITAL NETWORK HEALTHCARE SERVICES MEDICAL WASTE MANAGEMENT/DISPOSAL THROUGH HPS GROUP PURCHASING CONTRACT

WHEREAS, the Ingham County Health Department (ICHD) is required to properly dispose of potentially infectious medical waste; and

WHEREAS, the contract is for medical waste disposal for Ingham County Health Department’s nine Community Health Centers (CHCs) is for a period of three years with the option of a two-year renewal; and

WHEREAS, ICHD currently has a group purchasing agreement contract with Hospital Purchasing Services (HPS) and Hospital Network Healthcare Services (HNHS) is one of the medical waste management vendors within this contract; and

WHEREAS, funds for this purpose are included in the FY17 budget at a reduced rate and based on the current annual volume there is a potential savings of $50,000 if current collection rates remain the same; and

WHEREAS, the Health Officer recommends to contract with HNHS for the disposal of medical waste collected by the ICHD CHCs, for the period of October 1, 2016 through September 30, 2019, with a two (2) year period renewal option.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners authorizes entering into a contract with HNHS for disposal of medical waste collected by the ICHD CHCs, for the period of October 1, 2016 through September 30, 2019, with a two (2) year period renewal option.

BE IT FURTHER RESOLVED, the rates of the HNHS contract for each container of medical waste are as follows: 1-3 containers at $50 each, 4-8 containers at $40 each, 9 or more containers at $35 each.

BE IT FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is hereby authorized to sign any necessary contract documents on behalf of the County after approval as to form by the County Attorney.
TO: Board of Commissioners Human Services and Finance Committees
FROM: Linda S. Vail, MPA, Health Officer
DATE: May 5, 2016
SUBJECT: Resolution to enter into an Agreement with Volunteers of America Michigan
For the meeting agenda of September 27, 2016

BACKGROUND

Ingham County Health Department (ICHD) has the purpose of endeavoring to prevent disease, prolong life, and promote public health through organized programs, including the prevention and control of health problems of particularly vulnerable groups and the development of health care facilities and health services delivery systems. ICHD intends to enter into an agreement with Volunteers of America Michigan (VOAMI) to provide certain dental clinic services to poor and uninsured individuals.

ICHD must provide or demonstrate the provision of priority health services and may enter into contracts necessary or appropriate to provide such services. This agreement will allow ICHD to meet the provision of priority health services by providing certain dental services to Ingham County residents with income at or below 300% of the federal poverty level and who do not have dental insurance or who are covered by Medicaid, Healthy Michigan Plan, MIChild, and Delta Healthy, Kids, or other public assistance programs.

ALTERNATIVES

Dental services are a core offering of the Ingham Community Health Centers within the ICHD. The dental services provided by ICHD were recently centralized within the new Forest Community Health Center and dental services are currently available to interested persons. These current services could be enhanced to serve the VOAMI population through the following activities.

- Utilizing the new Mobile Dental Unit to provide targeted cleaning and restoration care at convenient and agreed upon locations. ICHD could have scheduled service dates at VOAMI locations already familiar to VOAMI clients.
- Facilitate transportation to the Forest clinic for target population. By working our logistics to transport clients to Forest, clients could also be provided access to additional services including behavioral health services provided at that location by Community Mental Health of CEI.
- VOAMI clients could be connected to ICHD Community Health Workers to actively work with persons in need of care and facilitate appointments within the current Forest Community Health Center.
FINANCIAL IMPACT

VOAMI will pay ICHD for Public Dental Program services provided by ICHD. The amount to be paid by VOAMI to ICHD will be determined quarterly, and paid quarterly commencing the fourth month of clinic operations, based upon the volume of Dental Clinic Services provided by VOAMI and Public Dental Programs services provided by ICHD.

OTHER CONSIDERATIONS

Pursuant to MCL 333.2433(1), ICHD has the purpose of endeavoring to prevent disease, prolong life, and promote the public health through organized programs, including the prevention and control of health problems of particularly vulnerable groups and the development of health care facilities and health services delivery systems.

RECOMMENDATION

Based on the information presented I respectfully recommend with reservations, approval of the attached resolution recognizing that other options exist to serve this population by utilizing current dental services within ICHD. In addition this agreement between ICHD and VOAMI for dental services will require redirection of current ICHD staffing to fulfill the terms of the contract. The contract term is for three years with ICHD having the option to renew the agreement for an additional two years.
INTRODUCED BY THE HUMAN SERVICES AND FINANCE COMMITTEES OF THE:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION AUTHORIZING AN AGREEMENT WITH VOLUNTEERS OF AMERICA MICHIGAN TO PROVIDE CERTAIN DENTAL SERVICES FOR POOR AND UNINSURED INDIVIDUALS WHO RESIDE WITHIN INGHAM COUNTY

WHEREAS, Ingham County Health Department (ICHD) has the purpose of endeavoring to prevent disease, prolong life, and promote the public health through organized programs, including the prevention and control of health problems of particularly vulnerable groups and the development of health care facilities and health services delivery systems; and

WHEREAS, ICHD wishes to enter into an agreement with Volunteers of America Michigan (VOAMI) pursuant to which VOAMI will provide dental clinic services for poor and uninsured individuals who reside within Ingham County on behalf of ICHD; and

WHEREAS, VOAMI will pay ICHD for Public Dental Program services provided by ICHD; and

WHEREAS, the amount to be paid by VOAMI to ICHD will be determined quarterly, and paid quarterly commencing the fourth month of clinic operations, based upon the volume of Dental Clinic Services provided by VOAMI and Public Dental Program services provided by ICHD; and

WHEREAS, this agreement will be effective from the date of execution for the term of three years with ICHD having the option to renew the agreement for an additional 2 years; and

WHEREAS, the Health Officer recommends that the Board of Commissioners authorize entering into an agreement with VOAMI.

THEREFORE BE IT RESOLVED, ICHD will enter into an agreement with VOAMI to provide certain dental services for poor and uninsured individuals who reside within Ingham County.

BE IT FURTHER RESOLVED, the Board of Commissioners authorizes an intergovernmental transfer of funds to the Michigan Medical Services Administration quarterly, or as otherwise determined by the Michigan Medical Services Administration to pay the non-federal share of Medicaid Public Dental Clinic Enhanced Reimbursement Rate payments for Dental clinic Services provided by VOAMI as a Public Dental Clinic on behalf of the Health Department.

BE IT FURTHER RESOLVED, VOAMI will reimburse the County for Public Dental Program services provided by the ICHD.

BE IT FURTHER RESOLVED, this agreement will be effective from the date of execution for the term of three years with ICHD having the option to renew the agreement for an additional 2 years.

BE IT FURTHER RESOLVED, that the Controller is authorized to make any necessary budget adjustments consistent with this resolution.
BE IT FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is hereby authorized to
sign any necessary contract documents on behalf of the County after approval as to form by the County
Attorney.
TO: Board of Commissioners, County Services Committee, and Finance Committee
FROM: Deb Fett, CIO
DATE: 9/06/2016
SUBJECT: Resolution – Darktrace Cybersecurity Appliance Purchase
For the meeting agendas of 9/20/2016, 9/21/2016 and 9/27/2016

BACKGROUND
FedScoop Media put it best: “As the value of data – from consumer health and financial records to sensitive government and proprietary corporate information – continues to rise, so does the incentive for hackers to find new ways to exploit network vulnerabilities and gain access to this information.”

ITD has been working to ensure not only that any weaknesses we know about are patched, but also that we learn about any other vulnerabilities in our systems. To increase our oversight of our systems and to pinpoint any vulnerabilities, we have been testing a new cybersecurity tool called Darktrace. It is described as being inspired by the self-learning intelligence of the human immune system, this new approach is delivered by cutting-edge technology that is capable of learning ‘self’ within an organization in real time – enabling it to detect emerging threats that bypass other security controls. This self-learning process makes it unique among the various cybersecurity devices and software out in the marketplace.

ALTERNATIVES
Other vendors rely on a library of known threats, so their threat-detection capability is limited by the completeness and accuracy of the information in their library. Rather than relying on a static library of known threats, the Darktrace tool learns the behavior of our network and then provides alerting on any activity that appears to be abnormal. This allows the system to provide highly accurate data and identify potential threats rapidly.

FINANCIAL IMPACT
The funding for the $59,998.00 total for the appliance and 2 years of service will come from the County’s Innovation and Technology Department’s Network Fund #636-25810-932034.

OTHER CONSIDERATIONS
It is currently in use at Livingston County, who recommended it to us after it found some potentially dangerous issues there. In fact, during our testing here in Ingham County Darktrace immediately contacted us about an issue that could have proven disastrous had our team not be diligent about best practices. As is, it showed us a vulnerability that we have quickly mitigated.

RECOMMENDATION
Based on the information presented, I respectfully recommend approval of the attached quote for Darktrace Cyber Intelligence Platform.
Chantelle LaPorte  
Cyber Security Account Executive  
Darktrace  
32nd Floor  
437 Madison Avenue  
New York, NY 10021  

September 6, 2016  

RE: Competitive Bidding Exception for Purchase of the Darktrace Enterprise Immune System  

Darktrace’s Enterprise Immune System is a sophisticated, proprietary and highly innovative security monitoring system that allows the Information Technologies Department to monitor for advanced persistent threats (APTs) to internal computer and communications systems. This advanced system provides an elevated level of protection to critical infrastructure unlike any other tool.

Through the use of an exclusive behavioral analysis algorithm, unsupervised machine learning, and by identification of anomalous activity in various network traffic types, Darktrace is able to identify indicators of potential compromise, alerting staff to take the appropriate actions to mitigate the perceived threats.

Darktrace is unique among providers of network monitoring tools in that we offer a comprehensive machine-learning, behavior-based model to identify potential threats. Other vendors rely on a library of known threats, so their threat-detection capability is limited by the completeness and accuracy of the information in their library. Rather than relying on a static library of known threats, the Darktrace tool learns the unique behavior of every user, device and network as a whole and then provides alerting on any activity that appears to be abnormal. This allows the system to provide highly accurate data and identify potential threats rapidly.

Several factors differentiate Darktrace from other network monitoring providers, making it unique:

- Darktrace is a leader in Enterprise Immune System technology, which is a new category of cybersecurity technology solutions. It is based on Bayesian mathematics developed at the University of Cambridge.
- Darktrace has a very unique management team. Our experts have decades of experience in cyberdefense for national security in the US, UK and Canada.
- Darktrace is offering an attractive pricing model in order to gain a presence iningham County.
- Our data capture architecture is agnostic to data format type and can serve in traditional IT as well as operational technology (OT) environments. This means Darktrace can be used for both business networks as well as SCADA networks.

I hope this information helps and will follow up. In the interim, if you have any questions, please feel to reach me at 912-213-6079.

Regards,

Chantelle LaPorte
# Product Order Form

**Darktrace Limited**  
VAT No: 287 3669 85  
3rd Floor, Offices Building  
211 11 Thomson Avenue  
Cambridge  
CB5 6FA  
United Kingdom

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**Product Order Form**

<table>
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<th>Line Item</th>
<th>Product Description</th>
<th>Product Code</th>
<th>QTY</th>
<th>Term (months)</th>
<th>Customer Price (per annum) (USD)</th>
<th>Extended Customer price (USD)</th>
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<td>1</td>
<td>24</td>
<td>22,995.00</td>
<td>55,998.00</td>
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- Term license commencing on signing ([Commencement Date]) subject to the Opt Out (see note 4).
- Installation Services.
- Basic Support Services (including Threat Intelligence Reports for the Term).
- Threat Visualiser Essentials Training

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**Terms and Conditions**

1. By signing this Product Order Form (["Schedule"], issuing a purchase order referencing this Schedule or otherwise accessing or using the Offering, the Customer agrees to be bound by the terms and conditions set forth herein. The Offer made shall be subject to the Darktrace Master Customer Agreement included in the Appliance ["Agreement"]. Installation and Support Services shall be provided in accordance with the Darktrace Services Data Sheet.

2. The Appliance(s) are for use with respect to the Customer's current network size and the applicable bandwidth throughput, number of connected devices and connections as set out in the applicable Product Data Sheet.

3. Fees are exclusive of any applicable sales, goods and services, VAT or withholding tax. Fees will be invoiced ANNUALLY in advance from the Commencement Date. Payment terms Net 30.

4. Customer shall have the one-time right to terminate this Schedule for convenience with 30 days' advance written notice prior to the first anniversary of the Commencement Date. Notwithstanding anything to the contrary in the Agreement, title to the Appliance shall remain with Darktrace until the Opt Out has expired. Upon termination prior to the Opt Out, Customer shall return the Appliance to Darktrace. Customer is required to: (a) clearly designate the Appliance as Darktrace's property; (b) hold the Appliance on a fiduciary basis as Darktrace's bailee; (c) store and use the Appliance in a proper manner in conditions which adequately protect and preserve the Appliance; (d) ensure the Appliance against all risks of total replacement value and (e) not sell, charge, pledge, mortgage or otherwise dispose of the Appliance or any part of it for or permit any lien to arise over the Appliance or part thereof and shall keep the Appliance free from leases, execution and other legal process.

5. If Customer requires a purchase order, and Customer's purchase order is not received on acceptance of this Quotation, Darktrace shall be entitled to cancel without notice.

6. Acceptance of this Schedule is expressly limited to the terms of Darktrace's offer. Once accepted, these terms and conditions will be the complete and exclusive statement of the agreement. Any modifications proposed by Customer are expressly rejected by Darktrace and shall not become part of the agreement in the absence of Darktrace's written acceptance.

7. This Schedule may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement. Transmission of the executed counterparts of this Schedule by fax or by email in PDF, JPEG or other agreed format shall take effect as delivery of an executed counterpart of this Schedule.

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Accepted by Customer:  
Accepted by Darktrace:

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<th>By:</th>
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EXHIBIT A

DARKTRACE MASTER CUSTOMER AGREEMENT

IMPORTANT - READ CAREFULLY:

THIS DARKTRACE CUSTOMER AGREEMENT ("AGREEMENT") IS BETWEEN YOU OR, IF YOU REPRESENT AN ENTITY OR OTHER ORGANIZATION, THAT ENTITY OR ORGANIZATION ("CUSTOMER" OR "YOU") AND DARKTRACE LIMITED, A COMPANY REGISTERED IN ENGLAND AND WALES, OR OF ANY OF ITS SUBSIDIARIES ("DARKTRACE"). THE AGREEMENT FORMS A LEGALLY BINDING AGREEMENT BETWEEN YOU AND DARKTRACE AND IT IS IMPORTANT THAT YOU TAKE THE TIME TO READ IT CAREFULLY, BY INSTALLING, USING, OR ACCESSING THE DARKTRACE PRODUCTS OR RELATED SERVICES OR ANY PART THEREOF, YOU ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTOOD THIS AGREEMENT AND YOU THAT YOU CONFIRM (ON YOUR OWN BEHALF AND, IF YOU REPRESENT AN ENTITY OR OTHER ORGANIZATION, ON BEHALF OF THAT ENTITY OR ORGANIZATION AND ANY OTHER INDIVIDUALS WITHIN THAT ENTITY OR ORGANIZATION USING OR ACCESSING THE DARKTRACE PRODUCTS) THAT YOU HAVE FULL POWER AND AUTHORITY TO ENTER INTO THIS AGREEMENT AND WILL BE BOUND BY THE AGREEMENT AS OF THE DATE ON WHICH YOU FIRST INSTALL, USE, OR ACCESS THE DARKTRACE PRODUCTS (SUCH DATE, THE "EFFECTIVE DATE"). IF YOU DO NOT AGREE TO THE TERMS, DARKTRACE WILL NOT GRANT YOU ACCESS TO THE DARKTRACE PRODUCTS, AND YOU SHOULD DISCONTINUE THE INSTALLATION OR USE PROCESS FOR THE DARKTRACE PRODUCTS.

Darktrace and Customer may be collectively referred to as “Parties” and/or individually as “Party”.

Whereas, Darktrace is the supplier of the Products which is more fully described in the applicable ordering document or pricing schedule ("Schedule") to this Agreement.

Whereas, the Customer is interested in using the Products for its internal use and Darktrace has agreed to license the use of the Products on the terms of this Agreement.

Now therefore, in consideration of the mutual covenants and the payment of Fees described herein, the Parties agree as follows:

1. DEFINITIONS

The defined terms are as set forth in Appendix 1 to this Agreement.

2. SALE OF THE PRODUCTS; ORDER PROCESS

2.1. Subject to these terms and conditions, Darktrace agrees to sell to the Customer and Customer agrees to purchase from Darktrace: (i) the number of Products listed in the Schedule; (ii) the Support Services; and (iii) the Professional Services, if any; as set out in a Schedule. All Schedules must be in writing and reference this Agreement to be valid. All Schedules shall be governed by this Agreement and any different or additional terms presented with or in any communication, including but not limited to, the Customer’s purchase order, are deemed null and void and of no effect unless the additional terms are agreed upon by the Parties in writing prior to acceptance of that Schedule.

3. TERM

3.1. Evaluation. Customer may use the Products for evaluation purposes for a maximum period of 4 weeks from the delivery of the Product in the Customer’s Site(s) or such other duration as agreed in the Schedule ("Evaluation Period"). The Products is provided "AS IS" during such Evaluation Period and Clause 10 (Warranties) below does not apply to such evaluation. The Term (as defined in Clause 3.2), shall automatically continue unless either Party notifies the other in writing ten (10) days prior to the end of the Evaluation Period that it wishes to terminate, in which case, this Agreement will terminate.

3.2. License Term. This Agreement is effective from the Effective Date and shall remain in force until: expiry of the Evaluation Period in accordance with Clause 3.1 above (if applicable), or (ii) the end of the Term specified in a Schedule, or (iii) upon renewal of the Term, the expiry date of Customer’s renewed Term as set out in a further executed Schedule agreed upon by the Parties ("Term").

4. HARDWARE

4.1. Hardware Products. Subject to Clause 7, Darktrace shall sell to the Customer, and Customer shall purchase from Darktrace, the Hardware, subject to and in accordance with the terms of this Agreement. Customer acknowledges that the Hardware provided hereunder solely as the medium for delivery and operation of the Software and, unless otherwise agreed by the Parties in writing, Darktrace at its option may provide Hardware that is either new or refurbished. Customer acknowledges and agrees that Customer owns only the Hardware (or media, if applicable) on which the Software is installed and that Darktrace licenses, and does not sell, any Software. Customer shall be granted a license to the Software pursuant to Clause 5 below to use the Software solely in conjunction with such Hardware (and not separately or apart from the Hardware) and in accordance with the applicable Documentation.

5. LICENSE GRANTS; RESTRICTIONS

5.1. License Grant for the Products. Darktrace grants to Customer a non-exclusive, non-transferable license for the Term to: (i) install and use the Product in Customer’s Site or an Outsource Provider’s Site(s) for Customer’s or its Affiliate’s internal business purpose (provided that neither Customer nor its Affiliates may use the Product or the Services as a commercial product or for the benefit of an unaffiliated
third party), relating specifically to the integrity of Customer's information technology and any other restrictions identified in a Schedule; (iii) use the Documentation to support the use of the Services; (iv) make a commercially reasonable number of copies of the Documentation; provided, however, that Customer reproduces and includes all of Darktrace's and its suppliers' copyright notices and proprietary legends on each such copy; and (v) use Alerts and Threat Intelligence Reports ("TIRs"), and reproduce and distribute those Alerts and TIRs, internally solely for Customer's or its Affiliate's own business purposes. The Software may not be installed on any equipment or servers other than the Hardware provided by Darktrace unless otherwise agreed in writing by Darktrace. Customer acknowledges that the Hardware provided hereunder solely as the medium for delivery and operation of the Services and, unless otherwise agreed by the Parties in writing, Darktrace at its option may provide Hardware that is either new or refurbished.

5.2. License Restrictions. All Software is licensed, not sold. The restrictions in this Agreement represent conditions of the Customer's license. Customer specifically agrees not to (i) sub-license, rent, sell, lease, distribute or otherwise transfer the Products or any part thereof, or use the Products, or allow the Products to be used, for timesharing or service bureau purposes or otherwise use or allow others to use for the benefit of any third party (other than Affiliates of the Customer); (ii) attempt to reverse engineer, decompile, disassemble, or attempt to derive the source code or underlying ideas or algorithms of the Software and/or Third Party Software or any portion thereof, except as required to be permitted by applicable law; (iii) modify, port, translate, localize or create derivative works of the Software, the Third Party Software, the Documentation and/or Alerts; (iv) use the Products: (a) in violation of any law, statute, ordinance or regulation applicable to the Customer (including but not limited to the laws and regulations governing publicity or privacy, export/import control, federal, state and local laws and regulations governing the use of network scanners and related software in all jurisdictions in which systems are scanned or scanning is controlled, and/or anti-discrimination, in each case that are applicable to the Customer); or (b) negligently or intentionally or wilfully propagate any virus, worms, Trojan horses or other programming routine intended to damage any system or data; (v) transmit or provide access to the Products save as provided in this Agreement; (vi) remove or modify any acknowledgements, credits or legal notices contained on the Products or any part thereof; (vii) install and/or run on the Hardware any software other than the Software and Third Party Software installed by Darktrace on such Hardware; (viii) collect any information from or through the Products using any automated means, including without limitation any script, spider, "screen scraping," or "database scraping" application or gain or attempt to gain unpermitted access by any means to any Darktrace computer system, network, or database; and/or (ix) file copyright or patent applications that include the Products or any portion thereof. Prior to the disposal of any media or Hardware containing the Software, Customer shall permanently erase the Software contained therein.

5.3. Outsource Provider. In the event that the Customer has contracted or does contract with any third party service provider(s) (such as an outsourcing, hosting or colocation service provider or other information technology service provider) for the performance of information technology functions (each, an "Outsource Provider"), the Customer may permit such Outsource Providers to exercise all or any portion of the rights granted in Clause 5.1 above solely on Customer's or its Affiliates' behalf, provided that (i) the Outsource Provider shall only use and/or operate the Products for the Customer's Use subject to terms and conditions that are consistent with the rights and limitations set forth in this Agreement; and (ii) Customer shall remain liable for the acts and omissions of the Outsource Provider under this Agreement.

5.4. Open Source Software. The Software which the Customer may contain or be accompanied by certain third party hardware and software products or components ("Third Party Products") including Open Source Software. Open Source Software is copyrighted and licensed under the GPL/LGPL and other OSS licenses. Copies of, or references to, those licenses may be set forth in a Schedule, the Third Party Product packaging and/or in a text file, installation file or folder accompanying the Software ("Third Party Notices"). If delivery of source code is required by the applicable license, Customer may obtain the complete corresponding Open Source Software source code for a period of three years after Darktrace's last shipment of the Software, by sending a request to: Legal Department - Open Source Software Request, Darktrace Limited, 3rd Floor, Broers Building, 21 JJ Thomson Avenue, Cambridge CB3 0FA, United Kingdom.

6. SERVICES.

6.1. Delivery and Installation. Darktrace will use all commercially reasonable efforts to deliver the Product in a timely manner in accordance with the estimated delivery date described in the Schedule. Darktrace shall conduct its standard installation and test procedures to confirm completion of the installation of the Product on the Customer's or its service provider's Site ("Installation").

6.2. Support Services. If Support Services are included as part of the Products (as agreed in a Schedule), Darktrace's support services will be described in the supporting material, which cover the description of Darktrace's Support Services offering, eligibility requirements, service limitations and Customer responsibilities, as well as the Customer systems.

6.3. TIR Reporting. For the duration of any period as agreed by the Parties in a Schedule (if any), Darktrace cyber analysts work with the Customer's nominated security personnel in operating the Darktrace Threat Visualizer, and provide remote analysis support of Alerts and periodic TIRs.

6.4. Call Home. Call Home is critical for certain Services, including Support Services and Threat Intelligence analytics. Darktrace will limit its access solely to the extent relevant to Darktrace's provision of the Services, and such remote access shall be subject to Customer's applicable policies and procedures provided to Darktrace in writing in advance. The Call Home connection remains within Customer's complete control and is initiated by the on-site Product. It can be initiated, terminated and audited at any time.

6.5. Other Services. Darktrace will deliver any ordered Services as described in the applicable Schedule. Darktrace's ability to deliver Services will depend on Customer's reasonable and timely cooperation and the accuracy and completeness of any information from Customer needed to deliver the Services. The acceptance process (if any) will be described in the applicable Schedule, will apply only to the
6.6. DISCLAIMER. FOR THE AVOIDANCE OF DOUBT, UNLESS EXPRESSLY AGREED, THE SERVICES DO NOT INCLUDE THE MONITORING, INTERPRETATION AND / OR CORRECTIVE ACTION WITH RESPECT TO ANY ALERTS GENERATED BY THE PRODUCTS. NO ADVICE, ALERT, OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY CUSTOMER FROM DARKTRACE OR THROUGH OR FROM THE SERVICES SHALL CREATE ANY WARRANTY NOT EXPRESSLY STATED IN THIS AGREEMENT. CUSTOMER UNDERSTANDS THAT (A) ANY OUTCOME OF THE SERVICES INVOLVING SECURITY ASSESSMENT IS LIMITED TO A POINT-IN-TIME EXAMINATION OF CUSTOMER SECURITY STATUS, AND (B) THE SERVICES DO NOT CONSTITUTE ANY FORM OF REPRESENTATION, WARRANTY OR GUARANTEE THAT CUSTOMER’S SYSTEMS ARE SECURE FROM EVERY FORM OF ATTACK, EVEN IF FULLY IMPLEMENTED. THE CUSTOMER UNDERSTANDS AND ACKNOWLEDGES THAT ALL ANOMALIES / INTRUSIONS MAY NOT BE REPORTED.

7. TITLE AND RISK OF LOSS; INSPECTION; RETURN OF PRODUCTS

7.1. Title and Risk of Loss. All shipments from Darktrace are made F.C.A. (Incoterms 2010) Customer’s site, and subject to Clause 7.2. Darktrace’s title to the Hardware and the risk of loss of or damage to the Products ordered by the Customer shall pass to Customer at the time of delivery of the Products to Customer. Customer must provide written notice to Darktrace or its authorized reseller within five business (5) days of delivery of the Products of any non-conformity with the Schedule. Title to the Software remains with Darktrace at all times.

7.2. Return of Products. In the event the Customer terminates the Agreement prior to the end of the Evaluation Period or upon termination by Darktrace in accordance with Clause 14.3, “Termination and Suspension”, within 10 days of the end of the effective date of such termination, Customer is required to return the Product, in the condition Customer received it, free of any damage (reasonable wear and tear excepted), to Darktrace or its authorized reseller’s designated carrier, as applicable. Upon retrieval by Darktrace’s or delivery by Customer to the authorized reseller’s designated carrier, as applicable, risk of loss and title in the Hardware will revert to Darktrace. Darktrace will pay for the return shipment of the Product to Darktrace. Should Customer fail to comply with this Clause 7.2, Darktrace or its authorized reseller, as applicable, shall issue an invoice to Customer for the additional and applicable monthly fees based on Darktrace’s then-current list price). If Customer fails to pay the applicable fees, Darktrace or its authorized reseller, as applicable, will be entitled to enter Customer’s premises after providing Customer reasonable advance written notice to repossess the Products. If title to the Hardware has passed to the Customer, Customer shall not be required to return the Hardware but Darktrace or its authorized reseller, as applicable, shall be allowed, after providing Customer reasonable advance written notice, limited entry to Customer’s Site as necessary to access the Application, or allowed remote access to the Product in order to remove or disable the Software, subject to Customer’s applicable policies and procedures, and in addition to any other remedies arising under this Agreement, Darktrace may charge for Customer’s additional usage beyond the authorized period. DARKTRACE SHALL NOT BE RESPONSIBLE FOR MAINTAINING OR PROTECTING ANY CONFIGURATION SETTINGS OR DATA FOUND ON THE RETURNED HARDWARE OR COMPONENT PART OF THE HARDWARE AND IT IS CUSTOMER’S SOLE RESPONSIBILITY TO DELETE ANY SUCH INFORMATION PRIOR TO RETURN. Darktrace shall notify Customer if it finds any configuration settings or data on returned Hardware and permit Customer, at its sole cost and expense, to remove or make arrangements to remove such configurations settings and/or data from the Hardware.

8. FEES, PAYMENT AND TAXES.

8.1. Fees. Fees will be as quoted in writing by Darktrace in the Schedule. No refunds will be made except as provided in Clause 10 “Warranties” and Clause 13.3 “Intellectual Property Rights infringement” set forth below. Prices are exclusive of sales and use taxes assessed by a taxing authority in the jurisdiction in which Customer is physically located and takes delivery of the Products, and is exclusive of duties and shipping and handling fees, unless otherwise quoted, which will be the responsibility of the Customer. For any additional Services ordered by the Customer which are not listed in the Schedule, Darktrace will be entitled to charge separately for reasonable out-of-pocket expenses, such as travel expenses incurred in providing such Services and hardware replacement costs not provided under the Support Services, which are pre-approved in writing by Customer.

8.2. Invoices and Payment. The Customer will be invoiced the Fees in accordance with the schedule set out in the Schedule. Unless otherwise agreed in a Schedule, Fees will be invoiced on the first delivery date. Any other charges (including, without limitation, Professional Services fees and out of pocket expenses) will be invoiced monthly in arrears. Invoicing will occur via email. Unless otherwise agreed in a Schedule, Customer agrees to pay all undisputed amounts within 30 days of Customer’s receipt of the applicable invoice by direct bank / wire transfer in accordance with the instructions on the invoice, and any bank charges assessed on Customer by Customer’s bank. FOR THE AVOIDANCE OF DOUBT, UNLESS PAYMENTS ARE MADE BY WIRE TRANSFER THAT THEY MUST BE MADE ANNUALLY IN ADVANCE.

Darktrace may suspend or cancel performance of open orders or Services if Customer fails to make payments when due, reserving all other rights and remedies as may be provided by law. Darktrace may impose late charges on overdue payments at a rate equal to the lesser of two percent (2%) per month or the highest rate permitted by law, calculated from the date payment was due until the date payment is made and all expenses incurred in collection, including reasonable attorneys’ fees.

8.3. Lapsed Fees. If Customer has lapsed, during the Term, in the payment of Fees due hereunder, then all such payments must be paid in full prior to recommencement of the Services by Darktrace, and in such case, Customer will be responsible for paying all fees associated with the Products from the date that such Service was stopped through to the then-current date.
9. INTELLECTUAL PROPERTY, OWNERSHIP

9.1. Intellectual Property. Except as expressly set forth herein, this Agreement does not grant either Party any rights, implied or otherwise, to the other’s Intellectual Property and Darktrace and/or its suppliers retain all right, title and interest in and to the Software (including any Third Party Software), the Documentation, the Alerts and all copies thereof including all enhancements, error correction, new releases, updates, derivations, and modifications thereto including, but not limited to, ownership of all Intellectual Property rights, not expressly granted to Customer (collectively, “Darktrace Intellectual Property”). Customer agrees to inform Darktrace promptly of any infringement or other improper action with respect to the Darktrace Intellectual Property that comes to Customer’s attention. Customer waives its right to contest the validity and/or ownership of such Darktrace Intellectual Property.

10. WARRANTIES

10.1. Hardware Warranty. Darktrace warrants to Customer that during the one (1) year period following the delivery of the Product, the Hardware shall perform in accordance with the applicable Documentation.

10.2. Software Warranty. Darktrace warrants to Customer that during a period of ninety (90) days from the delivery of the Product, the Software will perform materially in accordance with the applicable Documentation.

10.3. Exceptions. The warranties contained in Clause 10.1 “Hardware Warranty” and Clause 10.2 “Software Warranty” of this Agreement shall not apply if: (i) Customer fails to follow Darktrace’s instructions; (ii) the Software is not installed or supported by Darktrace; (iii) Customer’s failure to fulfill Customer’s obligations under this Agreement; (iv) Customer’s failure to install the Software in accordance with the applicable Documentation; (v) Customer’s failure to install the Software in accordance with the applicable Documentation; or (vi) Customer’s failure to follow any instructions provided by Darktrace.

10.4. Remedies. If during the applicable warranty period contained in Clause 10.1 “Hardware Warranty” or Clause 10.2 “Software Warranty”:

(i) Darktrace is notified promptly in writing upon discovery of an error in a Product, including a detailed description of such alleged error; and

(ii) the Darktrace inspections and tests determine that the Product contains errors and has not been subjected to any of the conditions set forth in Clause 10.3, then, as Darktrace’s entire liability and Customer’s sole remedy for such breach of warranty, Darktrace shall (at Darktrace’s option and sole expense) correct, repair or replace the Product, within a reasonable time or provide or authorize a refund of the fees paid for the Products following the return of the Product to Darktrace and the Agreement will terminate. Any items provided as replacement under the terms of this warranty will be warranted for the remainder of the original warranty period. Darktrace will pay for, and will bear all risk of loss or damage to, the return shipment of the Product to Darktrace and the shipment of repaired or replaced products to Customer.

10.5. DISCLAIMER. DARKTRACE DOES NOT PROVIDE ANY WARRANTIES OF MERCHANTABILITY OR MERCHANTABILITY OF ANY KIND, EITHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE IN RELATION TO ANY SUBJECT MATTER OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR ARISING FROM COURSE OF PERFORMANCE, DEALING, USAGE OR TRADE. DARKTRACE MAKES NO WARRANTY AS TO THE ACCURACY, COMPLETENESS OR RELIABILITY OF ANY ALERTS OR INFORMATION AVAILABLE THROUGH THE PRODUCTS. CUSTOMER IS RESPONSIBLE FOR VERIFYING ANY INFORMATION BEFORE RELYING ON IT. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION MAY NOT APPLY TO A PARTY AND SUCH PARTY MAY HAVE OTHER LEGAL RIGHTS THAT VARY FROM STATE TO STATE OR BY JURISDICTIONS. DARKTRACE DOES NOT WARRANT THAT THE OPERATION OF THE PRODUCTS WILL BE ERROR-FREE OR UNINTERRUPTED.

11. INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT INDEMNITY.

11.1. Darktrace Indemnity. Darktrace will indemnify, and defend and hold Customer, Customer’s Affiliates, and their respective officers, directors, employees, agents and representatives (and any successors and assigns of the foregoing) (collectively, the “Customer Indemnitees”) harmless from and against all liabilities, damages, and costs (including settlement costs and reasonable attorneys’ fees) arising out of a third party claim that the Products or any other intellectual property provided or made available by Darktrace under this Agreement (or any portion thereof), or its receipt, possession or use by any Customer Indemnitee, infringes or misappropriates any Intellectual Property Right(s) of any third party. Customer: (i) notifying Darktrace within twenty (20) days of receiving notice of any threat or claim in writing of such action; (ii) giving Darktrace exclusive control and authority over the defense of settlement of such action (provided that the settlement does not entail an admission of fault or guilt by any Customer Indemnitee); (B) the sole relief provided is monetary damages that are paid by Darktrace consistent with the limitations of liability herein, and (C) the settlement includes, as an unconditional term, the claimant’s or the plaintiff’s release of the Customer Indemnitees from all liability in respect of the claim; (iii) not entering into any settlement or compromise of any such action without Darktrace’s prior written consent; and (iv) providing reasonable assistance requested by Darktrace at Darktrace’s expense. The
Customer may join in the defence with its own counsel at its own expense. The Customer shall be obliged to mitigate its losses insofar as is reasonable in the circumstances.

11.2. Exclusions. The obligations set forth in Clause 11.1 do not apply to the extent that a third party claim is caused by, or results from: (a) Customer’s combination or use of the Products or other intellectual property that is the subject of the claim with other software, services, or products that are not provided by Darktrace, if the claim would have been avoided by the non-combined or independent use of the Products or other intellectual property that is the subject of the claim; (b) modification of the Products or other intellectual property that is the subject of the claim by anyone other than Darktrace or any contractor or subcontractor of Darktrace, if the third party claim would have been avoided by use of the unmodified Products or other intellectual property that is the subject of the claim; (c) Customer’s continued allegedly infringing activity after being notified thereof and being provided with modifications that would have avoided the alleged infringement (which Darktrace shall use commercially reasonable efforts to have substantially preserve the utility and functionality of the Products or other intellectual property that is the subject of the claim); (d) Customer’s use of the Products or other intellectual property that is the subject of the claim in a manner not in accordance with this Agreement or the Documentation; or (e) use of other than Darktrace’s most current release of the Products or other intellectual property that is the subject of the claim if the third party claim would have been avoided by use of the most current release or revision release or revision.

11.3. Remedies. If Darktrace reasonably believes the Products infringes a third party’s intellectual property rights, then Darktrace will, at no additional cost to the Customer: (a) procure for Customer the right to continue to use the Products; (b) replace the Products; or (c) modify the Products to avoid the alleged infringement. If none of the options in the previous sentence are commercially reasonable, Darktrace may terminate the license for the allegedly infringing Products and refund a percentage of the fees paid by Customer through the date a third party claim occurs for the allegedly infringing Products, per Clause 11.1, less depreciation for use assuming straight line depreciation over the Term whereupon this Agreement shall automatically terminate.

THIS CLAUSE 11 IS A COMPLETE STATEMENT OF THE CUSTOMER’S REMEDIES FOR THIRD PARTY CLAIMS FOR INFRINGEMENT AS DESCRIBED IN CLAUSE 11.1.

12. CUSTOMER DATA; CUSTOMER UNDERTAKINGS AND INDEMNITY.

12.1. Customer Data; License Grant. Any Customer data stored by the Software (which for the avoidance of doubt includes information about network traffic on Customer’s network (metrics), log/metadata collection, as well as the raw packet capture data from Customer’s network, together, “Customer Data”), will be stored in the Products. Customer grants to Darktrace a limited, non-exclusive and non-transferable license to use the Customer Data only to the extent necessary for Darktrace to perform the Services. In the event that Darktrace needs to access the Customer Data to provide TERS, respond to any technical problems, queries, or requests from Customer, Customer shall ensure, subject to Darktrace’s compliance with the confidentiality, data protection laws, and other requirements in this Agreement, that it is permitted to do so in accordance with applicable laws, regulations and international accords, treaties, or accords including, without limitation, applicable Data Privacy Laws. Customer and all of its users shall be bound by and comply with this Agreement, and Customer is solely responsible for the activities of its users and for the accuracy, integrity, legality, reliability, and appropriateness of all Customer Data. Darktrace and its Affiliates do not provide backup services for Customer Data, and Darktrace and its Affiliates may, without notice, delete any of Customer Data that may remain in its/her possession or control. For the avoidance of doubt, Darktrace may utilise the details of any cyber-related threats occurring in Customer’s network to develop the Products, provided that Darktrace ensures that any Customer Confidential Information is removed and Darktrace’s use of such information does not in any way identify Customer or its employees as the source.

12.2. Customer Security Obligations. In using the Products or authorizing its Outsource Provider and third parties to use it on Customer’s behalf, Customer (and not Darktrace) shall be responsible for establishing, monitoring, and implementing security practices to control the physical access to and use of the Products and all Customer Data therein (including Regulated Data) in accordance with Customer’s own security policies and procedures.

12.3. DATA DISCLAIMER; INDEMNITY. CUSTOMER EXPRESSLY RECOGNIZES THAT DARKTRACE DOES NOT CREATE OR ENDORSE ANY CUSTOMER DATA PROCESSED BY OR USED IN CONJUNCTION WITH THE PRODUCTS PROVIDED HEREUNDER. CUSTOMER FURTHER ACKNOWLEDGES AND UNDERTAKES THAT IT SHALL BE SOLELY RESPONSIBLE FOR BACK-UP OF ALL CUSTOMER DATA. Customer shall, at Customer’s own expense, indemnify, defend and hold Darktrace, its Affiliates, and their respective officers, directors, employees, agents and representatives (“Darktrace Indemnitees”) harmless from and against all liabilities, damages, and costs (including settlement costs and reasonable attorneys’ fees) incurred by reason of Darktrace’s strict compliance with the express instructions of Customer with respect to the ownership, custody, processing or disposition of the Customer Data stored in the Products or accessible by Darktrace, as applicable.

13. LIMITATION OF LIABILITY.

13.1. LIMITATION OF LIABILITY.

13.1.1. SUBJECT TO THE SUB-CLAUSES OF THIS CLAUSE 13, EACH PARTY’S MAXIMUM LIABILITY TO THE OTHER PARTY FOR ANY AND ALL LOSS AND/OR DAMAGE (IN CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF STATUTORY DUTY, OR OTHERWISE) FOR ANY REASON ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED, IN THE AGGREGATE, THE TOTAL AMOUNT OF ALL FEES PAID OR PAYABLE TO DARKTRACE FOR THE PRODUCTS DURING THE THEN APPLICABLE TERM, EXCEPT THAT IN RESPECT OF: (i) A BREACH BY EITHER PARTY OF CLAUSE 15 (CONFIDENTIALITY; DATA SECURITY); SUCH LIABILITY SHALL NOT EXCEED, IN THE AGGREGATE, THE
13.2. EXCLUSION OF CONSEQUENTIAL DAMAGES:

13.2.1. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY SHALL BE LIABLE TO THE OTHER IN TORT (INCLUDING NEGLIGENCE), BREACH OF CONTRACT, BREACH OF STATUTORY DUTY OR OTHERWISE DUE TO, UNDER AND/OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT TO THE EXTENT SUCH LOSS OR DAMAGE IS CONSEQUENTIAL, INDIRECT, SPECIAL OR PUNITIVE, WHETHER OR NOT IT HAD BEEN ADVISED OF THE LIKELIHOOD OF ANY SUCH LOSS OR DAMAGE.

13.2.2. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, DARKTRACE SHALL NOT BE LIABLE TO CUSTOMER IN TORT (INCLUDING NEGLIGENCE), BREACH OF CONTRACT, BREACH OF STATUTORY DUTY OR OTHERWISE DUE TO, UNDER AND/OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT IF AND TO THE EXTENT THAT THE LOSS OR DAMAGE IN RESPECT OF WHICH SUCH LIABILITY ARISES OR IS CLAIMED TO ARISE FALLS WITHIN ANY OF THE FOLLOWING CATEGORIES: LOSS OF PROFITS; LOSS OF REVENUE OR BUSINESS; LOSS OF GOODWILL OR REPUTATION; LOSS OF OR CORRUPTION OR DAMAGE TO DATA; LOSS OF MANAGEMENT TIME; OR OTHER COMMERCIAL DAMAGES OR LOSSES, WHETHER OR NOT DARKTRACE HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS, CORRUPTION OR DAMAGE.

13.3. ESSENTIAL PURPOSE. THE LIMITATION OF LIABILITY AND EXCLUSION OF CERTAIN DAMAGES STATED HEREIN SHALL APPLY REGARDLESS OF THE FAILURE OF ESSENTIAL PURPOSE OF ANY REMEDY. BOTH PARTIES HEREBY SPECIFICALLY ACKNOWLEDGE THAT THESE LIMITATIONS OF LIABILITY ARE REFLECTED IN THE PRICING AND THE TERMS ACCEPTED HEREUNDER.

13.4. Exclusions from Limitation of Liability. Nothing will exclude or limit either Party’s liability for death or personal injury arising from that Party’s willful misconduct or gross negligence, liability arising from a Party’s fraudulent misrepresentation, violations of a Party’s Intellectual Property Rights, or for any other matter in respect of which liability cannot lawfully be limited or excluded.

14. TERM; TERMINATION.

14.1. Expiration of the Term. Notwithstanding any provision of this Clause 14, Customer’s right to use, and Customer’s access to, the Software will automatically terminate on expiry of the Term unless and until Customer renews its license for the Software.

14.2. Termination for Breach. Either Party may terminate this Agreement if: (i) the other Party is in material breach of the Agreement and fails to cure that breach within 30 days after receipt of written notice; or (ii) the other Party ceases its business operations or becomes subject to insolvency proceedings and the proceedings are not dismissed within 30 days.

14.3. Termination or Suspension by Darktrace. In addition to a termination under Clause 14.1, Darktrace may terminate and/or suspend Customer’s license grant and/or suspend, terminate or limit any of Customer’s use of the Products without liability if a court or other governmental authority having jurisdiction issues an order prohibiting Darktrace from furnishing the Products to Customer. Additionally, Darktrace may suspend or limit any of Customer’s use of the Products without liability if Darktrace provides Customer with written notice that Customer is using the Products in breach of Clause 5.2, “License Grant and Restrictions”; or (iii) in a manner that is otherwise unlawful and Customer does not cure the condition identified in such notice within five (5) business days. In the event the Products is suspended pursuant to this Clause 14.3, Darktrace shall inform Customer of the reasons for the suspension and shall work with Customer to resolve such issues and re-instate the Products.

14.4. Effect of Termination. Upon termination in accordance with the above, and, in addition to Clause 7.2, “Return of Products”: (i) the Term and all other rights and licenses granted by one Party to the other, or any services provided by Darktrace to Customer, will cease immediately; (ii) upon request, each Party will promptly return or destroy all Confidential Information (including Software and Regulated Data) of the other Party; provided, however, that such Party shall not be obligated to return or destroy such Confidential Information that is stored on its automated backup systems until the same would be destroyed according to such Party’s normal document retention schedule or such information that must be retained for compliance with applicable laws, rules or regulations until the obligation to retain such information has lapsed; provided further that all information so retained shall be subject to the provisions of Clause 15, Confidentiality until the same is returned or destroyed; (iii) all undisputed Fees owed by Customer to Darktrace at the date on which termination takes effect will become due and payable; and (iv) Customer must immediately permanently destroy media or Hardware containing the Software, or Darktrace shall be allowed, after providing Customer reasonable advance written notice, limited entry to the Customer’s site as necessary to access the Product (or allowed remote access to the Product), to remove or disable the Software, subject to Customer’s applicable policies and procedures. If the Agreement terminates, all Schedules will co-terminate.


15. CONFIDENTIALITY; DATA SECURITY.

15.1. Information exchanged under this Agreement will be treated as confidential if identified as such at disclosure or if the subject matter or circumstances of disclosure would reasonably indicate such treatment and shall include, without limitation, the Customer Data and Regulated Data (“Confidential Information”). Confidential information may only be used for the purpose of fulfilling obligations or exercising rights under this Agreement, and shared with employees, agents or contractors with a need to know such information to support that purpose. Confidential information will be protected using a reasonable degree of care to prevent unauthorized use or
disclosure for 5 years from the date of receipt or (if longer) for such period as the information remains confidential. These obligations do not cover information that: (i) was known or becomes known to the receiving Party without obligation of confidentiality, provided that (A) such recipient has no knowledge that such information is subject to a confidentiality agreement and (B) such information is not of a type or character that a reasonable person would have regarded it as confidential; (ii) is independently developed by the receiving Party without violating the disclosing Party's rights; (iii) is or becomes publicly known (other than through unauthorized disclosure by or through a Party); (iv) is disclosed by the owner of such information to a third party free of any obligation of confidentiality; or (v) where disclosure is required by law or a governmental agency provided that, to the extent lawful so to do, the receiving Party shall notify the disclosing Party of the request giving it reasonable opportunity to respond, and cooperate with the disclosing Party's reasonable, lawful efforts to resist, limit or delay disclosure at the disclosing Party's expense, and provided that except for making such required disclosure, such information shall otherwise continue to be Confidential Information. Additionally, without limiting Customer's obligation to maintain the confidentiality of Darktrace's Intellectual Property, these obligations do not require Customer to treat as confidential information a TIR or any other information specifically about Customer's Data or Customer network systems, including any threats thereto or analysis thereof.

15.2. If a Party discovers an actual and verified loss or theft, actual unauthorized access, disclosure, copying, use or modification, of any of the other Party's Confidential Information in its possession or control, then in each case the first Party will:

15.2.1. within twenty-four (24) hours of verifying the same, notify the other Party, to the extent known, of the date and circumstances of such event, the nature and content of the Confidential Information so affected (including, if the event involves any Regulated Data, the number of persons affected and, to the extent possible, the identities of the affected persons), and the steps the first Party has taken to investigate the event, mitigate potential harm and prevent further loss or theft, or further unauthorized access, disclosure, copying, use or modification of, the Confidential Information so affected;

15.2.2. assemble and preserve pertinent information with respect to the event;

15.2.3. conduct a root-cause analysis to determine the cause(s) of the event, and provide the other Party with a detailed report indicating the cause(s) of the event and the plan to address the event;

15.2.4. document actions taken in response to the event in sufficient detail to meet reasonable expectations of forensic admissibility, and conduct a post-incident review of all events and actions taken, if any, with a view to making any needed modifications in business practices relating to the protection of the other Party's Confidential Information;

15.2.5. as requested by the other Party, advise the other Party of the status of remedial efforts being undertaken with respect to the event;

15.2.6. cooperate with any investigation relating to the event that is carried out at the direction of any governmental authority;

15.2.7. cooperate with the other Party in all reasonable and lawful efforts to investigate, prevent the recurrence of, mitigate and rectify the event;

15.2.8. minimize the impact of and correct any problems and incidents that contributed to the event; and

15.2.9. take appropriate preventive measures so that such problems and incidents do not recur, including implementing new security measures to the extent reasonably requested by the other Party.

15.3. The Parties acknowledge that the Products may be used to process information regulated by applicable privacy or data protection laws. Solely to the extent relevant to Darktrace's provision of Services, Darktrace shall act only on the instructions of Customer in processing Regulated Data as a data processor. Customer hereby instructs Darktrace to take such steps in the processing of Regulated Data as are reasonably necessary to the performance of Darktrace's obligations under this Agreement, and agrees that such instructions constitute its full and complete instructions as to the means by which Regulated Data shall be processed by Darktrace. Each party agrees that it shall comply with the Data Privacy Laws in exercising its rights and performing its obligations under this Agreement.

15.4. Darktrace agrees that:

15.4.1. it shall not use Regulated Data save for the purposes of delivering the Products and Services as instructed by this Agreement;

15.4.2. upon termination of this Agreement, it shall return Regulated Data to the Customer or destroy such Regulated Data in accordance with Customer's written instructions;

15.4.3. implement and maintain appropriate administrative, physical, technical and organisational measures to protect any Regulated Data accessed or processed by it against unauthorized or unlawful processing or accidental loss, destruction, damage or disclosure which are at least equal to the most stringent of the following: (a) those set out in Darktrace’s Information Security Standards, and (b) any higher standard required by law or regulation applicable to Darktrace;

15.4.4. it shall take reasonable steps to ensure the reliability of its agents and employees who have access to any Regulated Data;

15.4.5. it shall require that any of its subcontractors who process Regulated Data are bound by contractual obligations equivalent to those in this Clause 15;

15.4.6. it shall document disclosures to third parties of Regulated Data and information related to such disclosures as would be required for Customer to respond to a request by an individual for an accounting of disclosures of their Regulated Data;
15.4.7. It shall securely and permanently erase or destroy, in each case in accordance with then-current industry standards that are generally accepted by well-managed operations performing similar services, any Regulated Data stored by Darktrace; and

15.4.8. it shall provide reasonable support to Customer in complying with any legally mandated request for access to or correction of any Regulated Data by any individual, or access or demand made by any court or governmental authority responsible for enforcing privacy or data protection laws, and where such request or demand is submitted to Darktrace, promptly notify the Customer of it.

Darktrace may, without requiring Customer's consent, communicate with law enforcement personnel, service providers, insurance providers, and other relevant personnel required to immediately take action to resolve or address any unauthorized disclosure of Regulated Data in its possession, without prior notification to and approval of Customer (unless prohibited by law). Customer will not make any public statement or issue any public communication regarding any incident described in this Section, without Darktrace's prior written consent, except as strictly required by law or regulation. Upon any loss or theft, or unauthorized access, disclosure, copying, use or modification of, any Regulated Data that is in Darktrace's possession or control, except as otherwise required by law, Customer, in its sole discretion, may determine whether and when notice of any such event will be provided to any affected persons or governmental authorities pursuant to applicable laws and regulations. Customer will have final editorial control over the content of any legally required filings, communications to affected individuals (excluding any public communications about Darktrace) related to any such event.

15.5. To the extent there are changes to the Data Privacy Laws which affect the costs or risk profile of a Party, the Parties will meet in good faith to discuss any changes to this Agreement.

16. GENERAL PROVISIONS.

16.1. Entire Agreement; Integration. This Agreement, the Appendices, and any Schedules hereto represent the entire agreement between the Parties on the subject matter hereof and supersede all prior discussions, agreements and understandings of every kind and nature between the Parties. No modification of this Agreement shall be effective unless in writing and signed by both Parties. Each of the Parties acknowledges and agrees that it has not been induced to enter into the Agreement in reliance upon, and in connection with the Agreement does not have any remedy in respect of, any representation or other promise of any nature whatsoever other than as expressly set out in this Agreement. Each party signing this Agreement acknowledges that it has had the opportunity to review this Agreement with legal counsel of its choice, and there will be no presumption that ambiguities will be construed or interpreted against the drafter.

16.2. Severability. The illegality or unenforceability of any provision of this Agreement shall not affect the validity and enforceability of any legal and enforceable provisions hereof. If any illegal or unenforceable provision of this Agreement substantially affects or alters the commercial basis of this Agreement the Parties shall negotiate in good faith to amend and modify the provisions and terms of this Agreement as may be necessary or desirable in the circumstances.

16.3. Force Majeure. Neither Party shall be liable for any failure or delay in performing services or any other obligation under this Agreement, nor for any damages suffered by the other or an end user by reason of such failure or delay, which is, indirectly or directly, caused by an event beyond such Party's reasonable control, riots, natural catastrophes, terrorist acts, governmental intervention, refusal of licenses by the government or other government agencies, or other acts of God (each, a "Force Majeure Event"), and such non-performance, hindrance or delay could not have been avoided by the non-performing Party through commercially reasonable precautions, and cannot be overcome by the non-performing Party through commercially reasonable substitute services, alternate sources, workarounds or other means. During the continuance of a Force Majeure Event, the non-performing Party will use commercially reasonable efforts to overcome the Force Majeure Event, and to the extent it is able, continue to perform its obligations under the Agreement. Either Party shall inform the other within five (5) days of any Force Majeure Event coming to its knowledge and affecting performance under this Agreement and supply satisfactory evidence thereof. Should any such Force Majeure Event occur, the Parties may opt to terminate the Agreement if the other Party is unable to perform its obligations for a period in excess of ten (10) days after the date of the occurrence of the Force Majeure Event without either Party incurring any liability for any loss or damage of whatsoever nature however arising thereby occasioned.

16.4. Notices. All notices relative to this Agreement shall be in writing and shall be notice will be deemed given: (a) when verified by written receipt if sent by personal courier, overnight courier, or mail; or (b) when verified by automated receipt or electronic logs if sent by facsimile or email. Any notices required to be given in writing to Darktrace or any questions concerning this Agreement should be addressed to the General Counsel, Darktrace Limited, 3rd Floor, Broers Building, 21 JI Thomson Avenue, Cambridge CB3 0FA, United Kingdom.

16.5. Rights of Third Parties. This Agreement does not create any rights for any person who is not a party to it and no person who is not a Party to this Agreement may enforce any of its terms or rely on any exclusion or limitation contained herein.

16.6. Audit. During the Term of this Agreement, Customer shall maintain records reasonably required to verify its compliance with this Agreement and all applicable Schedules, and will provide copies of those records to Darktrace on reasonable request.

16.7. Independent Contractors. The Parties are independent contractors. Nothing in this Agreement shall be construed to create a partnership, joint venture, or agency relationship between the Parties.
16.8. **Assignment.** This Agreement may not be assigned by either Party without the written consent of the other Party, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, consent of the other Party shall not be required for a transfer to an Affiliate of a Party or if a Party undertakes an initial public offering, a sale of all or substantially all of its shares or assigns all or substantially all of its business and assets to another entity that is not a direct competitor of the non-assigning party. Any attempt to assign this Agreement in violation of the foregoing shall be null and void. This Agreement binds the Parties, their respective participating subsidiaries, affiliates, successors and permitted assigns.

16.9. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware and the courts having within their jurisdiction Delaware shall have exclusive jurisdiction to determine any disputes, which may arise out of, under, or in connection with this Agreement. Customer and Darktrace agree that the United Nations Convention on Contracts for the International Sale of Goods will not apply.

16.10. **United States Government End-User Notice.** Government Purposes (applicable to United States government customers only). The Product is commercial within the meaning of the applicable civilian and military Federal acquisition regulations and any supplements thereto. If the user of the Product is an agency, department, employee, or other entity of the United States Government, the use, duplication, reproduction, release, modification, disclosure, or transfer of the Product, including technical data or manuals, is governed by the terms, conditions and covenants contained in the Darktrace standard commercial license agreement, as contained herein.

16.11. **Export Compliance.** The Products provided under these terms is for Customer's internal use and not for further commercialization. The Customer acknowledges that the Products may be classified and controlled as encryption items under the United Kingdom's Export Regulations, the United States Export Administration Regulations and other national regulations. Each party will comply with all applicable laws regarding export-controlled items, and will not export, re-export or import, directly or indirectly, any export-controlled items, or any direct product of them, nor undertake any transaction hereunder in violation of any applicable export laws (including any local laws and the Export Administration Regulations 15 C.F.R. Parts 730-774) (including the anti-boycott and embargo regulations and guidelines issued thereunder), the International Traffic in Arms Regulations (22 C.F.R. Parts 120-130), the Export Administration Act of 1979 (50 U.S.C. App. 2401-2420), the Arms Export Control Act of 1976 (22 U.S.C. 2751), the International Emergency Economic Powers Act (50 U.S.C. 1701-1707), Executive Order 13222 and all sanctions programs implemented by the Office of Foreign Assets Control of the U.S. Department of the Treasury) without first obtaining any necessary export authorizations, licenses or other approvals from applicable government authorities. Customer will indemnify, defend, and hold harmless Darktrace from and against any claim, loss, liability, or damage suffered by Darktrace related to Customer's breach of this provision.

16.12. **ITAR/FAR.** Customer understands that employees of Darktrace and/or its suppliers may have access to native data to perform the Support Services herein and represents that none of this data requires protection from access by foreign persons because it contains technical information regarding defense articles or defense services within the meaning of the United States International Traffic in Arms Regulations (22 CFR 120) or technical data within the meaning of the United States Export Administration Regulations (15 C.F.R. 730-774). If any of this data does contain any such information, Customer will either lock down access to such data and/or identify any folders containing such data as export controlled information and acknowledges that special service rates may apply thereto.

16.13. **Waiver.** Each Party agrees that the failure of the other Party at any time to require performance by such Party of any of the provisions herein shall not operate as a waiver of the rights of such Party to request strict performance of the same or like provisions, or any other provisions hereof, at a later time.

16.14. **Headings.** All headings used herein are for convenience of reference only and shall not in any way affect the interpretation of this Agreement.

[The remainder of this page is intentionally left blank]
1. Defined Terms.

1.1 Terms defined in this Appendix 1 shall have the meanings given below. Defined terms may be used in the singular or plural depending on the context.

"Affiliate" means any corporation or other business entity that directly or indirectly controls, is controlled by or is under common control with a party. Control means direct or indirect ownership of or other beneficial interest in fifty percent (50%) or more of the voting stock, other voting interest, or income of a corporation or other business entity.

"Alerts" means features of the Products which may generate alerts of suspected malicious activity on a Customer’s network.

"Appliance" means the combined Hardware and Software elements of the Products.

"Call Home" means the secure and encrypted channel which connects the Appliance to Darktrace central management.

"Confidential Information" as defined in Clause 15, "Confidentiality".

"Customer Data" means all data and information provided by Customer to Darktrace under this Agreement in connection with the performance by Darktrace of the Services.

"Data Privacy Laws" means the Data Protection Act 1998, the Privacy and Electronic Communications (EC Directive) Regulations 2003, and laws of similar purpose or effect in any relevant jurisdiction, in each case as amended, updated, re-enacted or replaced from time to time.

"Documentation" means user manuals for the Product consisting of the applicable installation guides, service descriptions, technical specifications, and online help files provided by Darktrace or available on Darktrace’s online portal.

"Evaluation Period" is as defined in Clause 3.1, “Term”.

"Fees" means all applicable fees as set forth in the Schedule (payable to Darktrace, or its authorized reseller, as applicable).

"Hardware" means any hardware device (including embedded firmware) shipped and installed as part of the Products.

"Hardware Fee" means the cost price to Darktrace of the Hardware or such other amount described as “Hardware Fee” in a Schedule.

For the avoidance of doubt, if additional Hardware is required after the initial Installation (i.e., after the Evaluation Period), the costs of any additional Hardware shall be identified to Customer and such costs will be passed on to Customer by Darktrace or its authorized reseller.

"Information Security Standards" means Darktrace’s information security code of conduct, as amended from time to time in Darktrace’s sole discretion and available upon request.

"Installation" is as defined in Clause 6.1.

"Intellectual Property" means patents, trademarks, service marks, rights (registered or unregistered) in any designs, applications for any of the foregoing, trade or business names, copyright (including rights in computer software) and topography rights, know-how, secret formulae and processes, and other proprietary knowledge and information, internet domain names, rights protecting goodwill and reputation, database rights (including rights of extraction) and all rights and forms of protection of a similar nature to any of the foregoing or having equivalent effect anywhere in the world and all rights under licences and consents in respect of any of the rights and forms of protection mentioned in this definition (and "Intellectual Property Rights" shall be construed accordingly).

"Licensed Products" means all or each (as the context so allows) of those software programs which are installed on the Hardware, together with the Documentation and any of the Upgrades and Updates to those software programs.

"Open Source Software" means third party software that Darktrace distributes with the Software pursuant to a license that requires, as a condition of use, modification and/or distribution of such software, that the software or other software combined and/or distributed with it be (i) disclosed or distributed in source code form; (ii) licensed for the purpose of making derivative works; (iii) redistributable at no charge; or (iv) redistributable but subject to other limitations.

"Products" means the Appliances, Licensed Products and Services which may be supplied by Darktrace to Partner, as listed herein, as such may be amended by Darktrace from time to time, together with applicable Documentation, Upgrades and Updates.

"Professional Services" means services and/or training services performed by Darktrace’s personnel and/or agents for the benefit of Customer as agreed in a Schedule (if applicable).

"Regulated Data" means, generally, information relating to an identified or identifiable natural person, or other regulated data types, as defined by applicable privacy or data protection laws.

"Schedule" means either the pricing schedule or quotation prepared by Darktrace or its authorized reseller, as applicable, or other ordering document prepared by the Customer and accepted by Darktrace, which identifies the products and any services ordered by Customer from Darktrace or its authorized reseller, the Term, the quantity, the applicable fees and any other restrictions (if any).
"Service" means collectively or individually, the Support Services and/or Professional Services, as set forth in the applicable Schedule;

"Shipment Date" means the earliest calendar day in which Darktrace: (i) initially ships to Customer the Products via a reputable overnight courier; (ii) allows Customer to access the Products via a file transfer protocol (FTP) site;

"Site(s)" means the Customer’s business location or its datacentre at the locations described in a Schedule;

"Software" means the Darktrace or its licensor’s proprietary software (in object code form) delivered to Customer as part of the Products or on a standalone basis, together with all enhancements, error corrections, and/or updates which are generally made available by Darktrace as part of the Products. The term Software does include Third Party Software, where applicable. The term "Software" does not include Open Source Software;

"Support Services" means the support and maintenance services provided as part of the Products as described in a Schedule (if applicable);

"Term" is as defined in Clause 3, “Term”;

"Third Party Licensor(s)" means the suppliers of the Third Party Software to Darktrace;

"Third Party Software" means (i) any software or other technology that is licensed to Darktrace from Third Party Licensor(s) which is not proprietary to Darktrace, but which Darktrace has the necessary rights to license to Customer; and (ii) Open Source Software;

"Threat Intelligence Reports" or "TIRs" is as defined in Clause 6.3;

"Updates" means collectively all error correction(s), minor enhancement(s), major enhancement(s) and new releases, provided under Support Services in connection with Software licensed to Partner or an End-User, as applicable;

"Upgrades" means any enhancement, feature or improvement to the functionality of the Software (excluding Updates), which are made commercially available by Darktrace as part of Support Services at its sole discretion from time to time and the associated Documentation;

"Use" is as defined in Clause 5.1 “Licence Grant and Restrictions”.

1.2. Construction and Precedence, In this Agreement (except where the context otherwise requires):-

1.2.1. any reference to a clause or schedule is to the relevant clause or schedule of or to this Agreement and any reference to a paragraph is to the relevant paragraph of the clause or schedule in which it appears;

1.2.2. the index and clause headings are included for convenience only and shall not affect the interpretation of this Agreement;

1.2.3. use of the singular shall include the plural and vice versa;

1.2.4. use of any gender shall include the other gender;

1.2.5. any reference to persons includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations and trust (in each case whether or not having separate legal personality);

1.2.6. any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

1.2.7. any reference to any other document is a reference to that other document as amended, varied, supplemented, or novated (in each case, other than in breach of the provisions of this Agreement) at any time.

1.3. The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement and any reference to this Agreement includes the Schedules. Unless as otherwise specifically agreed to in a writing signed by each of the parties, if there is any conflict or inconsistency between this Agreement, exhibit or annex hereto, any Schedule issued hereunder, and or any document incorporated by reference, such conflict or inconsistency will be resolved by giving precedence: (a) first, to this Agreement; (b) second, to an Schedule; (c) third, to an addendum; and (d) fourth, to any documents incorporated by reference; provided, however that any Schedule or addenda may precede and control over the Agreement if mutually agreed upon by the parties and expressly stated solely with respect to the Products in the Schedule or addendum.

[End of Agreement]
## DARKTRACE PRODUCT SUPPORT AND ANALYTICS SERVICES

### overview

**service overview**

Darktrace Support Service and Analytics team provides remote assistance support for the Darktrace Enterprise Immune System Appliance ("Appliance"). The Darktrace Support and Analytics Service gives you the flexibility to choose between different service packages with predefined service levels or to address your specific support needs by configuring optional service features and choosing from additional response time and coverage window alternatives.

**service highlights (depending on services tier)**

- Telephone and email helpdesk
- Remote problem diagnosis and support
- Error corrections and software updates
- Hardware support and firmware updates
- Replacement parts and materials
- Cyber threat monitoring by experienced analysts
- Flexible coverage windows

**Support Helpdesk Numbers / Email**

Refer to the Darktrace Support Guide

### service plans

Not all service level options are available on all products. The service level option you have chosen will be specified in your contract documentation.

<table>
<thead>
<tr>
<th></th>
<th>Base Appliance</th>
<th>Bronze(^1)</th>
<th>Silver(^1)</th>
<th>Gold(^1)</th>
<th>Platinum(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helpdesk / Remote problem diagnosis and support</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Hardware Support Return to Base</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Weekly Threat Intelligence Reporting (TIR)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Health checks and diagnostics</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ticket-based Analyst Support (Incident Management) (Mon-Fri 9am-5pm)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Same Day Threat Notification</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phone-based On Demand Analyst Support (Incident Management) (Mon-Fri 9am-5pm)</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24/7 On Demand Analyst Support (Incident Management)</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Each of these Services Levels requires access via Call Home.

### specifications

Service coverage, including availability of specific service levels, geographic limitations, response times, coverage windows, may vary from country to country and must be checked at the time of purchase.

<table>
<thead>
<tr>
<th>feature</th>
<th>delivery specifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helpdesk / Remote problem diagnosis and support</td>
<td><strong>Telephone Hotline Support.</strong> Darktrace provides telephone assistance from its technical support personnel during the coverage hours. Telephone support will be available in the English language. <strong>Email Support.</strong> Darktrace will provide email support from its technical support personnel during the coverage hours. Telephone support will be available in the English language.</td>
</tr>
</tbody>
</table>
## DARKTRACE PRODUCT SUPPORT AND ANALYTICS SERVICES

| **Hardware support (return to base)** | For reported problems, Darktrace may initiate and perform remote diagnostics using electronic remote support tools, where available, to access your equipment or other means available to facilitate remote problem resolution.

**Error Correction.** Darktrace shall use reasonable endeavours to correct verifiable and reproducible errors based on standard reproducible test case methodology when reported to Darktrace by Customer and acknowledged by Darktrace. Where a verifiable error exists i.e. that which constitutes unexpected or deviant code execution from baseline standard, the error correction, when completed, may be provided in the form of a software patch and or workaround. The Customer acknowledges that all reported errors may not be corrected but Darktrace shall use reasonable endeavours to do so. Customer will implement temporary procedures or workarounds provided by Darktrace while Darktrace works on a permanent solution. If Customer fails to implement any temporary procedures, resulting in the failure of the Supplies, Darktrace shall have no liability under this agreement for such failure.

Darktrace provides all parts and materials necessary to maintain your covered hardware product in good operating condition other than racking, data-feeds and third party products (such as taps and network aggregators), including parts and materials subject to submitting a Return to Manufacturer Authorization request through the Help Desk.

Upon discovery of any failure of the Hardware and/or any component parts, Darktrace will ship replacement Hardware and/or component part(s) which may be an equivalent or a later revision (the "Advance Replacement Hardware"). While Darktrace will endeavour to ship Advance Replacement Hardware within a reasonable period, the Customer acknowledges and agrees that transport delays, import and export requirements, and other factors outside of Darktrace's control may affect delivery timescales.

Customer is responsible for performing the following functions prior to return shipping a failed product to Darktrace: a) perform all steps for self-test and trouble-shooting specified in the operating manual for the product; b) provide, in writing, the model number, serial number, current failure symptoms, pertinent failure history and ship-to address (if applicable); c) unless the Darktrace product will be delivered and picked up in person by Darktrace, Customer is responsible for packaging the failed Darktrace product carefully in the original or Darktrace provided shipping container, or a shipping container that prevents the Darktrace product from being damaged while in transit to Darktrace; and d) all parts original shipped must be returned (including rails, transceivers and power cables).

Darktrace shall not be responsible for maintaining or protecting any configuration settings or data found on the returned Hardware or component part(s).

Replacement parts provided under Hardware support may be whole unit replacements, or be newer or functionally equivalent to new in performance and reliability and warranted as new. Replaced parts of Hardware, once returned to Darktrace, become the property of Darktrace, unless Darktrace agrees otherwise.

Should (i) the Hardware or component parts returned by Customer be deemed not to be defective or "no fault found", or (ii) a returned Appliance be missing any Hardware or component parts, or (iii) Customer fail to return allegedly defective Hardware or any component parts required by Darktrace within the time limit required, Darktrace will invoice and Customer agrees to pay the cost of the Hardware and/or component parts, as applicable.

For components that are discontinued, an upgrade path may be required. Darktrace will work with you to recommend a replacement part.

For the avoidance of doubt, the Support Services do not include replacement of end-of-life Hardware.

| **Daily Systems checks and periodic Software Updates** | Darktrace undertakes regular health checks to ensure Appliances are functioning correctly. The health checks are collected every four hours, and includes the following types of metrics:

- CPU performance |

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## DARKTRACE PRODUCT SUPPORT AND ANALYTICS SERVICES

| Weekly Threat Intelligence Reporting | Darktrace will provide weekly summaries of the most prominent security incidents identified by the Darktrace cyber analysts of suspected malicious activity on a Customer's network. |
| Ticket-based Analyst Support (Incident Management) | Customer can enter ticket requests for assistance from an expert Darktrace cyber analyst (eg, interpretation) up to four times per month with respect to confirmed incident management of alerts produced by the Appliance. |
| Same Day Threat Notification | Darktrace will alert Customer's named operators if Darktrace cyber analysts have discovered any Priority 1 alert (from Darktrace's models) which has been confirmed by a Darktrace cyber analyst and deemed to be a board advisory level threat. |
| Phone-based On Demand Analyst Support (Incident Management) | Customer can make telephone support requests for assistance from an expert Darktrace cyber analyst (eg, interpretation) up to four times per month with respect to confirmed incident management of alerts produced by the Appliance. |

### Coverage window

- The coverage window specifies the coverage hours during which your calls may be logged and service is delivered remotely or onsite (as applicable). Calls received and answered outside this window will be logged the next business day for which you have a coverage window.
- Standard business hours: 8:00 am to 5:00 pm in the local time zone, Monday through Friday, except for public holidays.
- 24x7: Service is available 24 hours per day, Monday through Sunday, excluding public holidays.

### Assumptions

| duration | The Service coverage period starts on the original purchase date of the covered product and continues for the period of time agreed in the applicable contractual documentation. Darktrace shall only be liable to provide Support Services provided the customer is current with its payment of fees in respect of the Support Services. If Customer does not renew a Support Services term, but continues to access the Support Services, Darktrace shall be entitled to invoice Customer for any period of Support Services provided. |

| Call Home | Darktrace Appliances can be configured to connect to Darktrace Central Management over a secure and encrypted channel to receive patches and updates. For certain of the Service Plans, the remote analysis support is dependent on the granting of Call Home access for the analysts to be able to interact with the Appliance. A Darktrace appliance operating Call-Home will attempt to establish a connection. |
## DARKTRACE PRODUCT SUPPORT AND ANALYTICS SERVICES

<table>
<thead>
<tr>
<th>Customer Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upon Darktrace’s request, you are responsible to assist Darktrace in resolving the problem remotely in providing all information necessary for Darktrace to deliver timely and professional remote support or to enable Darktrace to determine the level of support eligibility, including:</td>
</tr>
<tr>
<td>- starting self-tests and/or other diagnostic tools and programs; and</td>
</tr>
<tr>
<td>- installing customer-installable firmware updates and patches</td>
</tr>
<tr>
<td>- performing other reasonable activities to help Darktrace identify and resolve the problem.</td>
</tr>
<tr>
<td>Darktrace may also provide you with self-installable parts or units, to be installed by you following written instructions from Darktrace.</td>
</tr>
<tr>
<td>Customer must maintain a separate backup system or procedure for its network data that is not dependent on the Offering.</td>
</tr>
<tr>
<td>Customer will notify Darktrace if it uses the Offering in an environment that poses a potential health or safety hazard to Darktrace employees or subcontractors. Darktrace may require Customer to maintain the Offering under Darktrace supervision and may postpone service until such hazards are remedied.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General</th>
</tr>
</thead>
<tbody>
<tr>
<td>Darktrace will not be liable to provide Support Services with respect to an Appliance which is faulty on the basis of: (i) improper use, site preparation, or site or environmental conditions or other non-compliance with applicable Documentation or these terms, as applicable; (ii) failure or functional limitations of any non-Darktrace software or product impacting systems receiving Darktrace Hardware Support Services; (iii) malware (e.g., virus, worm, etc.) introduced by Customer; or (iv) modifications or improper system maintenance or calibration not performed by Darktrace or authorized in writing by Darktrace; (v) fire damage, water damage, accident, electrical disturbances, transportation by Customer, or other causes beyond Darktrace's control.</td>
</tr>
<tr>
<td>NO ADVICE, ALERT, OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY CUSTOMER FROM DARKTRACE OR THROUGH OR FROM THE SUPPORT SERVICES SHALL CREATE ANY WARRANTY NOT EXPRESSLY STATED IN THIS AGREEMENT. DARKTRACE SHALL NOT BE LIABLE FOR ANY ERRORS OR DELAYS IN THE CONTENT OR ALERTS AVAILABLE THROUGH THE SUPPORT SERVICES, OR FOR ANY ACTIONS TAKEN IN RELIANCE THEREON. THE CUSTOMER UNDERSTANDS AND ACKNOWLEDGES THAT ALL ANOMALIES / INTRUSIONS MAY NOT BE REPORTED.</td>
</tr>
<tr>
<td>Darktrace may discontinue support for products and specific support services no longer included in Darktrace’s Offering upon six (6) months’ prior written notice, unless otherwise agreed in writing. If Darktrace cancels prepaid support pursuant to this paragraph or Customer otherwise cancels prepaid support, Darktrace shall refund Customer a pro-rata amount for the unused prepaid support.</td>
</tr>
<tr>
<td>Additional services performed by Darktrace at Customer’s request, and that are not included in the Support Services, will be chargeable at the applicable published service rates for the country where the service is performed.</td>
</tr>
</tbody>
</table>
Darktrace Hardware Data Sheet: DCIP-X2-11G

Darktrace appliances are highly tuned, high performance pieces of hardware that host the Darktrace platform. There are multiple types of Darktrace appliance, with different throughput capacities and options for data ingestion. Darktrace’s technical experts will help you decide which type of appliance you need based on the organization’s bandwidth and the number of internal devices present.

The Darktrace DCIP X series appliances are capable of ingesting data from multiple sources over different types of cable media. The X series is suitable for deployment in higher capacity environments and can operate as a master or probe as part of a distributed Darktrace deployment, or can function as a standalone device. The X series can be further expanded by additional network interface modules to provide further flexibility in deployment configuration.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Form factor</td>
<td>2U rack mountable</td>
</tr>
<tr>
<td>Dimensions</td>
<td>16.93&quot; W x 3.44&quot; H x 27.95&quot; L</td>
</tr>
<tr>
<td>Weight</td>
<td>69 lbs / 32 Kg</td>
</tr>
<tr>
<td>Racking</td>
<td>Fits 19&quot; rack</td>
</tr>
<tr>
<td>Interface admin ports</td>
<td>1 x 10/100/1000 BASE-T</td>
</tr>
<tr>
<td>Remote management ports</td>
<td>1 x 10/100/1000 BASE-T</td>
</tr>
<tr>
<td>Copper monitoring ports</td>
<td>3 x 10/100/1000 BASE-T</td>
</tr>
<tr>
<td>SFP+ monitoring ports</td>
<td>2 x 10Gbe/1Gbe SFP+</td>
</tr>
<tr>
<td>Average sustained throughput</td>
<td>Up to 5Gbps</td>
</tr>
<tr>
<td>Maximum unique internal devices</td>
<td>Up to 36,000 devices analyzed</td>
</tr>
<tr>
<td>Maximum connections per minute</td>
<td>100,000</td>
</tr>
<tr>
<td>Power supply</td>
<td>Dual 750W IEC 13C 120/240V</td>
</tr>
<tr>
<td>Power consumption</td>
<td>Idle: 128 W - 436 BTU/hr</td>
</tr>
<tr>
<td></td>
<td>85%: 365 W - 1245 BTU/hr</td>
</tr>
<tr>
<td></td>
<td>Maximum: 426 W - 1453 BTU/hr</td>
</tr>
<tr>
<td>Safety certification</td>
<td>UL 60950 CSA 60950, EN 60950, IEC 60950 CB Certificate &amp; Report, IEC 60950</td>
</tr>
<tr>
<td>EMI Certification</td>
<td>FCC Part 15, Class A (CFR 47) (USA), ICES-003 Class A</td>
</tr>
</tbody>
</table>

Average sustained throughout, maximum unique internal devices and maximum connections per minute are dependent on the type of traffic analyzed, the behavior of the devices and the application of software features. The values in this table have been derived from real-world corporate networks, and refer to a sustained rate, allowing for traffic peaks. Every network is different and so these metrics should be used as a guide only. In addition, the exact throughput capacity of any metric is dependent on the type and nature of the traffic seen by Darktrace.
Supported expansion modules

The DCIP-X2-11G appliance supports the following expansion modules:

- 2-port 10G/1G SFP+
- 4-port 1G RJ45 1000 BASE-T

Connecting the appliance to a network

The DCIP-X2 appliance contains the following physical ports, shown in the diagram below.

- 1 x 1Gbe admin interface
- 1 x out of band interface
- 1 x 1Gbe analysis port
- 2 x 1Gbe / 10Gbe analysis ports
- 2 x SFP+ analysis ports
INTRODUCED BY COUNTY SERVICES AND FINANCE COMMITTEES OF THE:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO APPROVE THE PURCHASE OF DARKTRACE

WHEREAS, Ingham County needs protect our data and our network from cyber threats; and

WHEREAS, Darktrace Cyber Intelligence Platform identifies indicators of potential compromise, alerting staff to take the appropriate actions to mitigate the perceived threats; and

WHEREAS, Darktrace is unique among providers of network monitoring tools, in that it offers a machine-learning, behavior-based model to identify potential threats; and

WHEREAS, the purchase price of said appliance and service will be $29,999.00 per year for 2 years.

THEREFORE BE IT RESOLVED, that the Board of Commissioners do hereby authorize the purchase of Darktrace in the amount not to exceed $59,998.00.

BE IT FURTHER RESOLVED, that the total cost will be paid out of the county’s Network Fund #63625810-932034.

BE IT FURTHER RESOLVED, that the Controller is authorized to make any necessary budget adjustments.

BE IT FURTHER RESOLVED, that the Chairperson of the Ingham County Board of Commissioners is authorized to sign any contract documents consistent with this resolution and approved as to form by the County Attorney.
Memorandum

To: Ingham County Board of Commissioners

From: James M. Benjamin, Director of Operations, Ingham County Road Department

Date: 8/25/2016

Re: ITB #141-16

This memo is to support the Resolution requesting approval to purchase grader blades and wing plow blades for the Road Department.

The RD has been using tungsten insert grader blades for road maintenance in all seasons for over 20 years. Junior wing plows have been equipped on all RD new truck purchases since 2012 and are used for snow removal only.

On August 25, 2016, sealed bids from ITB 141-16 were opened for the 2016/2017 supply of tungsten insert grader blades and carbon steel junior wing plow blades needed by the Road Department, (RD). There were nine bids received. The two lowest bids were from Chemung Supply Corporation, who is a vendor for Bucyrus brand blades with a bid of $39,012.00 and Valk Manufacturing Company, who is the manufacturer of Valk brand blades with a bid of $39,734.50.

The RD has purchased and used both Bucyrus and Valk blades in the past and found that although both brands are acceptable, Valk blades have better fitting qualities, (which reduces changing time), and better wear characteristics, (which reduces changing frequency), than Bucyrus blades.

It is therefore recommended that Valk Manufacturing Company, (second low bidder), be awarded as the primary supplier and that Chemung Supply, (lowest bidder), be awarded as secondary supplier, to be used in the event of inferior product or lack of supply from Valk Manufacturing Company.
TO: Jim Benjamin, Road Department  
FROM: James Hudgins, Director of Purchasing  
jhudgins@ingham.org  
DATE: August 25, 2016  
RE: Memo of performance for ITB No. 141-16: Single Tungsten Carbide Insert Grader Blades and Jr Wing Plow Blades

Per your request, the Purchasing Department sought bids for the purchase of its 2016/17 seasonal requirements of single tungsten carbide grader blades and junior wing plow blades for the Ingham County Road Department.

The RFP was advertised in the Lansing State Journal and posted on the following sites: Michigan Infrastructure and Transportation Association Disadvantaged Business Enterprises (MITADBE); County Road Association of Michigan (CRA of MI); and Ingham County Purchasing Department.

The Purchasing Department can confirm the following:

<table>
<thead>
<tr>
<th>Function</th>
<th>Overall Number of Vendors</th>
<th>Number of Local Vendors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor invited to propose</td>
<td>19</td>
<td>2</td>
</tr>
<tr>
<td>Vendors responding</td>
<td>09</td>
<td>0</td>
</tr>
</tbody>
</table>

Bidders not bidding: Grand Equipment Company, Hudsonville, MI. We probably cannot fill your needs at a competitive price on this product at this time.

The following grid is summary of the vendors’ costs:

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Local Pref.</th>
<th>Single Tungsten Carbide Insert Grader Blade (Per Blade)</th>
<th>Single Tungsten Carbide Insert Grader Blade (Total Price 250)</th>
<th>Junior Wing Plow Blades (Per Blade)</th>
<th>Junior Wing Plow Blades (Total Price 50)</th>
<th>Total Purchase Price of all Blades for 2016-2017 Winter Season</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemung Supply Corporation</td>
<td>No, NY</td>
<td>$141.89</td>
<td>$35,472.50</td>
<td>$70.79</td>
<td>$3,539.50</td>
<td>$39,012.00</td>
</tr>
<tr>
<td>Valk Manufacturing Company</td>
<td>No, PA</td>
<td>$142.96</td>
<td>$35,740.00</td>
<td>$79.89</td>
<td>$3,994.50</td>
<td>$39,734.50</td>
</tr>
<tr>
<td>Truck &amp; Trailer Specialties Inc.</td>
<td>No, Dutton MI</td>
<td>$158.62</td>
<td>$39,655.00</td>
<td>$82.54</td>
<td>$4,127.00</td>
<td>$43,782.20</td>
</tr>
<tr>
<td>Castlebar Corporation</td>
<td>No, OH</td>
<td>$164.09</td>
<td>$41,021.50</td>
<td>$77.19</td>
<td>$3,859.50</td>
<td>$44,881.00</td>
</tr>
<tr>
<td>Alta Equipment Company</td>
<td>No, Eaton County MI</td>
<td>$166.33</td>
<td>$41,582.50</td>
<td>$86.31</td>
<td>$4,159.50</td>
<td>$45,742.00</td>
</tr>
<tr>
<td>Shults Equipment Inc.</td>
<td>No, Ithaca MI</td>
<td>$173.00</td>
<td>$43,250.00</td>
<td>$90.75</td>
<td>$4,537.50</td>
<td>$47,787.50</td>
</tr>
<tr>
<td>St. Regis Culvert Inc.</td>
<td>No, Eaton County MI</td>
<td>$204.00</td>
<td>$51,000.00</td>
<td>$105.00</td>
<td>$5,250.00</td>
<td>$56,250.00</td>
</tr>
<tr>
<td>Michigan CAT</td>
<td>No, Eaton County MI</td>
<td>$182.09</td>
<td>$45,022.50</td>
<td>na</td>
<td>na</td>
<td>$45,022.50</td>
</tr>
<tr>
<td>Winter Equipment Company</td>
<td>No, OH</td>
<td>$295.20</td>
<td>$73,800.00</td>
<td>na</td>
<td>na</td>
<td>$73,800.00</td>
</tr>
</tbody>
</table>

You are now ready to complete the final steps in the process: 1) Evaluate the submissions based on the criteria established in the ITB; 2) confirm funds are available; 3) submit evaluation to the Purchasing Department with your recommendation; 4) write a memo of explanation; and, 5) prepare a resolution for Board approval.

This Memorandum is to be included with your memo and resolution submission to the “resolutions group” as acknowledgement of the Purchasing Department’s participation in the proposal process.

If I can be of further assistance, please email jhudgins@ingham.org
WHEREAS, the Road Department periodically needs to replace the cutting edges of the snow plow blades on its plow trucks for winter and gravel road maintenance; and

WHEREAS, the Road Department adopted 2016/2017 budgets include expenditure funds for this purchase; and

WHEREAS, Bids were solicited by the Purchasing Department through ITB #141-16 for tungsten insert grader blades and carbon steel, junior wing plow blades needed by the Road Department for the coming 2016/2017 winter season; and

WHEREAS, it is the recommendation of the Road Department to award this bid to Valk Manufacturing Company as the primary supplier, and secondly to Chemung Supply Corporation, to be utilized in the event of inferior product or lack of supply from the primary provider.

THEREFORE BE IT RESOLVED, the Board of Commissioners accepts the bids, and authorizes the purchase of the Road Department’s 2016/2017 supply of tungsten insert grader blades and carbon steel, junior wing plow blades from Valk Manufacturing Company and to Chemung Supply Corporation as an alternate vendor.

BE IT FURTHER RESOLVED, that the Road Department and Purchasing Department are hereby authorized to execute purchase orders with Valk Manufacturing Company and Chemung Supply Corporation, to purchase grader blades as needed and budgeted.
MEMORANDUM

To: County Services & Finance Committees

From: William Conklin, Managing Director
Ingham County Road Department

Date: August 31, 2016

RE: Revised Resolution for 2016 Local Road Program Agreement with Delhi Township

Per resolution 16-299 adopted by the Board of Commissioners June 28, 2016, an agreement with Delhi Township was authorized for a local road project in the English Meadows subdivision in Delhi Township to be funded by the subdivision residents per a special assessment.

As the estimated cost of the project, $260,000 exceeds the Township Board’s previously approved special assessment total amount for this project, $245,000, Delhi Township wishes to revise the above mentioned agreement to use available local road program match funds designated for Delhi Township’s local roads in the road department county road fund budget equally matched by township funds to fund the difference—estimated to be $15,000, or actual final difference, or $7,500 each—road fund and township match. The Road Department agrees with this request.

Approval of the attached, proposed resolution is thus recommended for a revised agreement or agreement amendment to this effect.
WHEREAS, per Resolution 16-299 adopted by the Board of Commissioners June 28, 2016, an agreement with Delhi Township was authorized for a local road resurfacing project in the English Meadows subdivision in Delhi Township to be funded by the subdivision residents per a special assessment, at a total estimated cost of $260,000.00; and

WHEREAS, the estimated cost of the project, $260,000 exceeds the Township Board’s previously approved special assessment total amount for this project, $245,000; and

WHEREAS, Delhi Township thus wishes to revise the above mentioned agreement to use available local road program match funds designated for Delhi Township’s local roads in the road department county road fund budget equally matched by township funds to fund the difference—estimated to be $15,000, or actual final difference, or $7,500 each—road fund and township match; and

WHEREAS, for 2016 the County on behalf of the Road Department has allocated to Delhi Township’s local roads, a maximum annual sum of $66,000 plus carry-over from prior years of $41,152.56, for a total available in 2016 of $107,152.56 from the County Road Fund; and

WHEREAS, the Road Department agrees with this request.

THEREFORE BE IT RESOLVED, that for 2016 the County on behalf of the Road Department has allocated to Delhi Township’s local roads, a maximum annual sum of $66,000 plus carry-over from prior years of $41,152.56, for a total available in 2016 of $107,152.56 from the County Road Fund, which shall be matched equally by the Township to the extent used.

BE IT FURTHER RESOLVED, the County on behalf of the Road Department agrees to contribute one half of the difference between the final cost of the above-mentioned English Meadows subdivision street resurfacing project and the above-mentioned special assessment amount for this project of $245,000, estimated to be $7,500, up to a maximum of $107,152.56, from the County Road Fund.

BE IT FURTHER RESOLVED, that the Ingham County Board of Commissioners authorizes revising or amending the above mentioned agreement with Delhi Township approved per resolution 16-299 adopted by the Board of Commissioners June 28, 2016 as provided above.

BE IT FURTHER RESOLVED, that the Ingham County Board of Commissioners authorizes the Board Chairperson to sign any necessary agreement that is consistent with this resolution and approved as to form by the County Attorney.
Introduced by the County Services and Finance Committees of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO AMEND RESOLUTION #16-331 WHICH AUTHORIZED A SECOND PARTY AND THIRD-PARTY AGREEMENTS

WHEREAS, the Ingham Board of Commissioners, in Resolution No. 16-331, authorized entering into a third party agreement with the Charter Township of Meridian to construct township requested sanitary sewer work along Park Lake Road, on behalf of the Charter Township of Meridian; and

WHEREAS, an additional $66,900 (estimated) of township sidewalk and utility work has been requested, which adds to the amount of funds to be paid by the Charter Township of Meridian stated in Resolution No. 16-331; and

WHEREAS, it is necessary to amend Resolution #16-331 to include this information, which changes the funding amounts as illustrated below:

<table>
<thead>
<tr>
<th></th>
<th>Original</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal STP Urban Funding</td>
<td>$532,100</td>
<td>$532,100</td>
</tr>
<tr>
<td>Federal CMAQ Funding</td>
<td>$285,474</td>
<td>$285,474</td>
</tr>
<tr>
<td>MDEQ Scrap Tire Grant:</td>
<td>$180,000</td>
<td>$180,000</td>
</tr>
<tr>
<td>Township Requested Work:</td>
<td>$59,100</td>
<td>$126,000</td>
</tr>
<tr>
<td>Road Department Match:</td>
<td>$188,264</td>
<td>$188,264</td>
</tr>
<tr>
<td></td>
<td>$1,244,938</td>
<td>$1,311,838</td>
</tr>
</tbody>
</table>

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners hereby amends Resolution No. 16-331, which authorizes entering into a third party agreement with the Charter Township of Meridian by increasing the township participation by $66,900 for a total estimated cost of $126,000 in Charter Township of Meridian funds.

BE IT FURTHER RESOLVED, that all other terms and conditions of Resolution No. 16-331 shall remain the same.
TO:        Board of Commissioners County Services & Finance Committees
FROM:     Tim Morgan, Parks Director
DATE:     September 6, 2016
SUBJECT:  Application Form for the Trails and Parks Program
For the meeting agenda of 9/20/16 County Services and 9/21/16 Finance

BACKGROUND
Board of Commissioners Resolution 16-106 declared that a second round of applications would be taken
beginning October 1, 2016 that would address new construction as identified as regional priority corridors in
figure 24 of the Ingham County Trails and Parks Comprehensive Report, and special projects (including blue
ways) as well as repairs, rehabilitation, and long-term maintenance projects.

Board of Commissioners Resolution 16-106 stated the Application form would be reviewed and approved by
the Board of Commissioners prior to the second round.
Input was sought from local entities and changes have been made to the Application as noted in Exhibit A.

ALTERNATIVES
The Park Commission Executive Committee met to review and incorporate the input from the local entities that
was received after the first round of applications as well incorporated staff’s input from an administrative
perspective after review the first round applications. The results were refined to produce the most viable and
acceptable approach to Trails & Parks Application and Scoring and Ranking for the applications. This process
will be repeated annually with the review by the Park Commission moving forward with the Trails & Parks
Millage to ensure that the application and scoring criteria stay current and are in line with the needs of the
program.

FINANCIAL IMPACT
There are no financial impacts.

OTHER CONSIDERATIONS
This resolution is running concurrent with the Park Commission.

RECOMMENDATION
Based on the information presented, I respectfully recommend approval of the resolution authorizing the edits to
the Trails and Parks Program Application.
WHEREAS, Board of Commissioners Resolution 16-106 stated the Application form would be reviewed and approved by the Board of Commissioners prior to the second round; and

WHEREAS, the Application is attached in Exhibit A.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners authorizes the application in Exhibit A to be used for the Trails and Parks Program Applications for the second round of applications to be taken beginning October 1, 2016 that will address new construction as identified as regional priority corridors in figure 24 of the Ingham County Trails and Parks Comprehensive Report, and special projects (including blue ways) as well as repairs, rehabilitation, and long-term maintenance projects.
In November 2014, Ingham County voters approved a 0.5 mill tax millage to support the development of a countywide regional trails and parks system through 2020. The overall goal of the Ingham County Regional Trails and Parks Millage Fund is to create and maintain a sustainable countywide system of recreation trails and adjacent parks within Ingham County.

These funds must be matched by the local community with their own funds, or in-kind services, or funds obtained from other sources, i.e., state, federal or other allocations. Applications for County Trails and Parks Program funding must include a resolution (s) of support for the project from the governing body (ies) of the community where the trail project or blueways project is proposed. Eligible projects must fit the following categories: New Construction; Repair, Rehabilitation, or Long-Term Maintenance; and Special Project(s), (including blueways).

Project applications must be received by 5pm November 26th, 2016 for funding consideration in the following year. Projects deemed worthy of funding may be approved at the February or March 2017 Ingham County Board of Commissioners meeting. The following information will be used by the Ingham County Parks and Recreation Commission in determining and recommending which projects should be funded by the Board of Commissioners.

If applying for multiple projects, applications must be ranked and prioritized from highest to lowest priority by the applicant.

<table>
<thead>
<tr>
<th>APPLICANT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agencies (each project should have its own individual application):</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lead Contact Person:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City:</th>
<th>State:</th>
<th>ZIP Code:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phone:</td>
<td>Fax:</td>
<td>Email:</td>
</tr>
<tr>
<td>PROJECT SUMMARY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ New Construction</td>
<td>Repair, Rehabilitation, Long-term Maintenance</td>
<td>☐ Special Project</td>
</tr>
</tbody>
</table>

Project Title

Project Description
Provide a brief description of your proposed project. Include, as applicable, the type of project (**new construction; repair/rehabilitation/long-term maintenance; special project**), property ownership, and if applicable, the rights in land to be purchased (fee simple, development rights only, etc., minimum of 20 years), the acreage to be acquired, the acreage/length of the existing project and the features of the site.

Project Region-Wide Significance and Benefit to County Residents
1. Discuss how the project is improving regional connectivity.

Your discussion should address how the project provides, supports and relates to the Ingham County regional priority corridors as depicted on Figure 24 of the Ingham County Regional Trails and Parks Network either as an existing trail repair/rehabilitation/long-term maintenance, new regional trail construction or new local trail access to the regional network (including enabling water trail access); improves access to Ingham County Parks; improves access to major regional destinations such as commercial and employment centers as well as community facilities, schools, colleges and universities; expands transportation options; provides for recreation; increases access to sites of natural, scenic or historic interest, and any other related information.
2. Describe how the project responds to public demand and has public support.

Your discussion should address how the project is based on public demand; has been prioritized in adopted plans; has volunteer and/or partner organization support; is a community interest project that supports partnerships, shared resources or coincides with other planning and development activities; has the support of multiple jurisdictions and/or stakeholders; and any other related information.

3. Explain how the project meets acceptable design standards and is the best design solution.

You must have on staff, or hire a Michigan licensed professional engineer, and all construction (new or rehab) must be according to current MDOT standard and specifications for construction of trails, bridges, and boardwalks and any other support facilities. Your description should address how the project is physically separated from streets and roadways where possible; provides a variety of experiences that can be enjoyed by a diversity of users, including people of all ages and abilities; meets or exceeds the minimum accessibility requirements of the ADA; design alternatives to the project have been examined to minimize impact on the environment, meets AASHTO guidelines for alignment, grade, width, vertical clearance, and loading intersection and crossing design (deviation from AASHTO guidelines need to be stated and explained); considers low impact development techniques that protect and enhance significant natural features; and any other related information.
4. Explain how the project is feasible and ready for implementation or development.
Your discussion should address whether your project area is under public ownership or is currently accessible for public use; does not require complex or lengthy acquisition process; does not require a complex or lengthy permitting process; is within an existing corridor such as a transmission line and railroad corridor where it may be feasible to negotiate public access without needing to acquire land; there is an imminent threat to lose the project opportunity; demonstrates cost efficiency; and/or is appropriate and in line with available funds.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td>Discuss how the project supports equitable opportunities.</td>
</tr>
<tr>
<td></td>
<td>Your discussion should address how your project increases or improves access and provides low cost transportation and recreation options for low income populations; is located in a high use area; is located in an underserved area; and/or contributes to an equitable geographical distribution of the millage funds.</td>
</tr>
</tbody>
</table>

|   |   |
6. Describe in detail any other available funders and partners.

Your discussion should address whether your project has funding available through grants or partner contributions; has funding available through donations or in-kind services; and/or has funding available through local community match and what total percent of the project these all account for. This should be detailed on the Estimated Costs/Budget sheet also. Local agencies are required to list Ingham County Parks as a contact in TAP applications that propose Ingham County Parks Milage funding as part of their match.

7. Maintenance Commitment & Plan

Describe your operation and maintenance plan (with budget costs) detailing the amount of money needed to operate and maintain the trail after it is completed, and identify who will be responsible for the work. Describe in detail how the trail will be managed. Include discussion on season length, hours of operation, enforcement provisions, and scheduling.
Design/Scope of the Project - (Attachments as needed)

Provide a detailed description of the project you are proposing, with reference to specific scope items. Describe the features of the project and all factors that affected your design or program. Describe how your design was chosen, and why it is appropriate for the proposed project. Use this opportunity to explain why you chose the type and placement of particular scope and design elements. Explain how your project design meets or exceeds standards. (If your project addresses a clearly identified item from the Ingham County Trails and Parks Comprehensive Report, please identify that with a reference to the report – page #, table #, or identifying marker (i.e. Bridge # CL-01-SCT-SC)).
<table>
<thead>
<tr>
<th>EXPENSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Scope Item(s):</strong></td>
</tr>
<tr>
<td>1-Acquisition/Right-of-Way/Easement/Permits</td>
</tr>
<tr>
<td>2-Design Engineering</td>
</tr>
<tr>
<td>3-Construction</td>
</tr>
<tr>
<td>4-Construction Engineering</td>
</tr>
<tr>
<td>5-Contingency</td>
</tr>
<tr>
<td>6-Other</td>
</tr>
<tr>
<td>7-Other</td>
</tr>
<tr>
<td><strong>Other Fees (i.e., Permitting, etc...)</strong></td>
</tr>
<tr>
<td><strong>Total Project Expenses</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>APPLICANT FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Local Contribution</strong></td>
</tr>
<tr>
<td><strong>Other Grant Contributions</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>In-Kind Support</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Organization</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Total Applicant Funds</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$__________</td>
</tr>
</tbody>
</table>

*Millage Funds REQUESTED (does not count as match) $__________
*This amount (Millage Funds Request) plus the Total Applicant Funds must equal Total Project Expenses
Total % of matching Funds %__________
Match
ATTACHMENTS - REQUIREMENTS

1. Project Location Map & Photos. Attach a project location map and site photographs (clearly identify photos and locations in correlation with your location map).

2. Site Plan. The site plan must show the entire site to be improved/developed, and should delineate and label the location and type of all existing and proposed uses. Features such as wooded areas, wetlands, water bodies, overhead utility lines, and all existing uses, including buildings and other development, need to be identified. The placement of all scope items proposed in the application should be depicted on the site plan. Indicate on your site plan the destinations to which the proposed trail project will connect. Provide a map of the trail network (existing or proposed) to which your project will link.

3. Documentation of Other Funding Sources. You must provide documentation for all the funding sources you indicated on your application form, as follows: if any portion of the match is to be made up of funds from other grant funding sources, if any portion of the match is to be made up of cash, labor, or material donations; include a letter from each donor committing to their donation. If the donor is an adjacent community contributing to the match, include a resolution from their governing body that supports the application and commits to their portion of the match.

4. Certified Resolution. The governing body of the local unit of government must pass a resolution. The resolution should list and commit to the amount of the local match in terms of dollar amount or percentage of total project cost, and all source(s) of match as specified in the application. (This may be obtained and submitted after submission of the application if timing is an issue, but must be before the date of the award by the BOC).

5. After the award, and during construction, entities must display temporary millage recognition signage on site of projects provided by the County. Once complete, must display a permanent recognition plaque on site also provided by the County.

CERTIFICATION

| Signature of Applicant: | Date: |

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Agenda Item 11b

TO: Board of Commissioners County Services & Finance Committees

FROM: Tim Morgan, Parks Director

DATE: September 6, 2016

SUBJECT: Scoring/Ranking Criteria for the Trails and Parks Program Application
For the meeting agenda of 9/20/16 County Services and 9/21/16 Finance

BACKGROUND
The scoring/ranking criteria in Exhibit A will be used to evaluate the Trails and Parks Program Applications for the second round of applications to be taken beginning October 1, 2016 that will address new construction as identified as regional priority corridors in figure 24 of the Ingham County Trails and Parks Comprehensive Report, and special projects (including blue ways) as well as repairs, rehabilitation, and long-term maintenance projects.

ALTERNATIVES
The Park Commission Executive Committee met to review and incorporate the input from the local entities that was received after the first round of applications as well incorporated staff’s input from an administrative perspective after review the first round applications. The results were refined to produce the most viable and acceptable approach to Trails & Parks Application and Scoring and Ranking for the applications. This process will be repeated annually with the review by the Park Commission moving forward with the Trails & Parks Millage to ensure that the application and scoring criteria stay current and are in line with the needs of the program.

FINANCIAL IMPACT
There are no financial impacts.

OTHER CONSIDERATIONS
This resolution is running concurrent with the Park Commission.

RECOMMENDATION
Based on the information presented, I respectfully recommend approval of the resolution authorizing scoring/ranking criteria for the Trails And Parks Program Application.
WHEREAS, Board of Commissioners Resolution 16-106 declared that a second round of applications will be taken beginning October 1, 2016 that will address new construction as identified as regional priority corridors in figure 24 of the Ingham County Trails and Parks Comprehensive Report, and special projects (including blue ways) as well as repairs, rehabilitation, and long-term maintenance projects; and

WHEREAS, the scoring/ranking criteria is attached in Exhibit A.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners authorizes the scoring/ranking criteria in Exhibit A to be used to evaluate the Trails and Parks Program Applications for the second round of applications to be taken beginning October 1, 2016 that will address new construction as identified as regional priority corridors in figure 24 of the Ingham County Trails and Parks Comprehensive Report, and special projects (including blue ways) as well as repairs, rehabilitation, and long-term maintenance projects.
The following criteria will be used to evaluate and select projects. They will be scored from 0 to 5 with 0 being the least desirable and 5 the most positive response. The project’s final score will be based on the sum of all the scores. Criteria to be scored are as follows:

1. How the project improves regional connectivity.
   Score 0-5; 0= does not meet criteria 5=strongly meets the criteria ______ pts
   Improves Regional Connectivity: Projects that improve regional connectivity and access throughout Ingham County will receive a higher priority. To determine whether a project improves regional connectivity or access, the project should address the following:
   - Provides, supports and relates to the Ingham County regional priority corridors as depicted on Figure 24 either as existing trail reconstruction, new regional trail gap construction or new local trail access to the regional network (including enabling water trail access);
   - Improves access to Ingham County Parks;
   - Improves access to major regional destinations such as commercial and employment centers as well as community facilities, schools, colleges and universities;
   - Expands transportation options as well as provide for recreation; and
   - Increases access to sites of natural, scenic or historic interest.

2. How the project responds to public demand and support.
   Score 0-5; 0= does not meet criteria 5=strongly meets the criteria ______ pts
   Responds to Public Demand and Support: Projects that have significant support and meet the needs of the region should be scored and ranked positively. Projects strengthening new or existing partnerships and including the support of volunteers should receive a high priority. To determine whether a project has support, the project should address the following:
   - Is based on public demand;
   - Has been prioritized in adopted plans;
   - Has volunteer and/or partner organization support;
   - Is a community interest project that supports partnerships, shared resources or coincides with other planning and development activities; and
   - Has the support of multiple jurisdictions and/or stakeholders.
3. How the project meets acceptable design guidelines and is the best design solution, including AASHTO Guidelines when appropriate.

Score 0-5; 0= does not meet criteria 5=strongly meets the criteria ______ pts

Meets or Exceeds Design Standards and Is the Best Design Solution: Projects should be able to meet minimum design guidelines and all other design alternatives should be considered. To determine whether a project meets minimum design standards and is the best option, a project should address the following:

- Is physically separated from streets and roadways where possible;
- Provides a variety of experiences that can be enjoyed by a diversity of users, including people of all ages and abilities – projects must meet or exceed the minimum accessibility requirements of the Americans with Disabilities Act (ADA);
- Design alternatives to the project have been examined to minimize impact on the environment;
- Meets minimum standards for grade, width, vertical clearance, intersection and crossing design; and
- Considers low impact development techniques that protect and enhance significant natural features.

4. How the project is feasible and ready for development or repair, rehabilitation, or long-term maintenance.

Score 0-5; 0= does not meet criteria 5=strongly meets the criteria ______ pts

Is Feasible and Ready for Development: Projects that are feasible and ready to implement will receive a higher priority. To determine whether a project is ready and feasible, the project should address the following:

- Is under public ownership or is currently accessible for public use;
- Does not require a complex or lengthy acquisition process;
- Does not require a complex or lengthy permitting process;
- Is within an existing corridor such as a transmission line or a railroad corridor where it may be feasible to negotiate public access without needing to acquire land;
- There is an imminent threat to lose the project opportunity;
- Demonstrates cost efficiency, is appropriate and in line with available funds.

5. How the project supports equitable opportunities.

Score 0-5; 0= does not meet criteria 5=strongly meets the criteria ______ pts

Supports Equitable Opportunities: Projects that improve equity will receive a higher priority. A project that demonstrates equity should address the following:

- Increases access and provides low cost transportation and recreation options for low income populations;
- Is located in a high use area;
- Is located in an underserved area; and
- Contributes to an equitable geographical distribution of the millage funds.
6. How the project provides for other available funders and partners.
   Score 0-5; 0= does not meet criteria 5= strongly meets the criteria ______ pts
   **Has Potential Available Funds**: Projects that have the potential to be funded through state or federal grants, donations, partner contributions or other funding sources will receive a higher priority than projects without other identified funding opportunities. To determine whether a project has leveraged potential available funds, a project should address the following matching % to receive points, \( \text{match} = \text{what total percent of the project all matching dollars account for} \):
   - 0% = 0 pts
   - 1-10% = 1 pts
   - 11-20% = 2 pts
   - 21-30% = 3 pts
   - 31-40% = 4 pts
   - 41 & higher% = 5 pts

7. How the project provides for a maintenance commitment.
   Score 0-5; 0= does not meet criteria 5= strongly meets the criteria ______ pts
   **Maintenance Commitment**: Describe the degree of commitment to continue operation and maintenance of the project. Include an operation and maintenance plan detailing the amount of money needed to operate and maintain the trail after it is completed and identify who will be responsible for the work. Describe in detail how the trail will be managed. Include discussion on season length, hours of operation, limitation on use, enforcement provisions, and scheduling.

   Recipients must be willing to commit to continue the maintenance and operation of the project and provide a realistic operation and maintenance plan/budget (show letter of commitment for funding); and

   This criteria may be fulfilled in cases where applicants demonstrate innovative measures for trail maintenance, such as adopt-a-trail programs supported by volunteer organizations under a nonprofit status.

   Preference given to year-round access and maintenance.
TO: Law & Courts, County Services, and Finance Committees

FROM: John Neilsen, Chief Deputy Controller

DATE: September 5, 2016

SUBJECT: Resolution to Proceed with Plans for Constructing, Equipping, and Financing a New County Animal Shelter Policy

For the meeting agenda of LC September 15, 2016, CS on September 20, 2016 and Finance September 21, 2016

BACKGROUND
The resolution authorizes the Ingham County Building Authority to proceed with the constructing, equipping, and financing a new county animal shelter which would replace the existing facility based on the preliminary plans and cost estimates provided to the Law & Courts Committee on September 15, 2016, County Services on September 20, 2016 and to the Finance Committee on September 21, 2016.

ALTERNATIVES
This follows the customary practice of using the Ingham County Building Authority for this type of significant building project.

FINANCIAL IMPACT
The projected cost of construction, equipment, and financing plus fees, is not to exceed $ 7.14 million for this new replacement Animal Control Shelter Facility. Funds will come from the recently approved the Animal Control Shelter Replacement and Operational Millage

Approved Millage: Up to .24/100 (0.24) of one (1) mill, $0.24 per thousand dollars of state taxable valuation, for a period of six (6) years (2016-2021). First year of millage would raise approximately $1,638,500.

$ 6,800,000 million estimate for construction and other project costs
$ 200,000 construction cost contingency fund
$ 140,000 estimated bond financing costs
$ 7,140,000 Estimated Total Project Costs

Total Project Cost is estimated to be $7,777,704
$7,140,000 6 years, 2.5%, Payment $1,296,000

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$ 7,140,000  $ 637,704  $ 7,777,704

**OTHER CONSIDERATION**
There are no other considerations for this project.

**RECOMMENDATION**
Based on the information presented, I recommend approval of the attached resolution.
RESOLUTION TO PROCEED WITH PLANS FOR CONSTRUCTING, EQUIPPING, AND FINANCING A NEW COUNTY ANIMAL SHELTER FACILITY

WHEREAS, on August 2 the electorate of Ingham County approved the Animal Control Shelter Replacement and Operational Millage; and

WHEREAS, the Architectural/Engineering Firm of Hobbs and Black have completed preliminary plans and budgets for a new replacement Animal Control Shelter Facility; and

WHEREAS, the new county animal shelter which would replace the existing facility will be more sanitary, humane, and efficient to meet the needs of the Shelter animals, staff and the public.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners hereby authorizes the Ingham County Building Authority to proceed with the constructing, equipping, and financing a new county animal shelter which would replace the existing facility based on the preliminary plans and cost estimates provided to the Law & Courts Committee on September 15, 2016, County Services on September 20, 2016 and to the Finance Committee on September 21, 2016.

BE IT FURTHER RESOLVED, that the projected cost of construction, equipment, financing plus fees and borrowing costs, is not to exceed a total project cost of $7,777,704.

BE IT FURTHER RESOLVED, that any and all costs incurred by the County and the Ingham County Building Authority with respect to this project shall be reimbursed by the Animal Control Shelter Replacement and Operational Millage.

BE IT FURTHER RESOLVED, that the Board Chairperson is hereby authorized to sign any necessary documents consistent with this Resolution and upon approval as to form by the County Attorney.
TO: Board of Commissioners County Services Committee

FROM: Timothy J. Dolehanty, Controller/Administrator

DATE: September 8, 2016

SUBJECT: Proposed Debt Financing Policy
For the County Services Committee and Finance Committee

BACKGROUND
Given the potential number of bond projects in our future, statements made in budget narratives, and promises made to rating agencies, the attached draft Debt Financing Policy is presented for Board consideration. The draft policy sets forth comprehensive guidelines for the financing of capital expenditures.

Debt financing, which includes general obligation bonds, special assessment bonds, revenue bonds, temporary notes, lease/purchase agreements, and other County obligations permitted to be issued or incurred under Michigan law, would only be used to purchase capital assets that cannot be acquired from either available current revenues or fund balances. Under this proposal, the useful life of the asset or project must exceed the payout schedule of any debt the County assumes.

This proposal states the County is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning in order to enhance creditworthiness and prudent financial management. Evidence of this commitment to capital planning would be demonstrated through adoption and periodic adjustment of the County’s Capital Improvement Plan (CIP) identifying the benefits, costs and method of funding each capital improvement planned for the succeeding five years.

ALTERNATIVES
No Constitutional or statutory mandate requires adoption of a debt financing policy. However, adoption of such a policy and a commitment to adhere to its provisions will help to assure the financial stability of Ingham County.

FINANCIAL IMPACT
Adoption of the proposed policy will not have a direct impact on the current budget.

OTHER CONSIDERATIONS
This draft policy was presented for discussion by the County Services Committee on May 17 and August 16.

RECOMMENDATION
Following discussion by the County Services Committee, I recommend that a final draft be submitted for consideration to the County Services Committee on September 20, Finance Committee on September 21, and to the Board of Commissioners on September 27.
INTRODUCED BY THE COUNTY SERVICES AND FINANCE COMMITTEES OF THE:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO APPROVE A DEBT FINANCING POLICY

WHEREAS, the Ingham County Board of Commissioners will be asked to consider projects in the future that will require debt financing which includes general obligation bonds, special assessment bonds, revenue bonds, temporary notes, lease/purchase agreements, and other County obligations permitted to be issued or incurred under Michigan law; and

WHEREAS, Ingham County is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning in order to enhance creditworthiness and prudent financial management; and

WHEREAS, evidence of a commitment to capital planning would be demonstrated through adoption and periodic adjustment of the County’s Capital Improvement Plan (CIP) identifying the benefits, costs and method of funding each capital improvement planned for the succeeding five years; and

WHEREAS, adoption of a debt financing policy and a commitment to adhere to its provisions will help to assure the financial stability of Ingham County.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners hereby adopts the attached Debt Financing Policy.

BE IT FURTHER RESOLVED, that the Ingham County Board of Commissioners directs that all departments and agencies under the jurisdiction of the Board of Commissioners shall be bound by this financial policy.
The Debt Financing Policy sets forth comprehensive guidelines for the financing of capital expenditures. Objectives of the policy are as follows:

1. The County shall obtain financing only when necessary.
2. The process for identifying the timing and amount of debt or other financing shall be as efficient as possible.
3. That the most favorable interest rate and other related costs shall be obtained.
4. When appropriate, future financial flexibility shall be maintained.

Debt financing, which includes general obligation bonds, special assessment bonds, revenue bonds, temporary notes, lease/purchase agreements, and other County obligations permitted to be issued or incurred under Michigan law, shall only be used to purchase capital assets that cannot be acquired from either available current revenues or fund balances. The useful life of the asset or project shall exceed the payout schedule of any debt the County assumes.

To enhance creditworthiness and prudent financial management, the County is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning. Evidence of this commitment to capital planning will be demonstrated through adoption and periodic adjustment of the County’s Capital Improvement Plan (CIP) identifying the benefits, costs and method of funding each capital improvement planned for the succeeding five years.

A. Definitions. Terms and phrases used in this policy shall have meanings as follows:

Advance Refunding refers to bonds sold to refinance outstanding bonds 90 or more days prior to their maturities and prior to call dates established in the bond indenture of the outstanding bonds.

Arbitrage refers to the rebate or penalty amount due to the Internal Revenue Service where funds received from the issuance of tax-exempt debt have been invested and excess interest earnings have occurred, or where tax-exempt bond proceeds are not spent for their intended purposes within the times permitted by federal regulation. As used in this policy, ‘excess interest earnings’ means interest earned at a rate in excess of the arbitrage permitted yield on any individual bond issue.

Building Authority Bonds are bonds issued by the Ingham County Building Authority that are secured by lease revenues paid to the Building Authority by the governmental entity for which the bonds were issued. The Building Authority is authorized to finance, build and/or operate facilities that serve a public purpose when asked to do so by the County or another governmental entity. The requesting government enters into a lease agreement with the Building Authority for the right to occupy the facility, and the lease payments are equal to the annual debt service and operating costs of the Building Authority. Building Authority bonds are revenue bonds because they are secured solely by the lease agreement.
Building Authority leases executed by the County are general obligations of the County because they are backed by the full faith and credit of the County.

**Current Refunding** means Bonds sold to refinance outstanding bonds prior to their maturities but after or shortly before call dates established in the bond indenture of the outstanding bonds. A current refunding can take place no earlier than three months before the ‘call’ and any time after the call. Payment of the outstanding bonds must occur within 90 days of selling the current refunding bonds.

**Derivatives** means securities the value of which depends on or is derived from one or more separate indices of asset values. Derivative products issued by local governments may include floaters / inverse floaters, collateralized mortgage obligations (CMOs), forwards, futures, and options.

**General Obligation Bonds** means bonds backed by the full faith and credit of the County. Bondholders have the power to compel the County to levy property taxes to repay the bonds if necessary.

**Lease/Purchase Agreements** occur when the County enters into a lease agreement with another party (typically a third-party vendor) to lease an asset over a defined period of time at a prearranged annual payment. Lease payments are made primarily from operating fund revenues. The legislative body appropriates annual lease payments unless it chooses not to appropriate under the Michigan cash basis law. If lease payments are not appropriated, ownership of the leased property reverts to the lessor. At the conclusion of the lease term, the County receives unencumbered ownership of the property.

**Revenue Bonds** are bonds secured by revenues generated by the facility from dedicated user fees, or by one or more non-ad valorem revenue sources. Planning for such issues generally is more complex because future costs and revenues directly affect each other. Credit enhancements (e.g., insurance or letter of credit) may be needed because of the limited source of debt service payments that may be available in outlying years.

**Special Assessment Bond** refers to bonds issued to develop facilities and basic infrastructure for the benefit of properties within the assessment district. Assessments are levied on properties benefited by the project. The issuer’s recourse for nonpayment is foreclosure and the remaining debt becomes the County’s direct obligation, repaid from property taxes.

**Temporary Notes** are notes are issued to provide temporary financing, to be repaid by long-term financing. This type of bridge financing has a maximum maturity of four years under Michigan law.

### B. Responsibility for Policy

1. Primary responsibility for developing debt financing recommendations rests with the Controller / Administrator. In developing such recommendations, the Controller / Administrator shall be assisted by the Financial Services Director and the Budget Director, the three of whom shall comprise the Debt Management Committee. The responsibilities of this Committee shall be to:

   a. meet at least semi-annually to consider the need for debt financing and assess progress on the current Capital Improvement Program and any other program/improvement deemed necessary;
b. meet at least semi-annually to test adherence to this policy statement and to review applicable debt ratios serving as benchmarks;

c. review changes in federal and state legislation that affect the County’s ability to issue debt and report such findings to the Finance Committee as appropriate;

d. review annually the provisions of resolutions authorizing issuance of general obligation bonds of the County;

e. review semi-annually the opportunities for refinancing current debts; and

f. review annually the services provided by the County’s financial advisor, bond counsel, paying agents and other debt financing service providers.

2. Prior to each meeting, the Budget Director shall prepare a written report on the financial status of the County’s current Capital Improvement Program. The report shall be based in part on information collected from department heads for the County and shall include a projection of near term financing needs compared to available resources, an analysis of the impact of contemplated financings on the property tax rate and user charges, and a final financing recommendation. In developing financing recommendations, the Debt Management Committee shall consider:

a. the length of time proceeds of obligations are expected to remain on hand and their related carrying costs;

b. the options for interim financing including short term and inter-fund borrowing, taking into consideration federal and state reimbursements;

c. the effect of proposed actions on the tax rate and user charges;

d. trends in bond markets;

e. trends in interest rates; and,

f. other factors as deemed appropriate.

C. Use of Debt Financing

1. Debt financing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The County will use debt financing only for one-time capital improvement projects and unusual equipment purchases, and only under the following circumstances:

a. When the project is included in the County's Capital Improvement Program; or

b. When the project involves acquisition of equipment that cannot be purchased outright without causing an unacceptable spike in the property tax rate; or
c. When the project is the result of growth-related activities within the community that require unanticipated and unplanned infrastructure or capital improvements by the County; and

d. When the useful life of a project, or the projected service life of the equipment, will be equal to or exceed the term of the financing; and

e. When there are designated revenues sufficient to service a debt, whether from project revenues, other specified and reserved resources, or infrastructure cost sharing revenues.

2. The following criteria will be used to evaluate pay-as-you-go versus debt financing in funding capital improvements:

a. Factors which favor pay-as-you-go financing include circumstances where:

i. The project can be adequately funded from available current revenues and fund balances;

ii. The project can be completed in an acceptable timeframe given the available revenues;

iii. Additional debt levels could adversely affect the County's credit rating or repayment sources; or

iv. Market conditions are unstable or suggest difficulties in marketing a debt.

b. Factors which favor long-term debt financing include circumstances where:

i. Revenues available for debt issues are considered sufficient and reliable so that long-term financing can be marketed with an appropriate credit rating, which can be maintained;

ii. Market conditions present favorable interest rates and demand for County debt financing;

iii. A project is immediately required to meet or relieve capacity needs and existing undesignated cash reserves are insufficient to pay project costs; or

iv. The life of the project or asset financed is five years or longer.

D. Maximum Amounts of Debt Financing

1. The County will not engage in debt financing unless the proposed obligation, when combined with all existing debts, will result in debt ratios throughout the life of the proposed obligation that are less than at least three of the following benchmarks.

a. Per capita direct debt will not exceed $500.
b. Per capita direct, overlapping and underlying debt will not exceed $3,000.

c. Direct debt as a percentage of estimated assessed valuation will not exceed 10%.

d. Direct, overlapping and underlying debt as a percentage of estimated full market value will not exceed 15%.

e. Annual debt service will not exceed 20% of budgeted expenditures.

2. The computation of these ratios will use the following variables.

a. Per capita measures will be based on the most recent annual estimate of County population reported by the United State Census Bureau for the year in question.

b. Direct debt will be the total of all then outstanding General Obligation, special assessment, and Building Authority bonded debt plus all authorized but unissued bonded debt plus the amount of debt financing being proposed.

c. Direct, overlapping and underlying debt will be the total of direct debt plus all General Obligation bonded debt and Building Authority debt of each city, township, school district, and special purpose governmental district located within Ingham County as of the most recent December 31, but will exclude bonds backed solely by a dedicated non-ad valorem revenue, industrial revenue bonds and mortgage revenue bonds.

d. Estimated full market value will be the total appraised value of all real and personal property located within Ingham County for the year in question as estimated by the Ingham County Equalization Department.

e. Annual debt service will be the total principal and interest payments due on direct debt in the year in question plus the estimated maximum annual principal and interest payment on the proposed long term obligation.

f. Budgeted expenditure will be the total original adopted budget of the General Fund and debt service fund for the year in question.

E. Structure and Term of Debt Financing

1. **General.** County debt will be structured to achieve the lowest possible net interest cost to the County given market conditions, the urgency of the capital project, and the nature and type of any security provided. County debt will be structured in ways that will not compromise the future flexibility to fund projects. Moreover, to the extent possible, the County will design the repayment of its overall debt issues so as to rapidly recapture its credit capacity for future use. As a benchmark, the County shall strive to repay at least 30% of the principal amount of its bonded debt within five years and at least 60% within ten years.
2. **General Obligation and Building Authority Revenue Bonds.** The County shall use an objective analytical approach to determine whether it can afford to issue new bonds for county facilities beyond what it retires each year (see Section E.5, Assumption of Additional Debts, below). Generally, this process will compare a variety of measures of debt benchmarks relative to key demographic data of the County.

The decision on whether or not to assume new general obligation or Building Authority bonds shall, in part, be based on the following considerations:

a. Costs and benefits
b. Current conditions of the municipal bond market
c. The County’s ability to assume new general obligation bonds

3. **Revenue Bonds.** The County may issue bonds secured solely by dedicated non ad-valorem revenue streams if doing so will yield clearly identifiable advantages. For the County to issue revenue bonds, a primary objective will be to minimize risk through the use of adequate coverage requirements while remaining in compliance with overall debt management policy objectives. The County will adhere and where necessary take actions to ensure compliance with all outstanding revenue bond covenants.

4. **Special Assessment Bonds.** The County shall maintain a watchful attitude over the issuance of special assessment bonds for benefit district improvements. While the County’s share of any benefit district project may fluctuate, the County will not pay more than 50% of any proposed costs related to a benefit district. Further, it will be the responsibility of the Debt Management Committee to analyze each special assessment bond issue for indications that future special assessments will equal or exceed the annual principal and interest payments of such bonds. A report on the findings of the Debt Management Committee will be submitted to the Finance Committee prior to consideration of any special assessment bond issue by the Board of Commissioners.

5. **Assumption of Additional Debts.** The County shall not assume more debt than it retires each year without conducting an objective analysis of the community’s ability to assume and support additional debt service payments and of the probable impact of the additional debt on the County’s bond ratings.

6. **Asset Life.** The County will consider debt financing for the acquisition, replacement, or expansion of physical assets (including land) only if a capital project has a useful life longer than the term of the bond issue supporting it. Debt will be used only to finance capital projects and equipment, except in case of unforeseen emergencies. Debt will not be issued for periods exceeding the useful life or average useful lives of the project or projects to be financed.

7. **Length of Debts.** County debts will be amortized for the shortest period consistent with a fair allocation of costs to current and future beneficiaries or users, and in keeping with other related provisions of this policy. The County normally shall issue bonds with a maximum life of 20 years or fewer for general obligation bonds, Building Authority bonds, and revenue bonds, and 15 years or fewer for special assessment bonds. Unless specific compelling reasons exist, there shall be no “balloon” bond repayment schedules which consist of low annual payments and one large payment of the balance due at the end of the term. There shall always be at least interest
paid in the first fiscal year after a bond sale and principal repayment starting no later than the second fiscal year after the bond issue.

8. **Call Provisions.** Call provisions for bond issues shall be made as short as possible consistent with the lowest interest cost to the County. Unless specific compelling reasons exist all bonds shall be callable only at par.

9. **Debt Structuring.** At a minimum, the County will seek to amortize general obligation bonds with level principal and interest costs over the life of the issue. Pushing higher costs to future years in order to reduce short-term budget liabilities will be considered only when natural disasters or extraordinary or unanticipated external factors make the short-term cost of general obligation bonds prohibitive.

10. **Variable Rate Debts.** The County may choose to issue bonds that pay a rate of interest that varies according to predetermined formula or results from a periodic remarketing of the securities, consistent with state law and covenants of preexisting bonds, and depending on market conditions.

11. **Derivatives.** The County will exercise extreme caution in the issuance and sale of derivative instruments, and will consider their utilization only when sufficient understanding of the products and sufficient expertise for their appropriate use has been developed.

**F. Debt Administration and Financing**

1. **Financing Proposals.** Any capital financing proposal of a County department, agency, or utility involving the pledge or other extension of the County’s credit through sale of bonds, execution of loans or leases, or otherwise involving directly or indirectly the lending or pledging of the County’s credit, shall be referred to the Controller/Administrator for review before such pledge is considered by the Board of Commissioners.

2. **Bond Fund.** All payment of general obligation bonds and special assessment bonds shall be from the County’s Bond and Interest Fund. The fund balance in the Bond and Interest Fund will be maintained at a level equal to or greater than the total principal and interest payable from that Fund for the upcoming debt service payment. Furthermore, the fund balance will be managed to eliminate or minimize arbitrage rebate liability.

3. **Bond Counsel.** The County will utilize external bond counsel for all debt issues. All debts issued by the County will include a written opinion by Bond Counsel affirming that the County is authorized to issue the debt, stating that the County has met all Federal and State constitutional and statutory requirements necessary for issuance, and determining the federal income tax status of the debt.

4. **Underwriter’s Counsel.** County payments for Underwriters Counsel will be authorized for negotiated sales by the Controller/Administrator on a case-by-case basis depending on the nature and complexity of the transaction and the needs expressed by the underwriters.

5. **Financial Advisor.** The County will retain an external financial advisor selected for a term of up to three years through a competitive process administered by the Controller/Administrator.
Utilization of the financial advisor for each debt issuance will be at the discretion of the Controller/Administrator, Treasurer, and/or Drain Commissioner on a case-by-case basis. For each County bond sale the financial advisor will provide the County with information on pricing and underwriting fees for comparable sales by other issuers.

6. **Temporary Notes.** Use of short-term borrowing, such as temporary notes, will be undertaken only if the transaction costs plus interest on a debt are less than the cost of internal financing, or available cash or reserves are insufficient to meet both project needs and current obligations. This standard does not apply to Delinquent Tax Anticipation Notes (DTANs).

7. **Credit Enhancements.** Credit enhancement (letters of credit, bond insurance, etc.) may be used if the costs of such enhancements will reduce the net debt service payments on the bonds or provide other significant financial benefits to the County.

8. **Lease/Purchase Agreements.** The use of lease/purchase agreements in the acquisition of vehicles, equipment and other capital assets shall be considered carefully relative to any other financing option or a “pay-as-you-go” basis. The lifetime cost of a lease typically will be higher than other financing options or cash purchases. Nevertheless, lease/purchase agreements may be used by the County as funding options for capital acquisitions if operational or cash-flow considerations preclude the use of other financing techniques.

9. **Competitive Sale of Debts.** The County, as a matter of policy, shall seek to issue its general or revenue bond obligations in a competitive sale unless it is determined by the Controller/Administrator that such a sale method will not produce the best results for the County. In such instances where the County, through a competitive bidding for its bonds, deems the bids received as unsatisfactory or does not receive bids, it may, at the election of the Controller/Administrator, enter into negotiation for sale of the bonds.

10. **Negotiated Sale of Debts.** Where a negotiated sale process is determined to be in the best interests of the County, the County will use a competitive process to select its investment banking team.

**G. Refunding of Debts**

Periodic reviews of all outstanding debts will be undertaken to determine refunding opportunities. Refunding will be considered (within federal tax law constraints) if and when there is a net economic benefit of the refunding or the refunding is essential in order to modernize covenants essential to operations and management. County staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debts. As a general rule, current refunding will be undertaken only if the present value savings of a particular refunding will exceed 3% of the refunded principal. As a general rule, advance refunding will be undertaken only if the present value savings of a particular refunding will exceed 4% of the refunded principal. Refunding issues that produce a net present value savings of less than targeted amounts may be considered on a case-by-case basis. Refunding issues with negative savings will not be considered unless a compelling public policy objective is served by the refunding.
H. Conduit Financings

The County may sponsor conduit financings in the form of Revenue Bonds for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the County’s overall service and policy objectives as determined by the Board of Commissioners. All conduit financings must insulate the County completely from any credit risk or exposure and must first be approved by the Economic Development Director and Controller/Administrator before being submitted to the Board of County Commissioners for consideration.

I. Arbitrage Liability Management

It is the County’s policy to minimize the cost of arbitrage rebate and yield restriction while strictly complying with the law.

1. General. Federal arbitrage legislation is intended to discourage entities from issuing tax-exempt obligations unnecessarily. In compliance with the spirit of this legislation, the County will not issue obligations except for identifiable projects with very good prospects of timely initiation. Temporary notes and subsequent long-term bonds will be issued timely as project contracts are awarded so that debt issues will be spent quickly.

2. Responsibility. Because of the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, the advice of Bond Counsel and other qualified experts will be sought whenever questions about arbitrage rebate regulations arise.
J. Credit Ratings

1. Rating Agency Relationships. The Controller/Administrator shall be responsible for maintaining relationships with the rating agencies that currently assign ratings to the County’s various debts. This effort shall include providing periodic updates on the County’s general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.

2. Use of Rating Agencies. The Controller/Administrator shall be responsible for determining whether or not a rating shall be requested on a particular financing and which of the major rating agencies shall be asked to provide such a rating.

3. Minimum Long-Term Rating Requirements. The County’s minimum rating requirement for its direct, long-term, debt obligations is a rating of "AA" or higher. If a given debt cannot meet this requirement based on its underlying credit strength, then credit enhancement may be sought to ensure that the minimum rating is achieved. If credit enhancement is unavailable or is determined by the Controller/Administrator to be uneconomical, then the obligations may be issued without a rating.

4. Rating Agency Presentations. Full disclosure of operations and open lines of communication shall be provided to rating agencies used by the County. The staff of the Financial Services Department, with assistance of the County’s Financial Advisor, shall prepare the necessary materials and presentation to the rating agencies.

5. Financial Disclosure. The County is committed to full and complete primary and secondary financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, County departments and agencies, other levels of government, and the general public to share clear, understandable, and accurate financial information. The County is committed to meeting secondary disclosure requirements on a timely and comprehensive basis.

Official statements accompanying debt issues, Comprehensive Annual Financial Reports, and continuous disclosure statements will meet (at a minimum), the standards articulated by the Government Accounting Standards Board (GASB), the National Federation of Municipal Analysts, the Securities and Exchange Commission (SEC), and Generally Accepted Accounting Principles (GAAP). The Controller/Administrator shall be responsible for ongoing disclosure to established national information repositories and for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies.
INTRODUCED BY THE COUNTY SERVICES AND FINANCE COMMITTEES OF THE:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO TERMINATE AN AGREEMENT BETWEEN INGHAM COUNTY AND THE POTTER PARK ZOOLOGICAL SOCIETY

WHEREAS, on December 9, 2014 the Ingham County Board of Commissioners authorized a contract with the Potter Park Zoological Society for services at the Potter Park Zoo, under mutually agreeable terms and conditions to both parties, effective upon execution of the contract, for a five year term, unless terminated earlier; and

WHEREAS, a proposed new operations structure result in numerous significant changes to the operational structure at Potter Park Zoo; and

WHEREAS, Section 5 of the Agreement reserves to the County the right to terminate the Agreement with or without cause upon 60 calendar days-prior written notice.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners hereby terminates the contract with the Potter Park Zoological Society for services at the Potter Park Zoo, effective December 31, 2016.