

**Tom Green County Commissioners' Court**  
**October 11<sup>th</sup>, 2005**

The Commissioners' Court of Tom Green County, Texas, met in Regular Session October 11<sup>th</sup>, 2005 in the Edd B. Keyes Building, with the following members present:

Ralph Hoelscher, Commissioner of Precinct #1  
Karl Bookter, Commissioner of Precinct #2  
Steve Floyd, Commissioner of Precinct #3  
Richard Easingwood, Commissioner of Precinct #4  
Michael D. Brown, County Judge

1. County Judge, Michael Brown, called the meeting to order at 8:09 A.M.
2. Judge Brown recessed the Open Meeting to go into a Closed Executive Session in accordance with V.T.C.A. Government Code, Chapter 551, subchapter D at 8:09AM.
5. Judge Brown reconvened the meeting in Open Session at 9:07 A.M.
6. Commissioner Bookter offered the invocation. The Pledge of Allegiance to the United States and the Texas Flag were recited.
8. **Commissioner Bookter moved to accept the Consent Agenda as presented.**  
**Commissioner Floyd seconded the motion. The following items were presented:**
  - A. Approved the Minutes of the Regular Meeting of September 27<sup>th</sup>, 2005 and from the Special City & County Joint Meeting on September 28<sup>th</sup>, 2005.
  - B. Approved the Minutes of Accounts Allowable (Bills) from September 28<sup>th</sup> – October 11<sup>th</sup>, 2005 in the amount of \$2,311,088.74. (Recorded with these minutes)  
Purchase Orders from September 26<sup>th</sup> – 30<sup>th</sup>, 2005 in the amount of \$224,724.32 and from October 3<sup>rd</sup> – 7<sup>th</sup>, 2005 in the amount of \$ 55,509.41.
  - C. Accepted Personnel Actions as presented:

The following salary expenditures are being presented for your *Approval*:

<u>NAME</u>	<u>DEPARTMENT</u>	<u>ACTION</u>	<u>EFF. DATE</u>	<u>GRADE/ STEP</u>	<u>SALARY</u>	<u>SUPP/CAR ALLOW</u>
Castillo, Brenda	Elections	New Hire	9-28-05	N/A	\$6.00/Hour	
Moffat, David	JJC	New Hire	10-03-05	N/A	\$958.33 S/M	
Bilyeu, Rachel	JJC	New Hire	10-03-05	N/A	\$958.33 S/M	
Andrews, Crystal	JJC	New Hire	10-03-05	N/A	\$958.33 S/M	
Cochran, Laura	JJC	New Hire	10-03-05	N/A	\$6.00/Hour	
Hernandez, Ramon	Jail	New Hire	10-04-05	16/1	\$874.22 S/M	
Rodriguez, Madalena	District Clerk	New Hire	9-30-05	N/A	\$6.50/Hour	
Tellez, Jesus	Jail	Suspension	10-22-05	16/1	\$874.22 S/M	
Harris, Jeffrey	Jail	New Hire	9-27-05	16/1	\$8874.22 S/M	
Coppedge, Jimmy	Jail	Suspension	9-38-05	N/A	\$1032.50 S/M	
Faison, Jason	Jail	New Hire	10-06-05	16/1	\$874.22 S/M	
Bredemeyer, Sharla	Court at Law 2	Salary Increase	10-01-05	N/A	\$1833.78 S/M	

The following personnel actions are presented for *Acknowledgement* and as a matter of record:

<u>NAME</u>	<u>DEPARTMENT</u>	<u>ACTION</u>	<u>EFF DATE</u>	<u>GRADE /STEP</u>	<u>SALARY</u>	<u>SUPP/CAR ALLOW</u>
Longmire, Sylvia	Human Resources	Resignation	10-14-05	18/1	\$965.84 S/M	
Munoz, Minerva C.	CSCD	Promotion	9-01-05	N/A	\$918.63 S/M	
Benton, Jennifer R.	Elections	Dropped	9-30-05	N/A	\$5.50/Hour	
Pflugger, Catherine	Elections	Dropped	9-30-05	N/A	\$6.00/Hour	
Robinson, Josefina	Jail	Resignation	10-11-05	N/A	\$1272.25 S/M	
Barrientez, Fannie	Housekeeping	Dismissal	8-22-05	N/A	\$5.45/Hour	
Spann, Susie R.	CSCD	Salary Increase	6-16-05	N/A	\$974.54 S/M	
Patrick, Russell A.	CSCD	Salary Increase	9-16-05	N/A	\$836.57 S/M	
Lewis, James	CSCD	Salary Increase	8-01-05	N/A	\$1843.71 S/M	
Rice, Eric B.	CSCD	Salary Increase	8-01-05	N/A	\$1161.29 S/M	
Campbell, Stefanie	CSCD	Promotion	9-16-05	N/A	\$1238.00 S/M	
Lancaster, Jody E.	IT	Resignation	10-07-05	N/A	\$7.50/Hour	
Skelton, Kimberly	Jail	Resignation	10-09-05	16/2	\$896.30 S/M	
Belcher, Wendy L.	CSCD	Transfer	9-01-05	N/A	\$788.56 S/M	
Medrano, Tina R.	CSCD	Transfer	9-01-05	N/A	\$1598.16 S/M	
Rowe, Linda	CSCD	Transfer	10-17-05	N/A	\$1199.08 S/M	

King, Leslie M.	CSCD	Other	10-01-05	N/A	\$812.23 S/M
Cyphers, Rachel R.	CSCD	Promotion	9-01-05	N/A	\$1670.29 S/M
Hill, Charles A.	CSCD	Promotion	9-01-05	N/A	\$1670.29 S/M
Byrd, Toni L.	CSCD	Promotion	9-01-05	N/A	\$1238.00 S/M
Bethea, Travis	CSCD	Promotion	9-01-05	N/A	\$1279.66 S/M
DeLaRosa, Bryan	CSCD	Promotion	9-16-05	N/A	\$1129.80 S/M
Huber, Thomas B.	CSCD	Promotion	9-16-05	N/A	\$1096.88 S/M
Espinoza, Samuel	CSCD	Promotion	9-16-05	N/A	\$1096.88 S/M
Hawkins, Derrick B.	CSCD	Promotion	9-16-05	N/A	\$1033.92 S/M
Houseman, Deborah	CSCD	Promotion	10-17-05	N/A	\$1400.90 S/M
Fernandez, Sergio J.	CSCD	Salary Increase	9-16-05	N/A	\$895.83 S/M
Shields, Amy J.	CSCD	Transfer	9-01-05	N/A	\$812.23 S/M
Dickenson, James R.	CSCD	Rehire	10-03-05	N/A	\$1278.21 S/M
Chapa, Allyson	CSCD	New Hire	10-03-05	N/A	\$1073.67 S/M
Perez-Scarlett, Maria	CSCD	New Hire	10-03-05	N/A	\$1073.67 S/M

The following personnel actions are presented for *Grants* as a matter of record: **NONE**

- D. Accepted the Fee Collection Report by Justice of the Peace Precinct 1,2,3, &4 for September 2005, pursuant to Section 114.044 of the Local Government Code as a matter of record. (Filed in the County Clerk's Office for review)
- E. Accepted the County Indigent Health Care Program Monthly Financial/ Activity Report for September 2005 as a matter of record. (Recorded with these minutes.)
- F. Approved request from the Concho Rural Water Corporation to install a six inch water line, approximately 1820 feet in length, along the East side of Glass Road.
- G. Set October 28, 2005 as the opening date for RFB 06-001 "New Model ¾ Ton Crew Cap Pickup."
- H. Set November 4<sup>th</sup>, 2005 as the opening date for RFB 06-002 "Locking System and Electronic Upgrade."

**All voted in favor of the motion. The motion passed 5-0.**

- 9. There was **no action** on any matters discussed in Closed/Executive Session.
- 10. Judge Brown **Tabled** the renewal of a Grazing Lease Agreement with Gary and Sherry Halfmann.
- 11. **Commissioner Bookter moved to approve the Feist Subdivision Section 1 in Precinct #2 as presented. Commissioner Floyd seconded the motion. The motion passed 5-0.**
- 12. **Judge Brown moved to approve the Hart InterCivic, Inc. eSlate Agreements, for the Elections Office, with Tom Green County and authorize the Judge to sign the necessary papers. Commissioner Bookter seconded the motion. The motion passed 5-0. (Recorded with these minutes.)**
- 13. **Judge Brown moved to approve the Memorandum of Understanding (MOU) between Tom Green County and MHMR Services for the Concho Valley to provide mental health crisis respite services for Tom Green County and authorize the County Judge to sign all necessary papers. Commissioner Floyd seconded the motion. Judge Brown amended his motion to appoint Commissioner Steve Floyd to serve as the Liaison for the County. Commissioner Floyd seconded the amendment. The motion, as amended, passed 5-0. (Recorded with these minutes.)**
- 14. **Commissioner Easingwood moved to approve the out of state travel request for Randy Swick and Grabb Davis for the International Association of Auto Theft Investigators in Shreveport, Louisiana. Commissioner Floyd seconded the motion. Judge Brown, Commissioners Hoelscher, Floyd and Easingwood voted in favor of the motion. Commissioner Bookter voted in opposition. The motion passed 4-1.**
- 15. **Commissioner Floyd moved to approve the Federal Equitable Sharing Agreement and authorize the County Judge to execute the necessary**

**documents. Commissioner Easingwood seconded the motion. The motion passed 5-0. (Recorded with these minutes.)**

**16. Commissioner Easingwood moved to award RFB 05-025 “Cellular Phone Services” to West Central Cellular and authorize the Purchasing Manager to sign the necessary papers. Commissioner Floyd seconded the motion. The motion passed 5-0. (Recorded with these minutes.)**

**17. Judge Brown moved to approve the Proclamation proclaiming October 16<sup>th</sup>-22<sup>nd</sup>, 2005 as “National Business and Professional Women’s Week” and recognizing the San Angelo Business and Professional Women for their contributions to Tom Green County. Commissioner Bookter seconded the motion. The motion passed 5-0. (Recorded with these minutes.)**

**18. Commissioner Easingwood moved to approve the employee request for Leave Without Pay to extend beyond the twelve weeks period of time, as provided in the Personnel Policy for FMLA, but not to exceed beyond a total of six months. Commissioner Bookter seconded the motion. The motion passed 5-0.**

**19. Acknowledge that all County Employees who are on the County’s Health Insurance, will receive flu shots at no charge and for those not on the insurance, the fee will be \$12.00. No action required.**

**20. No Action** regarding the Library/former Hemphill Wells Building.

**21. Commissioner Hoelscher moved to utilize the TBPC for the purchase of one or more dump trucks and a John Deere tractor for Road and Bridge Precincts # 1&3 as presented. Commissioner Floyd seconded the motion. The motion passed 5-0.**

**22. Commissioner Floyd moved to approve an Interlocal trade between Runnels County and Tom Green County regarding a 1992 Chevy dump truck for a 1997 pup-truck. Commissioner Hoelscher seconded the motion. The motion passed 5-0.**

**23. Judge Brown moved to appoint Frank Rose, Burt Terrill, and Billy Hollis as Directors of the Concho Valley Community Facilities Corporation as recommended by the Steering Committee in Support of a Faith-Based/Work Ethic Corrections Initiative as presented by Roger Julien, Coordinator. Commissioner Bookter seconded the motion. The motion passed 5-0. (Recorded with these minutes.)**

- 24. The only issues discussed relating to the Tom Green County Subdivision and Manufactured Home Rental Community Development Regulations were:**
- 1. A new legislative action that allows the Commissioners’ Court to adopt an assessment fee of up to \$500.00 for boaring or cutting of roads for utilities with the exception of telephones.**
  - 2. Commissioners Easingwood and Floyd are working on the proposed changes for the subdivision rules and regulations and should have them ready for review and action within the next couple of months.**

**No action was taken.**

**25. There were no line item transfers.**

**26. Future Agenda Items Discussed:**

- 1. Consider requesting Keith Davis to review contracts regarding the Facilities Corporation.**
- 2. Consider issues relating to the chiller in the Keyes Building.**
- 3. Review expenses incurred on the Library renovation.**

**27. Announcements:**

1. The CVCOG meeting will be at 6:30 PM October 12, 2005.
2. The next Regular Scheduled Commissioners' Court meeting will be October 25<sup>th</sup>, 2005.
3. Employees on the Legacy insurance will have flu shots free and others will be at a cost of \$12.00.

**26. Judge Brown adjourned the meeting at 10:09 AM.**

As per HB 2931, Section 4:

**I, Elizabeth McGill, County Clerk of Tom Green County, Texas do hereby attest that this is an accurate accounting of the proceedings of the Commissioners' Court Meeting that met in Regular Session on October 11<sup>th</sup>, 2005.**

**I hereby set my hand and seal to this record October 11<sup>th</sup>, 2005.**

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Elizabeth McGill, County Clerk and  
Ex-officio Clerk of the Commissioners' Court

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# Treasurers' Report on Bills during the Period of

September 28, 2005, 2005 TO October 11, 2005

Hand delivered Date: 10/07/05 Time: 3:30 p.m.

The attached report includes all funds that are subject to the County Treasurers' review. As a matter of procedure this report is submitted to the Commissioners' Court for approval, however, the following Funds or Bank accounts are not under the Commissioners' Court Jurisdiction nor do they require Court approval.

OPER Bank Account Fund 45 County Attorney Hot Check Funds; Fund 47 -Jury Donations; Funds 50 & 55 Dist Attorney Hot Check Funds; the CSCD (CSCD & CRTC State Funds) Bank Account and the JUV (Juvenile State Funds) Bank Account.

CSCD, CRTC, and Juvenile submit invoices related to CSCD or JUV accounts to the Auditor for processing. All other invoices are submitted directly to the Treasurers' Office for processing and audited by the Auditors' Office before issuance of checks.

## Bank Account Code – Budget

OPER – County Budget General Operating Account  
JUV- State Budget Juvenile Operating Account  
CE - Operating Account-Cafeteria Plan Trust-Employee Deductions  
BOND- Property Tax Budget Bond Issues Operating Account

CSCD- State Budget CSCD General Operating Account  
PC- Clearing account- Paychecks – Benefits-Deductions  
95 - Operating Account for Detention Construction Funds  
FORT- Operating Account for Sheriff and District Attorney Forfeiture Funds

\$1,722,017.02 All Bank Accounts- Refer to Last Page

\$474,448.49 Payroll-Employee Paychecks 30-Sep-05

\$118,783.12 Payroll-Employee or Election Paychecks 7-Oct-05

Jury Checks

-\$4,159.89 Voids-Month of 09/01-30/2005

Miscellaneous

\$2,311,088.74 Grand Total

Submitted by Dianna Spieker, Dianna Spieker, County Treasurer

Prepared by Gloria Mata, Deputy Treasurer

Approved in Commissioner's Court on October 11, 2005

Ralph Hoelscher

Ralph Hoelscher, Commissioner Pct #1

Karl Bookter

Karl Bookter, Commissioner Pct #2

Steve Floyd

Steve Floyd, Commissioner Pct #3

Richard Easingwood

Richard Easingwood, Commissioner Pct #4

Mike Brown

Mike Brown, County Judge

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FORM 105

# CIHCP MONTHLY FINANCIAL/ACTIVITY REPORT

County Name Tom Green CountyReport for (Month/Year) 09/05

Amendment of the Report for (Month/Year) \_\_\_\_\_

## I. Caseload Data

Number of eligible individuals at the end of the report month	94
Number of SSI appellants within caseload at the end of report month	19

## II. Creditable Expenditures During Report Month

Physicians Services	1. \$0.00	
Prescription Drugs	2. \$0.00	
Hospital, Inpatient Services	3. \$0.00	
Hospital, Outpatient Services	4. \$0.00	
Laboratory/X-Ray Services	5. \$0.00	
Skilled Nursing Facility Services	6. \$0.00	
Family Planning Services	7. \$0.00	
Rural Health Clinic Services	8. \$0.00	
State Hospital Contracts	9. \$0.00	
Optional Services	10. \$0.00	
Total Expenditures (Add #1 through #10.)		11. \$0.00
Reimbursements Received (Do not include State Assistance.)	12. ( \$1,916.31 )	
6% Case Review Findings (\$ in error)	13. ( )	
Total to be deducted (Add #12 + #13.)		14. ( \$1,916.31 )
Credit to State Assistance Eligibility/Reimbursement (#11 minus #14)		15. -\$1,916.31

STATE FISCAL YEAR (September 1 – August 31) TOTAL \$ -1,916.31General Revenue Tax Levy (GRTL) \$ 20,440,448.008% of GRTL \$ 1,635,235.846% of GRTL \$ 1,226,426.88

Anita I. Dunlap

Digitally signed by Anita I. Dunlap  
DN: cn = Anita I. Dunlap, c = US, o = Indigent Health Care, ou = Tom Green County  
Reason: I am the author of this document  
Date: 2005.01.12 10:30:32 -0500

10/03/05

Signature of Person Submitting Report

Date

Print Name and Title Anita Dunlap, Director, Tom Green County Indigent Health Care

CHCP 03-4  
September, 2003

VOL. 82 PG. 793



eSLATE® AGREEMENT

(SIGNATURE PAGE)

This eSlate® Agreement ("Agreement") is entered into by and between Hart InterCivic, Inc., a Texas corporation ("Hart"), and Tom Green County ("Client"), a governmental subdivision of the State of Texas. This Agreement sets forth the terms under which Client will purchase from Hart the eSlate® Electronic Voting System. This agreement is incorporated into the state contract by reference. The state term contract supersedes any conflicting terms between this agreement and the state contract. Defined terms used in this Agreement will have the meanings specified in Section 9, Definitions, or as otherwise set forth herein.

*For Clients purchasing under the Texas Building and Procurement Commission (TBPC) contract, this Agreement is incorporated into the state contract by reference. The state term contract supercedes any conflicting terms between this Agreement and the state contract.*

The following Schedules and Exhibits are attached to this Agreement and made a part hereof:

Schedule A	Equipment and Pricing
Schedule A1	Hardware and Software Version Numbers
Schedule B	Hart Proprietary Software
Schedule C	Non-Hart Software
Exhibit A	eSlate® Warranty, Support, and License Agreement

This Agreement is entered into as the result of negotiations between Client and Hart. Client acknowledges it has read and understands this Agreement (including all Schedules and Exhibits) and is entering into this Agreement only on the basis of the terms set forth in this Agreement. This Agreement and its related documents are void if the eScan™ product is not certified by the State of Texas by December 31, 2005. There are no oral agreements, representations, or warranties. The Effective Date of this Agreement is September 26, 2005.

Agreed and Accepted:

Client  
Name: Tom Green County, Texas  
Address: 122 W. Harris  
San Angelo, Texas 76903

Hart  
Hart InterCivic, Inc.  
15500 Wells Port Drive  
Austin, Texas 78728  
Attn.: Ted Simmonds  
Senior Vice President/COO  
800-223-4278  
800-831-1485  
tsimmonds@hartic.com

Primary Phone: 325-653-3318  
Facsimile:  
E-mail:

Executed By:

Name: Mike Brown  
Title: County Judge

Ted Simmonds  
Senior Vice President/COO

*This Agreement is not effective until executed by both parties.*

In consideration for the agreements set forth herein, the parties agree as follows:

**1. Purchase of Equipment; License of Software:**

1.1 Sale. Hart agrees to sell and Client agrees to purchase the Equipment, subject to the terms and conditions set forth in this Agreement.

1.2 Licenses and Sublicenses. Simultaneously upon entering into this Agreement, Hart and Client will enter into the eSlate™ Warranty, Support, and License Agreement in the form of Exhibit A, the terms of which are incorporated herein by reference. The eSlate® Warranty, Support, and License Agreement sets forth additional terms applicable to Client's ownership and use of the eSlate® Hardware and license of Hart Proprietary Software, including warranty, support of software and hardware, license of software, and other terms.

1.3 Delivery and Installation. Hart will cause the Equipment and Software to be delivered to Client's premises on a date mutually agreed to by Hart and Client. A Hart representative will install the Equipment and Software at the Client's site on a mutually agreed upon date during Hart normal working hours. If additional labor and rigging or Client-specified customization is required for installation due to Client's special site requirements, Client will pay those costs including costs to meet union or local law requirements. Client will be deemed to have accepted the eSlate® Hardware upon completion of Acceptance Testing or ten (10) days after the delivery date of the eSlate® Hardware, whichever comes first.

1.4 Training. Hart will provide *user-level documentation* for the Software and operational training before the first election for which the Software will be used. Hart will provide *Client operational training* and on-site support at the first election in which the Equipment and Software are used. Charges for additional training or support services will be invoiced to Client at Hart's then-current hourly rates, plus travel, communication, and other expenses. Any additional training or support services will be mutually agreed to by Hart and Client and documented in an amendment to this Agreement.

1.5 User Documentation: Environmental Specifications. Hart will provide to Client one (1) electronic copy of the applicable then-current user documentation and operator's manuals for the Equipment and Software and, where applicable, environmental specifications for the Equipment. User documentation, operator's manuals, and environmental specifications will be provided in electronic form. Client shall not remove any trademark, copyright, or other proprietary or restrictive notices contained on any Hart user documentation, operator's manuals, and environmental specifications, and all copies will contain such notices as are on the original electronic media.

1.6 Support. Support will be provided as set forth in the eSlate® Warranty, Support, and License Agreement.

**2. Charges; Payments:**

2.1 Total Purchase Price. The Total Purchase Price is set forth in Schedule A and includes the purchase price for the Equipment, the Initial Annual Fee under the eSlate® Warranty, Support, and License Agreement, state and local taxes (if applicable), and delivery and installation charges.

2.2 Payments. Client shall pay Hart the Total Purchase Price upon delivery of the Equipment and Software to Client. All payments are to be made to Hart at its principal office in Austin, Texas, as set forth on the Signature Page or to such other location as may be designated by Hart in a notice to Client.



2.3 Late Charges. If the Total Purchase Price is not paid in full within thirty (30) days after delivery of the Equipment and Software, Hart may charge Client interest on the unpaid balance until paid, at the lesser of (a) 1% per month or (b) the maximum rate allowed by law.

2.4 Additional Charges. Additional charges may apply to services rendered outside contracted hours or beyond normal coverage at Client's request, e.g., travel expenses, and premium and minimum charges. There will be an additional charge at Hart's current technician's rate per hour for any technical work required as a result of *other than Hart-recommended hardware* purchased by the Client for use with the Hart eSlate® Electronic Voting System. Any other additional charges must be mutually agreed to by Hart and Client and documented in an amendment to this Agreement.

2.5 Payment Disputes. If any dispute exists between the parties concerning the amount due or due date of any payment, Client shall promptly pay the undisputed portion. Such payment will not constitute a waiver by Client or Hart of any of their respective legal rights and remedies against each other.

2.6 Taxes. If Client is tax-exempt, Client will provide Hart with proof of its tax-exempt status. If Client is not tax-exempt, (a) Client will pay any tax Hart becomes obligated to pay in connection with this Agreement, exclusive of taxes based on the net income of Hart and (b) Client will pay all personal property and similar taxes assessed after shipment. If Client challenges the applicability of any such tax, Client shall pay the tax and may thereafter seek a refund.

2.7 Suspension of Performance. If any payment due to Hart under this Agreement is past due more than thirty (30) days, Hart may suspend performance under this Agreement until all amounts due are current.

### 3. Client Responsibilities:

3.1 Independent Determination. Client acknowledges it has independently determined that the eSlate® Electronic Voting System purchased under this Agreement meets its requirements.

3.2 Cooperation. Client agrees to cooperate with Hart and promptly perform Client's responsibilities under this Agreement and the eSlate® Warranty, Support, and License Agreement.

### 4. Title; Risk of Loss:

4.1 Equipment. Subject to Section 4.3, title to Equipment will pass to Client upon delivery of the Equipment to Client. Risk of loss of, or damage to, Equipment will pass to Client upon delivery to Client.

4.2 Confidential and Proprietary Information. Title to Hart's Confidential and Proprietary Information will remain in Hart. Title to Confidential and Proprietary Information of Hart's suppliers and licensors will remain in the relevant suppliers and licensors.

4.3 Proprietary Rights. Client acknowledges and agrees that the design of the eSlate® Electronic Voting System, design of the eSlate® Hardware, Hart Proprietary Software, and any and all related patents, copyrights, trademarks, service marks, trade names, documents, logos, software, microcode, information, and material are the property of Hart. Client agrees that the sale of the eSlate® Hardware and license of Hart Proprietary Software and other accompanying items under this Agreement does not grant to or vest in Client any right, title, or interest in such proprietary property. All patents, trademarks, copyrights, trade secrets, and other intellectual property rights, whether now owned or

acquired by Hart with respect to the eSlate® Electronic Voting System, eSlate® Hardware, and Hart Proprietary Software, are the sole and absolute property of Hart and no interest therein is being vested in Client by the execution of this Agreement or the sale of the eSlate® Hardware or license of the Hart Proprietary Software to Client. Client shall not, under any circumstances, cause or permit the adaptation, conversion, reverse engineering, disassembly, or decompilation of any Software or Equipment. Client will have no authority or right to copy, reproduce, modify, sell, license, or otherwise transfer any rights in any proprietary property of Hart. The provisions of this Section 4.3 will survive the termination or cancellation of this Agreement and the eSlate® Warranty, Support, and License Agreement.

**5. Warranty Terms:**

THE WARRANTY TERMS APPLICABLE TO THE ESLATE® ELECTRONIC VOTING SYSTEM ARE SET FORTH IN THE ESLATE® WARRANTY, SUPPORT, AND LICENSE AGREEMENT. EXCEPT FOR THE EXPRESS LIMITED WARRANTIES IN THE ESLATE™ WARRANTY, SUPPORT, AND LICENSE AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, (A) THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE UNDER THIS AGREEMENT AND THE ESLATE® WARRANTY, SUPPORT, AND LICENSE AGREEMENT, AND (B) HART DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, TITLE AND NONINFRINGEMENT FOR ALL EQUIPMENT, SOFTWARE, AND SERVICES. THE EXPRESS WARRANTIES EXTEND SOLELY TO CLIENT. SOME STATES (OR JURISDICTIONS) DO NOT ALLOW LIMITATIONS ON IMPLIED WARRANTIES, SO THE ABOVE LIMITATION MAY NOT APPLY TO CLIENT.

**6. Limitation of Damages:**

**6.1 EXCLUSIVE REMEDY.** HART DOES NOT ACCEPT ANY LIABILITY FOR WARRANTIES BEYOND THE REMEDIES SET FORTH IN SECTION 1 OF THE ESLATE® WARRANTY, SUPPORT, AND LICENSE AGREEMENT. HART'S ENTIRE LIABILITY AND CLIENT'S EXCLUSIVE REMEDY FOR ANY CLAIM CONCERNING THIS AGREEMENT AND THE EQUIPMENT, SOFTWARE, AND SERVICES PROVIDED UNDER THIS AGREEMENT ARE SET FORTH IN THIS SECTION.

**6.2 DISCLAIMER.** CLIENT IS RESPONSIBLE FOR ASSURING AND MAINTAINING THE BACKUP OF ALL CLIENT DATA. UNDER NO CIRCUMSTANCES WILL HART BE LIABLE TO CLIENT OR ANY THIRD PARTY FOR THE LOSS OF OR DAMAGE TO CLIENT DATA.

**6.3 LIMITATION.** NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, HART, HART'S LICENSORS, AND ANY PARTY INVOLVED IN THE CREATION, MANUFACTURE, OR DISTRIBUTION OF THE EQUIPMENT AND SOFTWARE AND THE PERFORMANCE OF SERVICES UNDER THIS AGREEMENT WILL NOT BE LIABLE TO CLIENT FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) OR FOR LOST DATA SUSTAINED OR INCURRED IN CONNECTION WITH THE EQUIPMENT, SOFTWARE, SERVICES, OR THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, REGARDLESS OF THE FORM OF ACTION AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. IN ADDITION, HART'S TOTAL LIABILITY TO CLIENT FOR DIRECT DAMAGES ARISING OUT OF OR RELATING TO THE EQUIPMENT, SOFTWARE, SERVICES, AND THIS AGREEMENT WILL IN NO EVENT EXCEED THE TOTAL AMOUNT ACTUALLY PAID BY CLIENT TO HART UNDER THIS AGREEMENT. HART IS NOT

LIABLE FOR DAMAGES CAUSED IN ANY PART BY CLIENT'S NEGLIGENCE OR INTENTIONAL ACTS OR FOR ANY CLAIM AGAINST CLIENT OR ANYONE ELSE BY ANY THIRD PARTY.

SOME STATES (OR JURISDICTIONS) DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE EXCLUSION OR LIMITATION MAY NOT APPLY TO CLIENT.

6.4 Referrals. Hart may direct Client to third parties having products or services that may be of interest to Client for use in conjunction with the Equipment and Software. Notwithstanding any Hart recommendation, referral, or introduction, Client will independently investigate and test non-Hart products and services and will have sole responsibility for determining suitability for use of non-Hart products and services. Hart has no liability with respect to claims relating to or arising from use of non-Hart products and services, including, without limitation, claims arising from failure of non-Hart products to provide proper time and date functionality.

## 7. **Dispute Resolution:**

7.1 Disputes and Demands. The parties will attempt to resolve any claim or controversy related to or arising out of this Agreement, whether in contract or in tort ("**Dispute**"), on a confidential basis according to the following process, which either party may start by delivering to the other party a written notice describing the dispute and the amount involved ("**Demand**").

7.2 Negotiation and Mediation. After receipt of a Demand, authorized representatives of the parties will meet at a mutually agreed upon time and place to try to resolve the Dispute by negotiation. If the Dispute remains unresolved after this meeting, either party may start mandatory nonbinding mediation under the commercial mediation rules of the American Arbitration Association ("AAA") or such other mediation process as is mutually acceptable to the parties.

7.3 Injunctive Relief. Notwithstanding the other provisions of this Section 7, if either party seeks injunctive relief, such relief may be sought in a court of competent jurisdiction without complying with the negotiation and mediation provisions of this Section 7.

7.4 Time Limit. Neither mediation under this section nor any legal action, regardless of its form, related to or arising out of this Agreement may be brought more than two (2) years after the cause of action first accrued.

## 8. **General Provisions:**

8.1 Entire Agreement. This Agreement and the attachments, schedules, and exhibits hereto are the entire agreement and supersede all prior negotiations and oral agreements. Hart has made no representations or warranties with respect to this Agreement or the eSlate® Electronic Voting System and its components that are not included herein. This Agreement may not be amended or waived except in writing signed by an officer of the party to be bound thereby.

8.2 Preprinted Forms. The use of preprinted forms, such as purchase orders or acknowledgments, in connection with this Agreement is for convenience only and all preprinted terms and conditions stated thereon are void and of no effect. If any conflict exists between this Agreement and any terms and conditions on a purchase order, acknowledgment, or other preprinted form, the terms and conditions of this Agreement will govern and the conflicting terms and conditions in the preprinted form will be void and of no effect. The terms and conditions of this Agreement, including, but not limited to,

this Section 8.2, cannot be amended, modified, or altered by any conflicting preprinted terms or conditions in a preprinted form.

8.3 Interpretation. This Agreement will be construed according to its fair meaning and not for or against either party. Headings are for reference purposes only and are not to be used in construing the Agreement. All words and phrases in this Agreement are to be construed to include the singular or plural number and the masculine, feminine, or neuter gender as the context requires.

8.4 GOVERNING LAW. THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO ITS CONFLICT OF LAW PROVISIONS, UNLESS CLIENT IS A GOVERNMENTAL SUBDIVISION OF ANOTHER STATE, IN WHICH CASE THE LAWS OF THE STATE IN WHICH CLIENT IS A GOVERNMENTAL SUBDIVISION WILL CONTROL.

8.5 Severability. Whenever possible, each provision of this Agreement will be interpreted to be effective and valid under applicable law; but if any provision is found to be invalid, illegal, or unenforceable, then such provision or portion thereof will be modified to the extent necessary to render it legal, valid, and enforceable and have the intent and economic effect as close as possible to the invalid, illegal, or unenforceable provision. If it is not possible to modify the provision to render it legal, valid, and enforceable, then the provision will be severed from the rest of the Agreement and ignored. The invalidity, illegality, or unenforceability of any provision will not affect the validity, legality, or enforceability of any other provision of this Agreement, which will remain valid and binding.

8.6 Delays. Hart is not responsible for failure to fulfill its obligations when due to causes beyond its reasonable control, including the failure of third parties to timely provide Software, Equipment, materials, or labor contemplated herein. Hart will notify Client in writing of any such delay, and the time for Hart's performance will be extended for a period corresponding to the delay. Hart and Client will determine alternative procedures to minimize delays.

8.7 Force Majeure. "Force Majeure" means a delay encountered by a party in the performance of its obligations under this Agreement that is caused by an event beyond the reasonable control of the party, but does not include any delays in the payment of monies due by either party. Without limiting the generality of the foregoing, "Force Majeure" will include, but is not restricted to, the following types of events: acts of God or public enemy; acts of governmental or regulatory authorities (other than, with respect to Client's performance, the Client, and its governing entities); fires, floods, epidemics, or serious accidents; unusually severe weather conditions; and strikes, lockouts, or other labor disputes. If any event constituting Force Majeure occurs, the affected party shall notify the other party in writing, disclosing the estimated length of the delay and the cause of the delay. If a Force Majeure occurs, the affected party will not be deemed to have violated its obligations under this Agreement, and time for performance of any obligations of that party will be extended by a period of time necessary to overcome the effects of the Force Majeure.

8.8 Compliance with Laws. Client and Hart shall comply with all federal, state, and local laws in the performance of this Agreement, including those governing use of the Equipment and Software. Equipment and Software provided under this Agreement may be subject to U.S. and other government export control regulations. Client shall not export or re-export any Equipment or Software.

8.9 Assignments. Hart may assign this Agreement or its interest in any Equipment or Software, or may assign the right to receive payments, without Client's consent. Any such assignment, however, will not change the obligations of Hart to Client that are outstanding at the time of assignment. Client will be notified in writing if Hart makes an assignment of this Agreement. Client shall not assign

this Agreement without the express written consent of Hart, such consent not to be unreasonably withheld. In the event of any permitted assignment of this Agreement, the assignee shall assume the liabilities and responsibilities of the assignor, in writing.

**8.10 Independent Contractors.** Client and Hart are independent contractors and are not agents or partners of each other. Hart's employees, agents, and subcontractors will not be entitled to any privileges or benefits of Client employment. Client's employees, agents, and contractors will not be entitled to any privileges or benefits of Hart employment.

**8.11 Notices.** Any notice required or permitted to be given under this Agreement by one party to the other must be in writing and shall be given and deemed to have been given immediately if delivered in person to the address set forth on the Signature Page for the party to whom the notice is given, or on the fifth (5<sup>th</sup>) business day following mailing if placed in the United States Mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the party at the party's address set forth on the Signature Page. Each party may change its address for notice by giving written notice of the change to the other party.

**8.12 Trademarks.** eSlate®, eSlate 3000™, Judge's Booth Controller™, JBC1000™, Disabled Access Unit™, DAU5000™, Mobile Ballot Box™, Ballot Origination Software System™, BOSS™, Tally™, Rally™, FUSION™, and Ballot Now™ are trademarks of Hart.

## **9. Definitions:**

**"Acceptance Testing"** means testing in accordance with the Acceptance Testing Procedure provided Client at time of delivery.

**"Agreement"** has the meaning set forth in the Signature Page.

**"Annual Fee"** means the combined annual license, sublicense, and support fees payable by Client to Hart under the eSlate® Warranty, Support, and License Agreement.

**"Client"** has the meaning set forth in the Signature Page.

**"Confidential and Proprietary Information"** means Software, firmware, diagnostics, documentation (including operating manuals, user documentation, and environmental specifications), designs and configurations of Equipment, Software, and firmware, trade secrets and related documentation, and any other information confidential to Hart or its suppliers or licensors.

**"DAU™"** means the Disabled Access Unit (DAU5000™) created by Hart as an add-on component to an eSlate® that facilitates the performance of voting activities by disabled voters, for example, by providing an audio ballot presentation and/or accepting inputs from specialized switch mechanisms, such as head switches, breath switches, and panel switches that facilitate interaction with disabled voters, as needed.

**"Effective Date"** has the meaning set forth in the Signature Page and indicates the date this Agreement becomes effective.

**"Equipment"** means the eSlate® Hardware and Non-Hart Equipment listed on Schedule A.

"eScan™" means the eScan™ device created by Hart, consisting of a precinct digital ballot imaging device single-feed scanner that transports and scans both sides of a ballot simultaneously, and a base that provides for secure ballot storage and transport.

"eSlate®" means the eSlate 3000™ created by Hart and consisting of hardware including an electronically configurable, network-capable voting station that permits a voter to cast votes by direct interaction, which voting station in its present configuration created by Hart comprises an electronically configurable liquid crystal display (LCD) panel for use in displaying ballot images, a rotary input device for use in ballot navigation, and various buttons that facilitate voter options for selecting ballot choices and casting a ballot.

"eSlate® Electronic Voting System" means the Equipment and the Software.

"eSlate® Hardware" means the eSlate®, JBC™, and DAU™ in the quantities listed on Schedule A.

"eSlate® Warranty, Support, and License Agreement" means the eSlate® Warranty, Support, and License Agreement in the form of Exhibit A to be entered into by Hart and Client simultaneously upon entering into this Agreement.

"Firmware" means the Hart Proprietary Software embedded in eSlate® voting devices that allows execution of the software functions, but does not allow access to or modification of the software by an end user.

"Hart" means Hart InterCivic, Inc., a Texas corporation.

"Hart Proprietary Software" means the run-time executable code and associated support files of the Ballot Origination Software System (BOSS™) Software, Tally™ Software, Rally™ Software, Ballot Now™ Software, computer code and software resident in the eSlate™ Hardware, and other support software utilities as specified on Schedule B, consisting of computer programs and computer code owned by Hart that are licensed to Client pursuant to the eSlate® Warranty, Support, and License Agreement, and all updates, upgrades, versions, new releases, derivatives, revisions, corrections, improvements, rewrites, bug fixes, enhancements, and other modifications, including any custom modifications, to such computer programs and code that are provided to Client, and all copies of the foregoing. Hart Proprietary Software also includes all documentation provided by Hart to Client with respect to these computer programs and code, and all copies of the foregoing (electronic and hard copy).

"Initial Annual Fee" means the first Annual Fee payable under the eSlate® Warranty, Support, and License Agreement, which is included in the Total Purchase Price.

"Installation Date" means, with respect to eSlate® Hardware, the date of delivery to Client and, with respect to Hart Proprietary Software, the date Hart completes delivery and installation of the Hart Proprietary Software.

"JBC™" means the Judge's Booth Controller (JBC1000™) created by Hart that is a local area network controller capable of interacting with one or more eSlate® devices or DAU devices by transmitting and receiving signals that manage or control an election, e.g., by opening and closing the polls, providing or recording an audit trail of system events during an election, storing cast ballot data, and applying data security and integrity algorithms.

"Non-Hart Equipment" means the equipment listed on Schedule A that is not eSlate® Hardware.

*"Non-Hart Software"* means the run-time executable code and associated support files of computer programs owned by third parties that are identified on Schedule C and sublicensed by Hart to Client pursuant to the eSlate® Warranty, Support, and License Agreement or licensed directly by the third-party licensor to Client, and all updates, upgrades, versions, new releases, derivatives, revisions, corrections, improvements, rewrites, bug fixes, enhancements, and other modifications to such computer programs and code that are provided to Client, and all copies of the foregoing. Non-Hart Software also includes all documentation provided to Client with respect to these computer programs, and all copies of the foregoing.

*"Software"* means the Hart Proprietary Software and Firmware and Non-Hart Software.

*"Sublicensed Software"* means Non-Hart Software and Firmware that is identified on Schedule C as being sublicensed by Hart to Client pursuant to the eSlate® Warranty, Support, and License Agreement.

*"VBO™"* means the Voter Verifiable unit used in conjunction with the eSlate® for a *Voter Verifiable Paper Audit Trail*.

*"Total Purchase Price"* is defined in Section 2.1.

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**SCHEDULE A**  
Tom Green County, Texas  
**EQUIPMENT AND PRICING**

QUANTITY	MODEL	DESCRIPTION	UNIT PRICE	TOTAL PRICE
85	eSlate 3000™.	Electronic Voting Appliance.	\$ 2,500.00	\$ 212,500.00
39	DAU 5000™ Upgrade.	Disabled Access Unit voting unit upgrade.	\$ 500.00	\$ 19,500.00
39	JBC 1000™.	Judge's Booth Controller.	\$ 2,500.00	\$ 97,500.00
39	eScan™.	Precinct Ballot Digital Imaging.	\$ 4,500.00	\$ 175,500.00
46	eSlate™ Voting Booths.	Voting booths for the eSlate 3000™.	Included.	No Charge.
39	eSlate DAU™ Voting Booths.	Voting booths for the Disabled Access Unit voting units.	Included.	No Charge.
117	Mobile Ballot Boxes™ (MBB™s) / Audio Cards	Mobile Ballot Boxes & Audio Cards.	Included.	No Charge.
123	Additional Mobile Ballot Boxes™ (MBB™s) / Audio Cards	Spare MBB™s & Audio Cards.	\$ 59.25	\$ 7,287.75
11	eSlate™ Caddy.	Storage caddy for 8 voting booths.	Included.	No Charge.
1	Election Management Software System.	BOSS™, Tally™, Ballot Now™, and Servo™ electronic voting system software.	\$ 125,100.00	\$ 125,100.00
4	Personal Computers.	PC workstations.	\$ 3,000.00	\$ 12,000.00
1	Notebook Computers.	For use with Servo™ software.	\$ 3,500.00	\$ 3,500.00
1	Log Printer.	Dot Matrix Tally™ log printer.	\$ 500.00	\$ 500.00
3	Laser Printer.	Low-volume laser printer.	\$ 850.00	\$ 2,550.00
1	Laser Printer.	High-volume laser printer.	\$ 5,000.00	\$ 5,000.00
1	Scanner.	Low-volume scanner.	\$ 6,200.00	\$ 6,200.00
5	MBB™ Card Reader.	ATA card reader.	\$ 125.00	\$ 625.00
6	eCM.	Electronic security key.	\$ 60.00	\$ 360.00
20 Days	Project Management.	Number of project management days.	\$1,500.00 per day.	\$ 30,000.00
12 Days	Training.	Number of training days.	\$1,500.00 per day.	\$ 18,000.00



1	Voter Education Outreach Program Management.	Package A.	\$ 4,000.00	\$ 4,000.00
First Year	eSlate™ First Year License/Support.	eSlate™ license and support for the first year.	\$ 37,955.00	\$ 37,955.00

Total Price for Equipment:	\$ 543,822.75
Total Price for Software:	\$ 125,100.00
Total Price for Services:	\$ 52,000.00
Initial Annual Fee:	\$ 37,955.00
State and Local Taxes (if any):	\$ -
Total System Price:	\$ 758,877.75
Less Special County Discount:	\$ (53,100.00)
<b>Purchase Price:</b>	<b>\$ 705,777.75</b>

2 Years.	Optional Extended Warranty.	Extended warranty for eSlate™s, DAU™s, and JBC™s.	\$6,200.00 per year.	\$ 12,400.00
4 Years.	Optional Extended Warranty.	Extended warranty for eScan™s.	\$3,900.00 per year.	\$ 15,600.00
Optional Extended Warranty:				\$ 28,000.00

**Total Purchase Price (including Optional Extended Warranty):** **\$ 733,777.75**

**Note:** There will be an additional charge at Hart's current technician's rate per hour for any technical work required as a result of *other than Hart-recommended hardware* purchased by the Client for use with the Hart eSlate® Electronic Voting System.

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**SCHEDULE A1**

**HARDWARE AND SOFTWARE VERSION NUMBERS**

The following are the version numbers of the hardware and software provided to the Client under the eSlate® Agreement with Hart InterCivic, Inc.:

Software Versions for eSlate® Hardware:

*eSlate 3000™* (DRE v.2.0.13.)

*eSlate DAU 5000™* (v.2.0.13.)

*JBC 1000™* (v.2.2.1.).

Software Versions:

*BOSS™* (v.3.4.0.)

*Tally™* (v.3.2.0.)

*Ballot Now™* (v.2.3.0.).

**Note:** This page only should be forwarded to the Texas Secretary of State to provide the necessary hardware and software version information.

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SCHEDULE B

HART PROPRIETARY SOFTWARE

QUANTITY	MODEL	DESCRIPTION	UNIT PRICE	NUMBER OF LICENSES	INITIAL LICENSE FEE
One (1).	BOSS™, Tally™, Ballot Now™, & SERVO™.	Ballot Origination Software System (BOSS™);  Tabulation and Reporting (Tally™);  Ballot On Demand (Ballot Now™); and Equipment and Data Management Software (SERVO™) software.	\$125,100.00	Four (4) (One license per each software title).	\$125,100.00

Licensed Location: Tom Green County, Texas.

NOTE: Hart and Client will update this Schedule as appropriate if Hart releases new Hart Proprietary Software that is made available to Client under the eSlate® Warranty, Support, and License Agreement.

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**SCHEDULE C**

**NON-HART SOFTWARE**

Non-Hart Software Sublicensed to Client:

QUANTITY	MODEL	DESCRIPTION	UNIT PRICE	NUMBER OF LICENSES	TOTAL PRICE
Four (4).	Sybase Embedded Runtime Program.	Database Engine.	No Charge.	Four (4).	No Charge.

**NOTE:** Hart and Client will update this Schedule as appropriate if Hart provides new or different Non-Hart Software to Client under the eSlate® Warranty, Support, and License Agreement.

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**EXHIBIT A**

**eSlate® Warranty, Support, and License Agreement**

*(See Attached Agreement)*



**eSLATE® WARRANTY, SUPPORT, AND LICENSE AGREEMENT**

(SIGNATURE PAGE)

This eSlate® Warranty, Support, and License Agreement ("Agreement") is entered into by and between Hart InterCivic, Inc., a Texas corporation ("Hart"), and Tom Green County ("Client"), a governmental subdivision of the State of Texas. This Agreement is entered into in connection with an eSlate® Agreement dated September 26, 2005, between Hart and Client under which Client has purchased eSlate® Hardware. This Agreement sets forth terms between Hart and Client applicable to Client's ownership and use of the eSlate® Hardware and license from Hart of Hart Proprietary Software (including Firmware), including warranty, support, license, and other terms. Defined terms used in this Agreement will have the meanings specified in Section 13, Definitions, or as otherwise set forth herein.

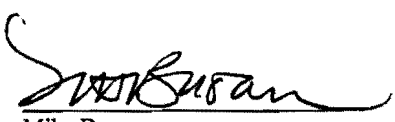
*For Clients purchasing under the Texas Building and Procurement Commission (TBPC) contract, this Agreement is incorporated into the state contract by reference. The state term contract supercedes any conflicting terms between this Agreement and the state contract.*

The following Schedules are attached to this Agreement and made a part hereof:

Schedule A	Support Contact Information
Schedule B	Hart Proprietary Software
Schedule C	Non-Hart Software
Schedule D	Initial Annual Fee

Client acknowledges it has read and understands this Agreement (including all Schedules) and is entering into this Agreement only on the basis of the terms expressly set forth in this Agreement. There are no oral agreements, representations, or warranties. The Effective Date of this Agreement is September 26, 2005.

**Agreed and Accepted:**

	<u>Client</u>	<u>Hart</u>
Name:	Tom Green County, Texas	Hart InterCivic, Inc.
Address:	122 W. Harris San Angelo, Texas 76903	15500 Wells Port Drive Austin, Texas 78728
		Attn.: Ted Simmonds Senior Vice President/COO
Primary Phone:	325-653-3318	800-223-4278
Facsimile:		800-831-1485
E-mail:		tsimmonds@hartic.com
Executed By:		_____
Name:	Mike Brown	Ted Simmonds
Title:	County Judge	Senior Vice President/COO

*This Agreement is not effective until executed by both parties.*

In consideration for the agreements set forth herein, the parties agree as follows:

1. **WARRANTY TERMS**

1.1 eSlate® Hardware Limited Warranty. Hart warrants that during the warranty period the eSlate® Hardware purchased by Client will be free from defects in materials and workmanship and will substantially conform to the performance specifications stated in the Hart Precinct Voting System Operator's Manual for the eSlate® Hardware. The hardware warranty period is three (3) years, other than the VBO unit(s) and/or eScan™ unit(s) beginning from the Installation Date. Hart will, at Hart's sole discretion, replace or repair any eSlate® Hardware that does not comply with this warranty, at no additional charge to Client. To request warranty service, Client must contact Hart in writing within the warranty period. Hart may elect to conduct any repairs at Client's site, Hart's facility, or any other location specified by Hart. Any replacement eSlate® Hardware provided to Client under this warranty may be new or reconditioned. Hart may use new and reconditioned parts in performing warranty repairs and building replacement products. If Hart repairs or replaces eSlate® Hardware, its warranty period is not extended and will terminate upon the end of the warranty period of the replaced or repaired eSlate® Hardware. Hart owns all replaced eSlate Hardware and all parts removed from repaired products. Client acknowledges and agrees that this warranty is contingent upon and subject to Client's proper use of the eSlate® Electronic Voting System and the Exclusions from Warranty and Support Coverage set forth in Section 1.3. This warranty does not cover any eSlate® Hardware that has had the original identification marks and/or numbers removed or altered in any manner. The remedies set forth in this Section are the full extent of Client's remedies and Hart's obligations regarding this warranty.

1.2 Hart Proprietary Software Limited Warranty. Hart warrants that during the term of this Agreement, the Hart Proprietary Software will perform substantially according to the then-current functional specifications described in the BOSSTM, Tally™, Rally™, and Ballot Now™ Operators' Manuals accompanying such Hart Proprietary Software. To request warranty service, Client must contact Hart in writing within the warranty period. Failure to conform to the warranty must be reported in writing and be accompanied with sufficient detail to enable Hart to reproduce the error and provide a remedy or suitable workaround. Hart will make commercially reasonable efforts to remedy or provide a suitable workaround for defects, errors, or malfunctions covered by this warranty that have a significant adverse affect upon operation of the Hart Proprietary Software, at no additional charge to Client. Because not all errors or defects can or need to be corrected, Hart does not warrant that all errors or defects will be corrected. Client acknowledges and agrees that this warranty is contingent upon and subject to Client's proper use of the eSlate® Electronic Voting System and the Exclusions from Warranty and Support Coverage set forth in Section 1.3. The remedies set forth in this Section 1.2 are the full extent of Client's remedies and Hart's obligations regarding this warranty.

1.3 Exclusions from Warranty and Support Coverage. The warranties under this Section 1 and Software Support under Section 2 do not cover defects, errors, or malfunctions that are caused by any external causes, including, but not limited to, any of the following: (a) Client's failure to follow operational, support, or storage instructions as set forth in applicable documentation; (b) the use of noncompatible media, supplies, parts, or components; (c) modification or alteration of the eSlate® Electronic Voting System, or its components, by Client or third parties not authorized by Hart; (d) use of equipment or software not supplied or authorized by Hart; (e) external factors (including, without limitation, power failure, surges or electrical damage, fire or water damage, air conditioning failure, humidity control failure, or corrosive atmosphere harmful to electronic circuitry); (f) failure to maintain proper site specifications and environmental conditions; (g) negligence, accidents, abuse, neglect, misuse, or tampering; (h) improper or abnormal use or use under abnormal conditions; (i) use in a manner not authorized by this Agreement or use inconsistent with Hart's specifications and instructions; (j) use of software on Equipment that is not in good operating condition; (k) acts of Client, its agents, servants,

employees, or any third party; (l) servicing or support not authorized by Hart; or (m) Force Majeure. Hart reserves the right to charge for repairs on a time-and-materials basis at Hart's then-prevailing rates, plus expenses, and for replacements at Hart's list prices caused by these exclusions from warranty and support coverage.

1.4 Non-Hart Equipment and Non-Hart Software Excluded. HART MAKES NO REPRESENTATIONS OR WARRANTIES AS TO NON-HART EQUIPMENT AND NON-HART SOFTWARE, IF ANY, PROVIDED BY HART TO CLIENT, ALL OF WHICH IS SOLD, LICENSED, OR SUBLICENSED TO CLIENT "AS IS." HART HAS NO RESPONSIBILITY OR LIABILITY FOR NON-HART EQUIPMENT AND NON-HART SOFTWARE, IF ANY, PROVIDED BY HART'S DISTRIBUTORS OR OTHER THIRD PARTIES TO CLIENT. If Hart sells, licenses, or sublicenses any Non-Hart Equipment or Non-Hart Software to Client, Hart will pass through to Client, on a nonexclusive basis and without recourse to Hart, any third-party manufacturer's warranties covering the equipment or software, but only to the extent, if any, permitted by the third-party manufacturer. Client agrees to look solely to the warranties and remedies, if any, provided by the manufacturer or third-party licensor.

1.5 Disclaimer. THE WARRANTIES IN THIS WARRANTY TERMS SECTION GIVE CLIENT SPECIFIC LEGAL RIGHTS, AND CLIENT MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE (OR JURISDICTION TO JURISDICTION). HART'S RESPONSIBILITY FOR MALFUNCTIONS AND DEFECTS IN ESLATE™ HARDWARE AND HART PROPRIETARY SOFTWARE IS LIMITED TO REPAIR AND REPLACEMENT AS SET FORTH IN THIS WARRANTY TERMS SECTION. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EXCEPT FOR THE EXPRESS LIMITED WARRANTIES IN SECTION 1 OF THIS AGREEMENT, (A) THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE UNDER THIS AGREEMENT OR IN CONNECTION WITH THE SALE OF ESLATE® HARDWARE AND LICENSE OF HART PROPRIETARY SOFTWARE, AND (B) HART DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, TITLE, AND NONINFRINGEMENT FOR ALL EQUIPMENT, SOFTWARE, AND SERVICES. THE EXPRESS WARRANTIES EXTEND SOLELY TO CLIENT. SOME STATES (OR JURISDICTIONS) DO NOT ALLOW LIMITATIONS ON IMPLIED WARRANTIES, SO THE ABOVE LIMITATION MAY NOT APPLY TO CLIENT.

## 2. SOFTWARE SUPPORT SERVICES

2.1 Description of Software Support Services. Subject to the terms and conditions of this Agreement, Hart will provide Client the Software Support Services described below. Support Services under this Section 2 do not cover any of the exclusions from warranty and support coverage as described under Section 1.3. If Hart, in its discretion, provides Support Services in addition to the services described under this Section 2, Client will pay Hart for such services on a time-and-materials basis at Hart's then-prevailing rates, plus expenses, and for replacements at Hart's list prices, unless otherwise agreed in writing by Hart and Client.

2.1.1 General Software Support. *General Software Support* will consist of assisting the Client in the design and production of elections, including pre-election and post-election testing and general operation of the eSlate® Electronic Voting System.

2.1.2 Software Support Services. Software Support Services will consist of periodic updates and any software "bug" corrections to Hart software. A software "bug" is any malfunction that prevents the Hart software from performing substantially as described in the then-current operator's



manual for such software. Because not all errors or defects can or need to be corrected, Hart does not warrant that all errors or defects will be corrected. Hart reserves the right to determine whether any reported, claimed software malfunction is in fact a "bug." Software "bugs" must be reported in writing and be accompanied with sufficient detail to enable Hart staff to reproduce the error and provide a remedy or suitable workaround. The exclusions from warranty coverage under Section 1.3 also are exclusions from Software Support Services under this Section 2.1.2.

**2.1.3 Hardware Enhancement(s)/Upgrade(s).** Hart will develop and provide to Client upgrades to the eSlate® Hardware to implement a voter verifiable paper record if required by State and/or Federal law. Such hardware upgrades are not provided free-of-charge, and are dependent on the Client having paid all necessary annual Software Support and Maintenance fees for the Hart Software and Support. Based on Hart's current design for such a product feature add-on, the price is estimated to be approximately \$1,250.00 per unit, not including the cost of retrofitting existing units. This price may change depending on any specific standards mandated by State or Federal law.

**2.1.4 Client Suggestions and Recommendations.** Client may propose, suggest, or recommend changes to the Software at any time in writing to Hart. Such proposals, suggestions, or recommendations will become Hart's property. Hart may include any such proposals, suggestions, or recommendations, solely at Hart's option, in subsequent periodic Software updates. Hart is under no obligation to change, alter, or otherwise revise the Software according to Client's proposals, suggestions, or recommendations.

**2.2 Software Support Services Contact Information.** Support contact information is set forth in Schedule A, Support Contact Information.

### **3. SOFTWARE LICENSES AND SUBLICENSES**

**3.1 Licenses and Sublicenses.** Subject to the terms and conditions of this Agreement, Hart grants to Client a personal, nonexclusive, nontransferable, and limited license to use the Hart Proprietary Software and a personal, nonexclusive, nontransferable, and limited sublicense to use the Sublicensed Software. Hart will provide Client, and Client will be permitted to use, only the run-time executable code and associated support files of the Software for Client's internal data processing requirements as part of the eSlate® Electronic Voting System. The Software may be used only in the United States at the Licensed Location specified on Schedule B on the Equipment or other computer systems authorized by Hart in writing. Client may temporarily transfer the Software to a backup computer system at an alternative location within Client's county of operation if the Equipment or other authorized computer system is inoperative or the Licensed Location is temporarily unavailable, provided Client must promptly give Hart written notice of such temporary transfer, including a description of the backup computer system and the alternative location. Client's use of the Software will be limited to the number of users specified in Exhibits B and C. Only Client and its authorized employees may use or access the Software. Voters are also authorized to interact with the Software, in a manner consistent with user instructions, for the sole purpose of producing a Cast Vote Record during the course of an election. Client agrees that Hart, the licensors of Sublicensed Software, and their representatives may periodically inspect, conduct, and/or direct an independent accounting firm to conduct an audit, at mutually agreed-upon times during normal business hours, of the computer site, computer systems, Equipment, and appropriate records of Client to verify Client's compliance with the terms of the licenses and sublicenses granted to Client.

**3.2 Delivery and Installation.** Hart will deliver and install the Software at the Client's site on a mutually agreed-upon date during Hart's normal working hours which are 0800 to 1700 hours, Monday through Friday, excluding National Holidays.. The Software will be deemed accepted upon the

Installation Date.

3.3 Training and Documentation. Hart will provide standard user-level documentation in electronic form for the Software and standard operational training before the first election for which the Software will be used. Charges for additional training or support services will be invoiced to Client at Hart's then-current hourly rates, plus travel, communication, and other expenses. Any nonstandard or additional training or support services will be mutually agreed to by Hart and Client and documented in an amendment to this Agreement.

3.4 Protection of Software.

(a) The eSlate® Hardware and Hart Proprietary Software are designed to be used only with each other and the agreed-upon Non-Hart Software and Non-Hart Equipment. To protect the integrity and security of the eSlate® Electronic Voting System, without the express written consent of Hart, (i) Client shall use the Software and Equipment only in connection with the eSlate® Electronic Voting System; (ii) Client shall not install or use other software on or with the Equipment or Software or network the Equipment or Software with any other hardware, software, equipment, or computer systems; and (iii) Client shall not modify the Equipment or Software. If Client does not comply with any provisions of the preceding sentence, then (i) the Limited Warranties under Section 1 will automatically terminate; (ii) Hart may terminate its obligation to provide Support Services under Section 2; (iii) Hart will have no further installation obligations under Section 3.2 (Delivery and Installation), and (iv) Hart will have no further obligations under Section 3.3 (Training and Documentation). Furthermore, if Client uses the Software and Equipment in combination with other software and equipment (other software or equipment being those not provided by Hart or its designees), and the combination infringes Hart proprietary patent claims outside the scope of the software license granted to Client under Section 3, Hart reserves its rights to enforce its patents with respect to those claims.

(b) Client shall not, under any circumstances, cause or permit the adaptation, conversion, reverse engineering, disassembly, or decompilation of any Software. Client shall not use any Software for application development, modification, or customization purposes, except through Hart.

(c) Client shall not assign, transfer, sublicense, time-share, or rent the Software or use it for facility management or as a service bureau. This restriction does not preclude or restrict Client from contracting for election services for other local governments located within Client's jurisdictional boundaries. Client shall not modify, copy, or duplicate the Software; provided, during the term of the Software licenses and sublicenses, Client may have in its possession one (1) copy of the Software for inactive archival or backup purposes. All copies of the Software, in whole or in part, must contain all of Hart's or the third-party licensor's titles, trademarks, copyright notices, and other restrictive and proprietary notices and legends (including government-restricted rights) as they appear on the copies of the Software provided to Client. Client shall notify Hart of the following: (i) the location of all Software and all copies thereof and (ii) any circumstances known to Client regarding any unauthorized possession or use of the Software.

(d) Upon termination of Client's license or sublicense of Software, Client shall immediately discontinue all use of the Software and return to Hart or destroy, at Hart's option, the Software (and all related documentation (electronic and hard copy) and Confidential and Proprietary Information) and all archival, backup, and other copies thereof, and provide certification to Hart of such return or destruction.

(e) Client shall not publish any results of benchmark tests run on any Software.

(f) Although the Hart Proprietary Software and Sublicensed Software are protected by copyright and/or patents, they may be unpublished, and constitute Confidential and Proprietary Information of Hart and the third-party licensor, respectively. Client shall maintain the Software in confidence and comply with the terms of Section 6, Protection of Confidential and Proprietary Information, with respect to the Software.

(g) This Section 3.4 will survive the termination or cancellation of this Agreement.

**3.5 No Transfer of Title.** This Agreement does not transfer to Client title to any Software, intellectual property contained in any Software, or Confidential and Proprietary Information. Title to Hart Proprietary Software and all copies thereof, and all associated intellectual property rights therein, will remain in Hart. Title to Non-Hart Software and all copies thereof, and all associated intellectual property rights therein, will remain in the applicable third-party licensor.

**3.6 Inherently Dangerous Applications.** The Software is not developed or licensed for use in any nuclear, aviation, mass transit, or medical application or in any other inherently dangerous applications. Client shall not use the Software in any inherently dangerous application and agrees that Hart and any third-party licensor will not be liable for any claims or damages arising from such use.

#### **4. ANNUAL FEE**

**4.1 Amount of Annual Fee.** The Annual Fee is a combined licensing, sublicensing, and support fee. Client will pay Hart an Annual Fee upon execution of this Agreement and annually thereafter before each Anniversary Date. The amount of the Initial Annual Fee, payable upon execution of this Agreement, is the amount specified as the "Initial Annual Fee" on Schedule D, Initial Annual Fee. Subsequent Annual Fees are due annually before each Anniversary Date of this Agreement. Hart may adjust the amount of the Annual Fee payable on each Anniversary Date by notifying Client of any price changes with the invoice in which the adjustment is made. Unless adjusted by Hart, each Annual Fee will be the same as the immediately preceding Annual Fee.

**4.2 Invoices.** Hart will invoice Client annually ninety (90) calendar days before the due date of the Annual Fee.

**4.3 Payments.** Client must pay each invoiced Annual Fee before the Anniversary Date immediately following the date of invoice. If Client elects not to or fails to timely pay an Annual Fee, this Agreement and the licenses, sublicenses, and software support services will automatically terminate on such Anniversary Date. All payments are to be made to Hart at its principal office in Austin, Texas, as set forth on the Signature Page or to such other location as may be designated by Hart in a notice to Client.

**4.4 Additional Charges.** Additional charges may apply to services rendered outside contracted hours or beyond normal coverage at Client's request, e.g., travel expenses, and premium and minimum charges. Any additional charges must be mutually agreed to by Hart and Client and documented in an amendment to this Agreement.

**4.5 Payment Disputes.** If any dispute exists between the parties concerning the amount due or due date of any payment, Client shall promptly pay the undisputed portion. Such payment will not constitute a waiver by Client or Hart of any of their respective legal rights and remedies against each other.

4.6 Taxes. If Client is tax-exempt, Client will provide Hart with proof of its tax-exempt status. If Client is not tax-exempt, (a) Client will pay any tax Hart becomes obligated to pay in connection with this Agreement, exclusive of taxes based on the net income of Hart and (b) Client will pay all personal property and similar taxes assessed after shipment. If Client challenges the applicability of any such tax, Client shall pay the tax and may thereafter seek a refund.

4.7 Suspension of Performance. If any payment due to Hart under this Agreement is past due more than thirty (30) days, Hart may suspend performance under this Agreement until all amounts due are current.

## 5. CLIENT RESPONSIBILITIES

5.1 Independent Determination. Client acknowledges it has independently determined that the eSlate® Electronic Voting System meets its requirements.

5.2 Cooperation. Client agrees to cooperate with Hart and promptly perform Client's responsibilities under this Agreement. Client will (a) provide adequate working and storage space for use by Hart personnel near Equipment; (b) provide Hart full access to the Equipment and Software and sufficient computer time, subject to Client's security rules; (c) follow Hart's procedures for placing hardware warranty or software support service requests and determining if warranty remedial service is required; (d) follow Hart's instructions for obtaining hardware and software support and warranty services; (e) provide a memory dump and additional data in machine-readable form if requested; (f) reproduce suspected errors or malfunctions in Software; (g) provide timely access to key Client personnel and timely respond to Hart's questions; and (h) otherwise cooperate with Hart in its performance under this Agreement.

5.3 Site Preparation. Client shall prepare and maintain the installation site in accordance with instructions provided by Hart. Client is responsible for environmental requirements, electrical interconnections, and modifications to facilities for proper installation, in accordance with Hart's specifications. Any delays in preparation of the installation site will correspondingly extend Hart's delivery and installation deadlines.

5.4 Site Maintenance; Proper Storage. Client shall maintain the appropriate operating environment, in accordance with Hart's specifications, for the Equipment and Software and all communications equipment, telephone lines, electric lines, cabling, modems, air conditioning, and all other equipment and utilities necessary for the Equipment and Software to operate properly. Client shall properly store the Equipment and Software when not in use.

5.5 Use. Client is exclusively responsible for supervising, managing, and controlling its use of the eSlate® Electronic Voting System, including, but not limited to, establishing operating procedures and audit controls, supervising its employees, making daily backups, inputting data, ensuring the accuracy and security of data input and data output, monitoring the accuracy of information obtained, and managing the use of information and data obtained. Client will ensure that its personnel are, at all times, educated and trained in the proper use and operation of the eSlate® Electronic Voting System and that the Equipment and Software are used in accordance with applicable manuals, instructions, and specifications. Client shall comply with all applicable laws, rules, and regulations with respect to its use of the eSlate® Electronic Voting System.

5.6 Backups. Client will maintain backup data necessary to replace critical Client data in the event of loss or damage to data from any cause.

6. PROTECTION OF CONFIDENTIAL AND PROPRIETARY INFORMATION

6.1 Confidentiality. Client will keep in confidence and protect Confidential and Proprietary Information (electronic or hard copy) from disclosure to third parties and restrict its use to uses expressly permitted under this Agreement. Client shall take all reasonable steps to ensure that the trade secrets and proprietary data contained in the Equipment and Software and the other Confidential and Proprietary Information are not disclosed, copied, duplicated, misappropriated, or used in any manner not expressly permitted by the terms of this Agreement. Client shall keep the Software and all tapes, diskettes, CDs, and other physical embodiments of them, and all copies thereof, at a secure location and limit access to those employees who must have access to enable Client to use the Software. Client acknowledges that unauthorized disclosure of Confidential and Proprietary Information may cause substantial economic loss to Hart or its suppliers and licensors. Each permitted copy of Confidential and Proprietary Information, including its storage media, will be marked by Client to include all notices that appear on the original. Title, copyright, and all other proprietary rights in and to the Software at all times remains vested exclusively in Hart or, as applicable, third-party licensors.

6.2 Return of Confidential and Proprietary Information. Upon termination or cancellation of this Agreement or, if earlier, upon termination of Client's permitted access to or possession of Confidential and Proprietary Information, Client shall return to Hart all copies of the Confidential and Proprietary Information in Client's possession (including Confidential and Proprietary Information incorporated in software or writings, electronic and hard copies).

6.3 Intellectual Properties. All ideas, concepts, know-how, data processing techniques, documentation, diagrams, schematics, firmware, equipment architecture, software, improvements, bug fixes, upgrades, and trade secrets developed by Hart personnel (alone or jointly with Client) in connection with Confidential and Proprietary Information, eSlate Hardware, and Hart Proprietary Software will be the exclusive property of Hart.

6.4 Support Materials. Client acknowledges that all support materials are the property of Hart and include Confidential and Proprietary Information of Hart. Client agrees that it will not permit anyone other than Hart installation and support personnel and authorized County employees to use such materials.

6.5 Client Employees. Client will inform its employees of their obligations under this Section 6 to ensure that such obligations are met.

6.6 License Back. If Client possesses or comes to possess a licensable or sublicensable interest in any issued patent with claims that read upon the eSlate® Electronic Voting System, its method of operation, or any component thereof, Client hereby grants and promises to grant an irrevocable, royalty-free, paid-up license, with right to sublicense, of such interest to Hart permitting Hart to make, have made, use, and sell materials or services within the scope of the patent claims.

6.7 Survival. This Section 6 will survive termination or cancellation of this Agreement.

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## 7. TITLE; RISK OF LOSS

### 7.1 Software.

(a) *Hart Proprietary Software:* Title to Hart Proprietary Software, all copies thereof, and all associated intellectual proprietary rights therein will remain in Hart including, but not limited to, all patents, copyrights, trade secrets, trademarks, and other proprietary rights.

(b) *Non-Hart Software:* Title to Non-Hart Software, all copies thereof, and all associated intellectual proprietary rights therein will remain in the applicable third-party licensor including, but not limited to, all patents, copyrights, trade secrets, trademarks, and other proprietary rights.

(c) *Risk of Loss:* Risk of loss to Software will pass to Client upon delivery.

7.2 Confidential and Proprietary Information. Title to Hart's Confidential and Proprietary Information will remain in Hart. Title to Confidential and Proprietary Information of Hart's suppliers and licensors will remain in the relevant suppliers and licensors.

7.3 Proprietary Rights. Client acknowledges and agrees that the design of the eSlate® Electronic Voting System, design of the eSlate® Hardware, Hart Proprietary Software, and any and all related patents, copyrights, trademarks, service marks, trade names, documents, logos, software, microcode, information, and material, are the property of Hart. Client agrees that the sale of eSlate® Hardware and license of Hart Proprietary Software to Client does not grant to or vest in Client any right, title, or interest in such proprietary property. All patents, trademarks, copyrights, trade secrets, and other intellectual property rights, whether now owned or acquired by Hart with respect to the eSlate™ Electronic Voting System, eSlate® Hardware, and Hart Proprietary Software, are the sole and absolute property of Hart and no interest therein is being vested in Client by the execution of this Agreement or the sale of the eSlate Hardware or license of the Hart Proprietary Software to Client. Client shall not, under any circumstances, cause or permit the adaptation, conversion, reverse engineering, disassembly, or decompilation of any Software or Equipment. Client will have no authority or right to copy, reproduce, modify, sell, license, or otherwise transfer any rights in any proprietary property of Hart. The provisions of this Section 7.3 will survive the termination or cancellation of this Agreement.

## 8. TERM OF AGREEMENT; TERMINATION

8.1 Term. The initial term of this Agreement and the licenses granted herein is one (1) year commencing on the Effective Date and expiring on the first Anniversary Date.

8.2 Renewal Terms. Except as otherwise provided in this Agreement, Client may renew this Agreement before its expiration or termination by paying the Annual Fee invoiced by Hart, as provided in Section 4.2, before the Anniversary Date immediately following the date of invoice, as provided in Section 4.3. Each renewal term will be a one-year (1-year) term, commencing on the expiration of the prior term and expiring on the immediately following Anniversary Date.

8.3 Defaults. The following events will be deemed to be defaults:

(a) A party committing a material breach of any term of this Agreement or the eSlate™ Agreement if such breach has not been cured within thirty (30) days after written notice of such breach has been given by the nondefaulting party to the defaulting party;

(b) A party filing bankruptcy, becoming insolvent, or having its business placed in the hands of a receiver, assignee, or trustee, whether by voluntary act or otherwise; or

(c) A party failing to comply in any material respect with any federal, state, or local laws applicable to a party's performance under this Agreement or the eSlate® Agreement.

#### **8.4 Termination.**

(a) This Agreement will automatically terminate at the end of its then-current term if Client has elected not to or has failed to timely make full payment to Hart of the invoiced Annual Fee required to renew the term, as provided in Sections 4.3 and 8.2.

(b) Hart may terminate Software Support Services under Section 2 on thirty (30) days prior written notice to Client if Hart determines that any alterations, attachments, or modifications not made by Hart or the failure to install a software or hardware release will interfere with the provision of support.

(c) A party may terminate this Agreement before expiration of its term for default by the other party. If default occurs, the parties will have all remedies provided in this Agreement and otherwise available by statute, law, or equity.

**8.5 Survival.** Section 1.1 will survive the termination or expiration of this Agreement until the end of the warranty period stated therein. Sections 3.4(b), 3.4(c), 3.4(d), 3.4(e), 3.4(f), 6, 7.3, 8.5, 9, 11, and 12 will survive the termination or expiration of this Agreement.

### **9. LIMITATION OF DAMAGES**

**9.1 EXCLUSIVE REMEDY.** HART DOES NOT ACCEPT ANY LIABILITY FOR WARRANTIES BEYOND THE REMEDIES SET FORTH IN SECTION 1. HART'S ENTIRE LIABILITY AND CLIENT'S EXCLUSIVE REMEDY FOR ANY AND ALL CLAIMS CONCERNING THE ESLATE® HARDWARE PROVIDED TO CLIENT BY HART OR ITS DISTRIBUTORS, THIS AGREEMENT, AND SOFTWARE AND SERVICES PROVIDED UNDER THIS AGREEMENT ARE SET FORTH IN THIS SECTION.

**9.2 DISCLAIMER.** CLIENT IS RESPONSIBLE FOR ASSURING AND MAINTAINING THE BACKUP OF ALL CLIENT DATA. UNDER NO CIRCUMSTANCES WILL HART BE LIABLE TO CLIENT OR ANY THIRD PARTY FOR THE LOSS OF OR DAMAGE TO CLIENT DATA.

**9.3 LIMITATION.** NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, HART, HART'S LICENSORS, AND ANY PARTY INVOLVED IN THE CREATION, MANUFACTURE, OR DISTRIBUTION OF THE EQUIPMENT, SOFTWARE, AND PERFORMANCE OF SERVICES UNDER THIS AGREEMENT WILL NOT BE LIABLE TO CLIENT FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) OR FOR LOST DATA SUSTAINED OR INCURRED IN CONNECTION WITH THE EQUIPMENT, SOFTWARE, SERVICES, OR THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, REGARDLESS OF THE FORM OF ACTION AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. IN ADDITION, HART'S TOTAL LIABILITY TO CLIENT FOR DIRECT DAMAGES ARISING OUT OF OR RELATING TO THE EQUIPMENT, SOFTWARE,

SERVICES, AND THIS AGREEMENT WILL IN NO EVENT EXCEED THE TOTAL AMOUNT ACTUALLY PAID BY CLIENT TO HART UNDER THIS AGREEMENT. HART IS NOT LIABLE FOR DAMAGES CAUSED IN ANY PART BY CLIENT'S NEGLIGENCE OR INTENTIONAL ACTS OR FOR ANY CLAIM AGAINST CLIENT OR ANYONE ELSE BY ANY THIRD PARTY.

SOME STATES (OR JURISDICTIONS) DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE EXCLUSION OR LIMITATION MAY NOT APPLY TO CLIENT.

9.4 Referrals. Hart may direct Client to third parties having products or services that may be of interest to Client for use in conjunction with the Equipment and Software. Notwithstanding any Hart recommendation, referral, or introduction, Client will independently investigate and test non-Hart products and services and will have sole responsibility for determining suitability for use of non-Hart products and services. Hart has no liability with respect to claims relating to or arising from use of non-Hart products and services, including, without limitation, claims arising from failure of non-Hart products to provide proper time and date functionality.

#### 10. INFRINGEMENT INDEMNITY

10.1 Indemnity. Hart, at its own expense, will defend and indemnify Client against claims that the eSlate Hardware or Hart Proprietary Software infringe a United States patent, copyright, or misappropriate trade secrets protected under United States law, provided Client (a) gives Hart prompt written notice of such claims; (b) permits Hart to control the defense and settlement of the claims; and (c) provides all reasonable assistance to Hart in defending or settling the claims.

10.2 Remedies. As to eSlate® Hardware or Hart Proprietary Software that is subject to a claim of infringement or misappropriation, Hart may (a) obtain the right of continued use of the eSlate® Hardware or Hart Proprietary Software for Client or (b) replace or modify the eSlate Hardware or Hart Proprietary Software to avoid the claim. If neither alternative is available on commercially reasonable terms, then, at the request of Hart, any applicable Software license and its charges will end, Client will cease using the applicable eSlate® Hardware and Hart Proprietary Software, Client will return to Hart all applicable eSlate® Hardware and return or destroy all copies of the applicable Hart Proprietary Software, and Client will certify in writing to Hart that such return or destruction has been completed. Upon return or Hart's receipt of certification of destruction, Hart will give Client a credit for the price paid to Hart for the returned or destroyed eSlate® Hardware and Hart Proprietary Software, less a reasonable offset for use and obsolescence.

10.3 Exclusions. Hart will not defend or indemnify Client if any claim of infringement or misappropriation (a) is asserted by an affiliate of Client; (b) results from Client's design or alteration of any eSlate® Hardware or Hart Proprietary Software; (c) results from use of any eSlate® Hardware or Hart Proprietary Software in combination with any non-Hart product, except to the extent, if any, that such use in combination is restricted to the eSlate® Electronic Voting System designed by Hart; (d) relates to Non-Hart Software or Non-Hart Equipment alone; or (e) arises from Client-specified customization work undertaken by Hart or its designees in response to changes in Hart Proprietary Software or Non-Hart Software that are made in response to Client specifications.



10.4 EXCLUSIVE REMEDIES. THIS SECTION 10 STATES THE ENTIRE LIABILITY OF HART AND CLIENT'S SOLE AND EXCLUSIVE REMEDIES FOR INFRINGEMENT AND TRADE SECRET MISAPPROPRIATION.

## 11. DISPUTE RESOLUTION

11.1 Disputes and Demands. The parties will attempt to resolve any claim or controversy related to or arising out of this Agreement, whether in contract or in tort ("**Dispute**"), on a confidential basis according to the following process, which either party may start by delivering to the other party a written notice describing the dispute and the amount involved ("**Demand**").

11.2 Negotiation and Mediation. After receipt of a Demand, authorized representatives of the parties will meet at a mutually agreed-upon time and place to try to resolve the Dispute by negotiation. If the Dispute remains unresolved after this meeting, either party may start mandatory nonbinding mediation under the commercial mediation rules of the American Arbitration Association ("AAA") or such other mediation process as is mutually acceptable to the parties.

11.3 Injunctive Relief. Notwithstanding the other provisions of this Section 11, if either party seeks injunctive relief, such relief may be sought in a court of competent jurisdiction without complying with the negotiation and mediation provisions of this Section 11.

11.4 Time Limit. Neither mediation under this section nor any legal action, regardless of its form, related to or arising out of this Agreement may be brought more than two (2) years after the cause of action first accrued.

## 12. GENERAL PROVISIONS

12.1 Entire Agreement. This Agreement and the attachments, schedules, and exhibits hereto are the entire agreement and supersede all prior negotiations and oral agreements. Hart has made no representations or warranties with respect to this Agreement or the eSlate® Electronic Voting System and its components that are not included herein. Client acknowledges and agrees that Hart has no responsibility or liability under the eSlate® Agreement except to the extent, if any, that Hart is a party to the eSlate® Agreement. This Agreement may not be amended or waived except in writing signed by an officer of the party to be bound thereby.

12.2 Preprinted Forms. The use of preprinted forms, such as purchase orders or acknowledgments, in connection with this Agreement is for convenience only and all preprinted terms and conditions stated thereon are void and of no effect. If any conflict exists between this Agreement and any terms and conditions on a purchase order, acknowledgment, or other preprinted form, the terms and conditions of this Agreement will govern and the conflicting terms and conditions in the preprinted form will be void and of no effect. The terms and conditions of this Agreement, including, but not limited to, this Section 12.2, cannot be amended, modified, or altered by any conflicting preprinted terms or conditions in a preprinted form.

12.3 Interpretation. This Agreement will be construed according to its fair meaning and not for or against either party. Headings are for reference purposes only and are not to be used in construing the Agreement. All words and phrases in this Agreement are to be construed to include the singular or plural number and the masculine, feminine, or neuter gender as the context requires.

12.4 GOVERNING LAW. THIS AGREEMENT WILL BE GOVERNED BY THE LAWS

OF THE STATE OF TEXAS, WITHOUT REGARD TO ITS CONFLICT OF LAWS PROVISIONS, UNLESS CLIENT IS A GOVERNMENTAL SUBDIVISION OF ANOTHER STATE, IN WHICH CASE THE LAWS OF THE STATE IN WHICH CLIENT IS A GOVERNMENTAL SUBDIVISION WILL CONTROL.

**12.5 Severability.** Whenever possible, each provision of this Agreement will be interpreted to be effective and valid under applicable law; but if any provision is found to be invalid, illegal, or unenforceable, then such provision or portion thereof will be modified to the extent necessary to render it legal, valid, and enforceable and have the intent and economic effect as close as possible to the invalid, illegal, or unenforceable provision. If it is not possible to modify the provision to render it legal, valid, and enforceable, then the provision will be severed from the rest of the Agreement and ignored. The invalidity, illegality, or unenforceability of any provision will not affect the validity, legality, or enforceability of any other provision of this Agreement, which will remain valid and binding.

**12.6 Delays.** Hart is not responsible for failure to fulfill its obligations when due to causes beyond its reasonable control, including the failure of third parties to timely provide Software, Equipment, materials, or labor contemplated herein. Hart will notify Client in writing of any such delay, and the time for Hart's performance will be extended for a period corresponding to the delay. Hart and Client will determine alternative procedures to minimize delays.

**12.7 Force Majeure.** "Force Majeure" means a delay encountered by a party in the performance of its obligations under this Agreement that is caused by an event beyond the reasonable control of the party, but does not include any delays in the payment of monies due by either party. Without limiting the generality of the foregoing, "Force Majeure" will include, but is not restricted to, the following types of events: acts of God or public enemy; acts of governmental or regulatory authorities (other than, with respect to Client's performance, the Client, and its governing entities); fires, floods, epidemics, or serious accidents; unusually severe weather conditions; and strikes, lockouts, or other labor disputes. If any event constituting Force Majeure occurs, the affected party shall notify the other party in writing, disclosing the estimated length of the delay and the cause of the delay. If a Force Majeure occurs, the affected party will not be deemed to have violated its obligations under this Agreement, and time for performance of any obligations of that party will be extended by a period of time necessary to overcome the effects of the Force Majeure.

**12.8 Compliance with Laws.** Client and Hart shall comply with all federal, state, and local laws in the performance of this Agreement, including those governing use of the Equipment and Software. Equipment and Software provided under this Agreement may be subject to U.S. and other government export control regulations. Client shall not export or re-export any Equipment or Software.

**12.9 Assignments.** Hart may assign this Agreement or its interest in any Equipment or Software, or may assign the right to receive payments, without Client's consent. Any such assignment, however, will not change the obligations of Hart to Client that are outstanding at the time of assignment. Client will be notified in writing if Hart makes an assignment of this Agreement. Client shall not assign this Agreement without the express written consent of Hart, such consent not to be unreasonably withheld. In the event of any permitted assignment of this Agreement, the assignee shall assume the liabilities and responsibilities of the assignor, in writing.

**12.10 Independent Contractors.** Client and Hart are independent contractors and are not agents or partners of each other. Hart's employees, agents, and subcontractors will not be entitled to any privileges or benefits of Client employment. Client's employees, agents, and contractors will not be entitled to any privileges or benefits of Hart employment.

12.11 Notices. Any notice required or permitted to be given under this Agreement by one party to the other must be in writing and shall be given and deemed to have been given immediately if delivered in person to the address set forth on the Signature Page for the party to whom the notice is given, or on the fifth business day following mailing if placed in the United States Mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the party at their address set forth on the Signature Page. Each party may change its address for notice by giving written notice of the change to the other party.

12.12 Trademarks. eSlate®, eSlate 3000™, Judge's Booth Controller™, JBC1000™, Disabled Access Unit™, DAU5000™, Mobile Ballot Box™, Ballot Origination Software System™, BOSS™, Tally™, Rally™, FUSION™, and Ballot Now™ are trademarks of Hart.

### 13. DEFINITIONS

"*Agreement*" has the meaning set forth on the Signature Page.

"*Anniversary Date*" means each anniversary of the Effective Date.

"*Annual Fee*" means the combined annual license, sublicense, and support fees payable by Client to Hart as described in Section 4.

"*Client*" has the meaning set forth on the Signature Page.

"*Confidential and Proprietary Information*" means Software, firmware, diagnostics, documentation (including operating manuals, user documentation, and environmental specifications), designs and configurations of Equipment, Software and firmware, trade secrets and related documentation, and any other information confidential to Hart or its suppliers or licensors.

"*DAU™*" means the Disabled Access Unit (DAU5000™) created by Hart as an add-on component to an eSlate that facilitates the performance of voting activities by disabled voters, for example, by providing an audio ballot presentation and/or accepting inputs from specialized switch mechanisms, such as head switches, breath switches, and panel switches that facilitate interaction with disabled voters, as needed.

"*Effective Date*" has the meaning set forth in the Signature Page and indicates the date this Agreement becomes effective.

"*Equipment*" means the eSlate® Hardware and Non-Hart Equipment.

"*eScan™*" means the eScan™ device created by Hart, consisting of a precinct digital ballot imaging device single-feed scanner that transports and scans both sides of a ballot simultaneously, and a base that provides for secure ballot storage and transport.

"*eSlate®*" means the eSlate 3000™ created by Hart and consisting of hardware including an electronically configurable, network-capable voting station that permits a voter to cast votes by direct interaction, which voting station in its present configuration created by Hart comprises an electronically configurable liquid crystal display (LCD) panel for use in displaying ballot images, a rotary input device for use in ballot navigation, and various buttons that facilitate voter options for selecting ballot choices and casting a ballot.

*"eSlate® Agreement"* means the agreement, between Client and Hart or Hart's authorized distributor of eSlate® Hardware, under which Client has purchased the eSlate® Hardware. The eSlate® Agreement is identified on the Signature Page.

*"eSlate® Electronic Voting System"* means the Equipment and the Software.

*"eSlate® Hardware"* means the eSlate™ units, JBC™ units, and DAU™ units purchased by Client pursuant to the eSlate® Agreement.

*"Firmware"* means the Hart Proprietary Software embedded in eSlate® voting devices that allows execution of the software functions, but does not allow access to or modification of the software by an end user.

*"Force Majeure"* has the meaning set forth in Section 12.7.

*"Hart"* means Hart InterCivic, Inc., a Texas corporation.

*"Hart Proprietary Software"* means the run-time executable code and associated support files of the Ballot Origination Software System (BOSS™) Software, Tally™ Software, Rally™ Software, Ballot Now™ Software, computer code, and software resident in the eSlate® Hardware and other support software utilities as specified on Schedule B, consisting of computer programs and computer code owned by Hart that are licensed to Client pursuant to this Agreement, and all updates, upgrades, versions, new releases, derivatives, revisions, corrections, improvements, rewrites, bug fixes, enhancements, and other modifications, including any custom modifications, to such computer programs and code that are provided to Client, and all copies of the foregoing. Hart Proprietary Software also includes all documentation provided by Hart to Client with respect to these computer programs and code and all copies of the foregoing.

*"Initial Annual Fee"* means the first Annual Fee, in the amount specified as the "Initial Annual Fee" on Schedule D, which is payable upon execution of this Agreement.

*"Installation Date"* means, with respect to eSlate® Hardware, the date of delivery to Client and, with respect to Hart Proprietary Software, the date Hart completes delivery and installation of the Hart Proprietary Software.

*"JBC™"* means the Judge's Booth Controller (JBC1000™) created by Hart that is a local area network controller capable of interacting with one or more eSlate devices or DAU devices by transmitting and receiving signals that manage or control an election, e.g., by opening and closing the polls, providing or recording an audit trail of system events during an election, storing cast ballot data, and applying data security and integrity algorithms.

*"Non-Hart Equipment"* means the equipment, if any, not consisting of eSlate® Hardware that was sold to Client by Hart or Hart's distributor for use with, and in connection with the sale of, the eSlate® Hardware.

*"Non-Hart Software"* means the run-time executable code and associated support files of computer programs owned by third parties that are identified on Schedule C and sublicensed by Hart to Client pursuant to this Agreement or licensed directly by the third-party licensor to Client, and all updates, upgrades, versions, new releases, derivatives, revisions, corrections, improvements, rewrites, bug

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fixes, enhancements, and other modifications to such computer programs and code that are provided to Client, and all copies of the foregoing. Non-Hart Software also includes all documentation provided to Client with respect to these computer programs, and all copies of the foregoing.

“*Software*” means the Hart Proprietary Software and Firmware, and Non-Hart Software.

“*Sublicensed Software*” means Non-Hart Software that is identified on Schedule C as being sublicensed by Hart to Client pursuant to this Agreement.

“*VBO™*” means the Voter Verifiable unit used in conjunction with the eSlate® for a *Voter Verifiable Paper Audit Trail*.

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**SCHEDULE A**

**SUPPORT CONTACT INFORMATION**

The following contact information is to be used by Client for submitting Support requests to Hart InterCivic, Inc.:

Client Support Center:	1-800-750-HART (4278)
Client Support Center Fax:	1-800-396-HART (4278)
E-mail Address:	<a href="mailto:hartsupport@hartic.com">hartsupport@hartic.com</a>
Hart InterCivic, Inc. Switchboard:	1-800-223-HART (4278)
Client Support Manager:	

The following contact information is to be used by Hart for contacting Client on Software Support Service requests:

Primary Client Contact Point ("CCP"):	Molly Taylor Elections Administrator <a href="mailto:Molly.taylor@co.tom-green.tx.us">Molly.taylor@co.tom-green.tx.us</a>
First Alternate CCP:	<u>Mike Benton</u>

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**SCHEDULE B**  
**HART PROPRIETARY SOFTWARE**

QUANTITY	MODEL	DESCRIPTION	UNIT PRICE	NUMBER OF LICENSES	INITIAL LICENSE FEE
One (1).	BOSS™, Tally™, Ballot Now™, & SERVO™.	Ballot Origination Software System (BOSS™);  Tabulation and Reporting (Tally™);  Ballot On Demand (Ballot Now™); and Equipment and Data Management Software (SERVO™).	\$125,100.00	Four (4) (One license per each software title).	\$125,100.00

Licensed Location: Tom Green County, Texas.

NOTE: Hart and Client will update this Schedule as appropriate if Hart releases new Hart Proprietary Software that is made available to Client under the eSlate® Warranty, Support, and License Agreement.

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**SCHEDULE C**

**NON-HART SOFTWARE**

Non-Hart Software Sublicensed to Client:

QUANTITY	MODEL	DESCRIPTION	UNIT PRICE	NUMBER OF LICENSES	TOTAL PRICE
Four (4).	Sybase Embedded Runtime Program.	Database Engine.	No Charge.	Four (4).	No Charge

**NOTE:** Hart and Client will update this Schedule as appropriate if Hart provides new or different Non-Hart Software to Client under this Agreement.

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**SCHEDULE D**  
**INITIAL ANNUAL FEE**

Initial Annual Fee: \$37,955.00

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State of Texas \*  
County of Tom Green \*

### MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding (MOU) is entered into between MHMR Services for the Concho Valley established and operated as a Community MHMR Center pursuant to Section 534 Subchapter A, Health and Safety Code and designated as a local MHMR authority pursuant to Section 534 Subchapter B, Health and Safety Code (hereinafter referred to as "Center"), and Tom Green County Commissioner's Court (hereinafter referred to as "County")

#### I. STATEMENT OF UNDERSTANDING:

In consideration of a grant from the County, the Center will provide mental health crisis respite services for the County. The Grant will resource and staff a 15-bed facility, designed to be a favorable alternative to incarceration (jail diversion) and serve to support as an alternative to more costly in-patient hospitalization.

In coordination with the Mental Health Deputy program, the Center will continue to offer robust pre-booking alternatives for individuals deemed to have a mental illness who come into contact with law enforcement personnel.

The financial success of the MHMR grant will be evaluated in terms of measurable cost-avoidance and cost-savings. Cost-avoidance measure include the per day cost of the courts and jail, including jail-based medical services, which would otherwise be necessary. Cost-savings include the reduced commitment expense with Howard County, travel to/from state facilities, related out-of-county transportation time by county employees, and the state hospital in-patient cost above the FY06 Concho Valley allocation from DSHS. *Sharon Koppitz D.C. presented to Commissioner's Court on a quarterly basis. 6/14/05*

Policies and procedures will be developed in accordance with the attached Jail Diversion Action Plan, as overseen by the Jail Diversion Task Force. It is understood that the provision of crisis respite services will complement existing services and initiatives

#### II. DISTRIBUTION OF ALLOCATION:

The grant will be distributed quarterly, in the sum of \$25,000 for each quarter, upon the county's receipt of a properly presented invoice from the center. A total grant of \$100,000 is awarded to the center.

#### III. TERM OF AGREEMENT:

This MOU is to begin October 1, 2005 and shall terminate September 30, 2006.

#### IV. RELATIONSHIP OF PARTIES

A. The Center is associated with the County only for the purposes and to the extent set forth herein with respect to the performance of the Memorandum of Understanding. Nothing contained herein shall be deemed or construed to create a partnership or joint venture, to create the relationships of an employer-employee or principal-agent, or to otherwise create any liability for either party whatsoever with respect to liabilities and obligations of the other party.

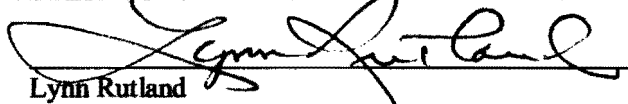
B. The Center hereby designates Dusty McCoy, or his designee as the responsible person the program. The County hereby designates STEVE FLOYD, or designee, to serve as the liaison for implementation of this MOU.


#### V. MISCELLANEOUS

- A. Either party may terminate this MOU, without cause, upon thirty (30) days prior written notice to the other party.
- B. This MOU and any written modifications constitute the sole agreement of the parties. Any oral agreements or understandings outside the terms of this MOU shall be void.

EXECUTED this 11 day of October, 2005

#### MHMR SERVICES FOR THE CONCHO VALLEY

BY:   
Lynn Rutland  
Executive Director  
MHMR Services for the Concho Valley  
1501 West Beauregard  
San Angelo, Texas 76901

**TOM GREEN COUNTY**  
BY:   
Tom Green County Commissioners Court by and  
Through Michael D. Brown in his official capacity  
and not in his individual capacity

## PROCLAMATION

- WHEREAS,** *Working Women constitute sixty-six million of the Nation's work force, and are constantly striving to serve their communities, their states, and their nation in professional, civic and cultural capacities; and*
- WHEREAS,** *Women-owned businesses account for 28 percent of all United States business, generation \$1.15 trillion in sales;*
- WHEREAS,** *The major goals of Business and Professional Women are to promote equality for all women and to help create better conditions for workingwomen through the study of social, educational, economic and political problems; to help them be of greater service to their community; to further friendship with women throughout the world; and*
- WHEREAS,** *All of us are proud of their leadership in these many fields of endeavor; and*
- WHEREAS,** *for 76 years Business and Professional Women has been spotlighting the achievements and contributions of workingwomen during Nation Business Women's Week; and*
- WHEREAS,** *The San Angelo Business and Professional Women have been promoting the working women of San Angelo since 1932*
- NOW, THEREFORE,** *I, Michael D. Brown, County Judge and the Commissioners of Tom Green County, Texas, do hereby proclaim the week of October 16<sup>th</sup>-22<sup>nd</sup>, 2005, as*

### **"NATIONAL BUSINESS WOMEN'S WEEK"**

*Sponsored by the National Federation of Business and Professional Women's Clubs, Inc., and urge all citizens of Tom Green County, all civic and fraternal groups, all educational associations, all news media, and other community and county organizations to join in this salute to workingwomen. Encourage and promote the celebrations of the achievements of all business and professional women as they contribute daily to our economic, civic and cultural process.*

**IN WITNESS WHEREOF,** *I have hereunto set my hand and Seal of the Commissioners' Court to be affixed this 11<sup>th</sup> day of October, 2005.*

**THE Commissioners' Court of Tom Green County, Texas**

*Michael D. Brown*  
Michael D. Brown, County Judge

*Ralph Hoelscher*  
Ralph Hoelscher, Commissioner Prct. #1

*Karl Boudier*  
Karl Boudier, Commissioner Prct. #2

*Steve Floyd*  
Steve Floyd, Commissioner Prct. #3

*Richard A. Easingwood, Jr.*  
Richard Easingwood, Commissioner Prct. #4

Attest: *Elizabeth McGill*  
Elizabeth McGill, County Clerk



## Federal Equitable Sharing Agreement

VALID THRU SEPTEMBER 30, 2008



Law Enforcement Agency: Tom Green County Sheriffs Office ☐ Check if New Participant

☐ Police Department ☒ Sheriff's Office/Department ☐ Task Force (attach list of members) ☐ Prosecutor's Office ☐ Other \_\_\_\_\_

Contact Person: Truman Richey E-mail Address: truman.richey@co.tom-green.tx.us

Mailing Address: 222 W. Harris San Angelo, Texas 76901  
(Street) (City) (State) (Zip Code)

Telephone Number: (325) 655-8111 Fax Number: (325) 655-5393

Agency Fiscal Year Ends on: 09/06 NCIC/ORI/Tracking No.: 2260000 (TXORI)  
(Month/Day)

This Federal Equitable Sharing Agreement entered into among (1) the Federal Government, (2) the above-stated law enforcement agency, and (3) the governing body sets forth the requirements for participation in the federal equitable sharing program and the restrictions upon the use of federally forfeited cash, property, proceeds, and any interest earned thereon, which are equitably shared with participating law enforcement agencies. By their signatures, the parties agree that they will be bound by the statutes and guidelines that regulate shared assets and the following requirements for participation in the federal equitable sharing program.

1. **Submission.** The Federal Equitable Sharing Agreement and the Federal Annual Certification Report must be submitted to both the Department of Justice and the Department of the Treasury with a copy provided to the U.S. Attorney in the district in which the recipient law enforcement agency is located, in accordance with the instructions received from the respective departments or as outlined in their equitable sharing guidelines.

Asset Forfeiture and Money Laundering Section  
U.S. Department of Justice  
10th and Constitution Avenue, NW  
Bond Building, 10<sup>th</sup> Floor  
Washington, DC 20530  
Fax: (202) 616-1344  
E-mail address: [afmls.aca@usdoj.gov](mailto:afmls.aca@usdoj.gov)

Executive Office for Asset Forfeiture  
U.S. Department of the Treasury  
740 15th Street, NW  
Suite 700  
Washington, DC 20220  
Fax: (202) 622-9610  
E-mail address: [treas.aca@teoaf.treas.gov](mailto:treas.aca@teoaf.treas.gov)

2. **Signatories.** This agreement must be signed by the head of the law enforcement agency and the head of the governing body. Examples of law enforcement agency heads include police chief, sheriff, director, commissioner, superintendent, administrator, chairperson, secretary, city attorney, county attorney, district attorney, prosecuting attorney, state attorney, commonwealth attorney, and attorney general. Examples of governing body heads include city manager, mayor, city council chairperson, county executive, county council chairperson, director, secretary, administrator, commissioner, and governor. Receipt of the signed agreement is a prerequisite to receiving any equitably shared cash, property, or proceeds.
3. **Uses.** Any shared asset shall be used for law enforcement purposes in accordance with the statutes and guidelines that govern equitable sharing and as specified in the equitable sharing request (either a DAG-71 or a TDF 92-22.46) submitted by the requesting agency.
4. **Transfers.** Before the undersigned law enforcement agency transfers cash, property, or proceeds to other state or local law enforcement agencies, it must verify first that the receiving agency has a current and valid Federal Equitable Sharing Agreement on file with both the Department of Justice and the Department of the Treasury. If there is no agreement on file, the undersigned law enforcement agency must obtain one from the receiving agency and forward it to the Department of Justice and the Department of the Treasury as in item 1. A list of recipients and the amount transferred must be attached to the Federal Annual Certification Report.

5. **Internal Controls.** The parties agree to account separately for federal equitable sharing funds received from the Department of Justice and the Department of the Treasury. Funds from state and local forfeitures and other sources must not be commingled with federal equitable sharing funds. The recipient agency shall establish a separate revenue account or accounting code for state, local, Department of Justice, and Department of the Treasury forfeiture funds. Interest income generated must be accounted for in the appropriate federal forfeiture fund account.

The parties agree that such accounting will be subject to the standard accounting requirements and practices employed for other public monies as supplemented by requirements set forth in the current edition of the Department of Justice's *A Guide to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies (Justice Guide)*, and the Department of the Treasury's *Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies (Treasury Guide)*. The accounting of shared funds must be reported on the Annual Certification Report.

The misuse or misapplication of shared resources or the supplantation of existing resources with shared assets is prohibited. Failure to comply with any provision of this agreement shall subject the recipient agency to the sanctions stipulated in the current edition of the *Justice* or *Treasury Guides*, depending on the source of the funds or property.

6. **Federal Annual Certification Report.** The recipient agency shall submit an Annual Certification Report to the Department of Justice and the Department of the Treasury (at the addresses shown in item 1) and a copy to the U.S. Attorney in the district in which the recipient agency is located. The certification must be submitted in accordance with the instructions received from the respective departments or as outlined in the *Justice* or *Treasury Guides*. Receipt of the certification report is a prerequisite to receiving any equitably shared cash, property, or proceeds.

7. **Audit Report.** Audits will be conducted as provided by the Single Audit Act Amendments of 1996 and OMB Circular A-133. The Department of Justice and the Department of the Treasury reserve the right to conduct periodic random audits.

- 8a. **During the past 3 years, has your agency been found in violation of, or entered into a settlement agreement pursuant to, any nondiscrimination law in federal or state court, or before an administrative agency?**

☐ Yes ☐ No (If you answered yes, attach relevant information. See instructions.)

- 8b. **Are there pending in a federal or state court, or before any federal or state administrative agency, proceedings against your agency alleging discrimination?**

☐ Yes ☐ No (If you answered yes, attach relevant information. See instructions.)

The undersigned certify that the recipient agency is in compliance with the nondiscrimination requirements of the following laws and their Department of Justice implementing regulations: Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 *et seq.*), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), and the Age Discrimination Act of 1975 (42 U.S.C. § 6101 *et seq.*), which prohibit discrimination on the basis of race, color, national origin, disability, or age in any federally assisted program or activity, or on the basis of sex in any federally assisted education program or activity.

Under penalty of perjury, the undersigned officials certify that the recipient state or local law enforcement agency is in compliance with the provisions of the *Justice* and/or *Treasury Guides* and the National Code of Professional Conduct for Asset Forfeiture.

Name (Print or Type) Joe B. Hunt Date 10/14/05  
Law Enforcement Agency Head

Signature: [Signature]  
Title: Sheriff

Name (Print or Type) MICHAEL D. BROWN Date 10-11-05  
Governing Body Head

Signature: [Signature]  
Title: TRM GREEN COUNTY JUDGE

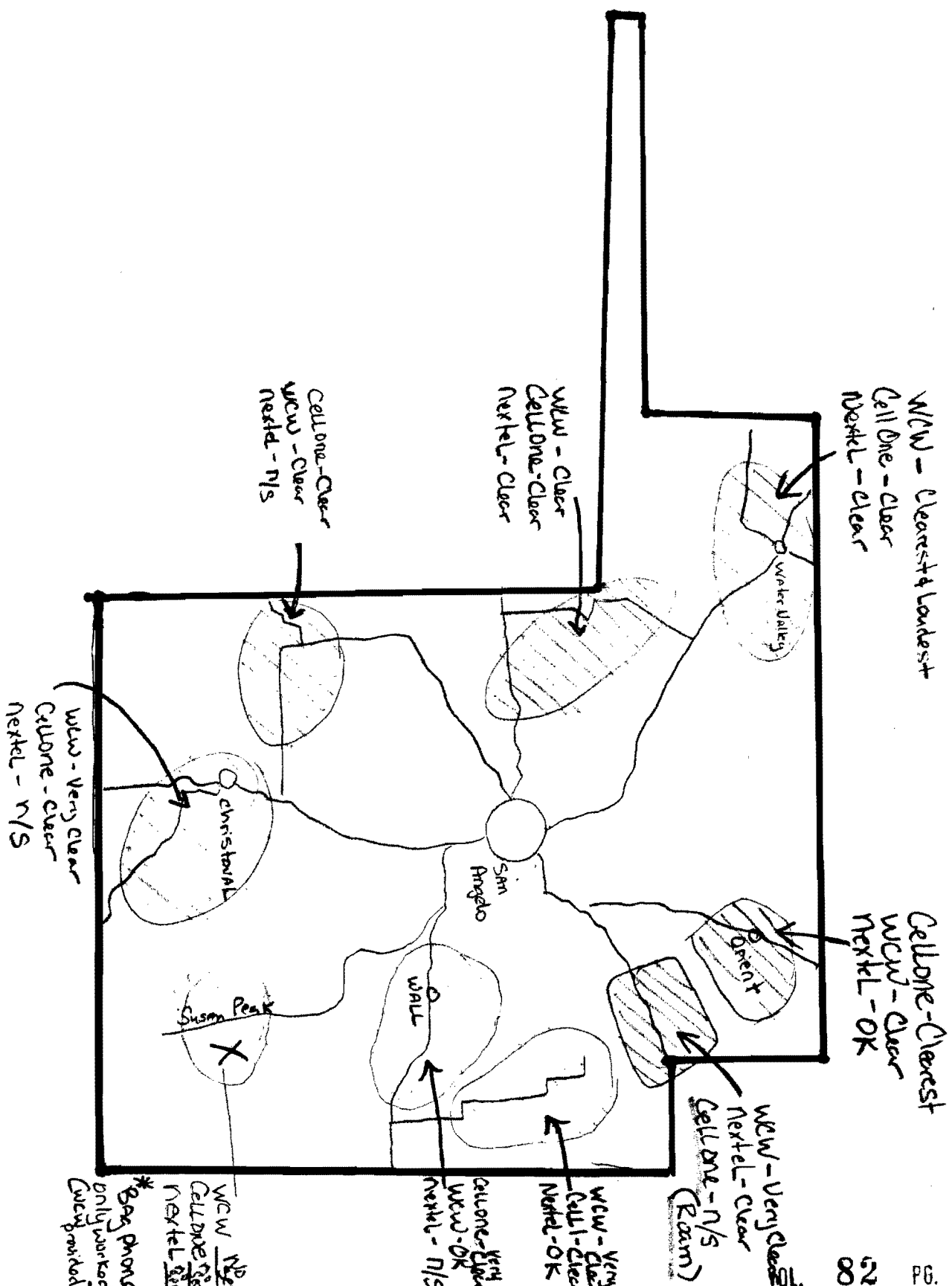
This form is subject to the Freedom of Information Act and may be released under 5 U.S.C. § 552.

See [www.usdoj.gov/criminal/afmls.html](http://www.usdoj.gov/criminal/afmls.html) or [www.treas.gov/offices/enforcement/teoaf](http://www.treas.gov/offices/enforcement/teoaf) for additional forms.

RFP 05-015 "Cellular Service" SpreadSheet- Oct. 10, 2005

Description	West Central Cellular		Cellular One		NEXTEL Partners Inc.	
Location of Service Center	3389 Kinckerbocker Rd. San Angelo		Kinickerbocker Rd. San Angelo		806 Hutchins Ave Ballinger	
Monthly Access	\$	20.00	75 phones @ \$14.93 25 phones @ \$35.19		\$	28.70
Overage	.40/min		.39/ per minute		.40/per min	
Mobile to Mobile	free		free		Direct Connect Unlimited	
Monthly Detailed Billing	no charge		no charge		n/a	
Monthly Master Billing	no charge		no charge		n/a	
Minute sharing	yes All Minutes Pooled Accordingly		yes		yes	
Roaming Charges	\$0.60/min within the U.S.		.59 per minute Roaming		No Roaming, Nextel only works off of their own towers, and does not roam at any given time	
Features	<del>FREE</del> Long Distance Caller ID Call Waiting Call Diversion 3-way calling Call Forwarding Detail Billing		Free Long Distance Caller ID Call Waiting Basic Voice Mail 3-way calling Call Forwarding 50 free incoming Text Messages Free Nights and Weekends		Free Nationwide long distance caller ID Direct Connect voice mail  unlimited nights and weekends	
Phone Description	Free GSM V171 Motorola Digital Phones		Free Nokia 6015		Free Motorola i265 w/ car charger and case	
Special incentive	w/ one year warranty and car adapter				less government rate of 18% was applied	
Activation Fee	NO charge		Waived		Waived	
Total Minutes per month based on 100 phones	Monthly Pool GSM phones Anytime minutes 25,000 Nighttime minutes 25,000 Weekend minutes 25,000 Mobile to moblie unlimited		Monthly Pool Anytime minutes Local 40 30,000 min Anytime minutes Local Partner N/A Night/Weekend minutes unlimited Mobile to moblie unlimited		monthly pool Anytime minutes 25,000 Nighttime minutes unlimited Weekend minutes unlimited	
Est. Monthly Cost	\$	2,000.00	\$	1,999.53	\$	2,870.00
Est. Yearly Cost	\$	24,000.00	\$	23,994.36	\$	34,440.00

↖ \$564 ↗  
Annual difference  
\$0.47 monthly





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**THE TOM GREEN/SAN ANGELO, TEXAS  
STEERING COMMITTEE**  
IN SUPPORT OF A FAITH-BASED/WORK ETHIC CORRECTIONS INITIATIVE

October 10, 2005

Roger Julien  
Coordinator  
Burt Terrill  
Secretary  
Milton Tyler  
Billy Hollis  
Max Hulse  
Frank Rose  
Karl Bookter  
Max Parker  
Stanley Mayfield  
John Gandy  
Dr. Robert Budewig  
Keith Davis  
Bob Reeves  
Jeffrey Sutton  
Leonard Hartley

Honorable Michael Brown  
Tom Green County  
122 W. Harris  
San Angelo, TX 76903

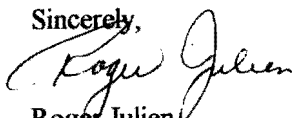
RE: Concho Valley Community Facilities Corporation

Dear Judge Brown:

The Steering Committee recommends the following individuals be appointed as Directors of the Concho Valley Community Facilities Corporation:

Frank Rose, 2754 Dena Dr., San Angelo, TX 76904 – (325) 653-6721  
Burt Terrill, 1125 Algerita, San Angelo, TX 76901 – (325) 655-6580  
Billy Hollis, 302 S. Monroe St., San Angelo, TX 76901 – (325) 655-0792

Sincerely,

  
Roger Julien  
Coordinator