EXHIBIT 18

You've Got Mail:
The promise of cyber communication in prisons and need for regulation

Santa Barbara County (CA) Contract with Keefe Commissary Network

PRISON
POLICY INITIATIVE

BOARD OF SUPERVISORS AGENDA LETTER

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

2014 MAR 20 AM 11: 12

COUNTY OF SANTA BARBARA
CLERK OF THE
BOARD OF SUPERVISORS

Department Name:	Sheriff
Department No.:	032
For Agenda Of:	April 01, 2014
Placement:	Administrative
Estimated Tme:	
Continued Item:	No
If Yes, date from:	
Vote Required:	Majority

14-00060 0401-20

TO: Board of Supervisors

FROM: Sheriff's Office Bill Brown (Ext. 4290)
Contact Info: Lieutenant Tim McWilliams (Ext. 4047)

SUBJECT: **Keefe Commissary Network Contract Amendment**

County Counsel Concurrence
As to form: Yes

Other Concurrence: N/A
As to form: N/A

Auditor-Controller Concurrence
As to form: Yes

Recommended Actions:

1. That the Board of Supervisors authorize the Sheriff to enter into a contract amendment on behalf of the County of Santa Barbara with Keefe Commissary Network (KCN) effective April 01, 2014.
2. Find that the proposed actions do not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to 14 CCR 15378(b)(5), in that they are government administrative activities that will not result in direct or indirect changes to the environment.

Summary Text:

On May 01, 2011, the Santa Barbara County Sheriff's Office entered into a contractual agreement with Keefe Commissary Network (KCN). This is a revenue contract, whereby KCN provides inmate commissary supplies and services to the Custody facilities. The Sheriff's Office receives a commission on the sales of commissary supplies and services. The commissions are placed in the Inmate Welfare Fund (Fund 0075) for the benefit of the inmates.

This amendment is to provide the additional service of Secure Mail to the inmate population and their families. Secure Mail is a program that allows friends and family members, of persons incarcerated in the Santa Barbara County Jail, the ability to correspond via email. This option will be offered in addition to the current mail policy and provides the opportunity for the inmates to receive letters and photos in a safe and secure manner.

Background:

On March 11, 2013, the Sheriff's Office, Custody Division, as part of the Inmate Mail Guidelines, implemented a Post Card only policy for all incoming mail delivered from the United States Postal Service (USPS) from friends and family members. Postcards can be of any size as long as they are accepted by the USPS for delivery. This policy was implemented to improve the safety and security of the facility by reducing the amount of drugs and contraband sent through the mail. Since the implementation of that policy, some community members have stated their concerns that corresponding with incarcerated individuals is hindered due to the amount of space available on a postcard and the contents of their private conversations are on public display throughout the mailing process.

In response to the community concerns, the Sheriff's Office looked for alternative methods that would provide for additional correspondence while continuing to maintain the safety and security needs of the custody facilities.

Secure Mail is a program developed by our current commissary vendor, KCN. This program provides community members and families the ability to correspond with incarcerated individuals in more contemporary and efficient means for more information to be shared in a letter-type format, while providing the necessary safety and security measures required by the Sheriff's Office. Friends and family members wishing to correspond with an incarcerated person may write an email, 2,560 characters in length (approximately 40-single-spaced lines @ 12 fonts). Photographs and drawings may also be shared; each picture/drawing counts as one email and measures approximately 3-3/4" X 5-1/2." (Refer to Attachments A & B respectively).

There is no limit to the number of email letters, photographs or drawings one may receive. Emails are received real-time and it is estimated to take one day for processing. All mail will be distributed at the same time (electronic and standard). Due to the nature of email, confidential mail, privileged mail and/or legal mail cannot be accepted in this format.

Persons desiring to send an email to someone in jail in Santa Barbara County may do so from any computer by accessing the Secure Mail website and can do so from the privacy of their own home. Payments for this service are made directly to the vendor.

Secure Mail Pricing - Message	
Message Package	**Price of Package**
1 Message	$0.65
5 Messages	$3.00
20 Messages	$11.00
40 Messages	$20.00

Secure Mail Pricing - Photo	
Photo Package	**Price of Package**
1 Photo	$0.65
5 Photos	$3.00
20 Photos	$11.00
40 Photos	$20.00

The vendor, KCN, collects the revenue from the sales of Secure Mail. The Sheriff's Office, Inmate Welfare Fund will receive a commission. (Refer to Attachment C for fee chart). The money deposited in the Inmate Welfare Fund shall be expended by the Sheriff primarily for the benefit, education and welfare of the inmates confined within the jail. Examples of fund expenditures include, but are not limited to, the Sheriff's Treatment Program, indigent commissary packages, and legal research.

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis:

This is a revenue generating contract. There are no expenditures incurred by the Sheriff's Office with this contract. Total KCN sales constitute approximately 20% of the revenue for the Inmate Welfare Fund, or approximately $265,000. The Santa Barbara County Jail is estimated to receive approximately 2100 messages/photos per month through the use of Secure Mail. With commission rates to the Sheriff's Office of between $0.20 and $0.25 per piece of Secure Mail, the revenue to be generated is expected to be about $500 per month, or $6,000 per year.

Special Instructions:

Clerk of the Board, Please send an executed copy of this Amendment to the Sheriff's Office, Attention Cathy Dorsey.

Attachments:

First Amendment of contract between Santa Barbara Sheriff's Office and Keefe Commissary Network
Copy of Original contract
Attachment A: Picture Sample
Attachment B: Letter Sample
Attachment C: Service Fees

Authored by:

Tim McWilliams, Custody Lieutenant
Santa Barbara County Sheriff's Office
Custody Support Division

cc:

FIRST AMENDMENT TO THE KEEFE COMMISSARY NETWORK AGREEMENT BETWEEN Santa Barbara COUNTY AND KEEFE COMMISSARY NETWORK, LLC, An affiliate of THE KEEFE GROUP

This First Amendment has an effective date of April 01, 2014 between Santa Barbara County Jail[1] ("County") and Keefe Commissary Network, LLC, (KCN), an affiliate of The Keefe Group.

WHEREAS, on May 01, 2011, County and KCN entered into an Inmate Commissary Agreement ("Agreement"); and,

WHEREAS, County and KCN desire to further amend the Agreement;

NOW THEREFORE, in consideration of the mutual covenants herein, and other good and valuable consideration, County and KCN hereby agree as follows:

1. **Messaging Methods:**

   KCN shall support the following "Messaging Methods" for facilitating electronic messages to the inmate population:

   A. ***Print.*** Described as, the facility utilizing the secure website for review and approval of all incoming electronic messages and printing each approved message at a designated printer located within the facility. (See Attachment A & B for sample message and photo)

2. **Responsibilities of KCN:**

   A. KCN shall receive electronic messages from the public, directed to inmates of County via the KCN website.
   B. KCN will transfer all electronic messages to County in real-time. KCN will not be liable for the content contained in the electronic messages.
   C. KCN shall be responsible for storing all electronic messages sent to County for purposes of review or investigation. If services are terminated, KCN agrees that all electronic messages will remain the property of the County.
   D. KCN shall be responsible for responding to and resolving inquiries and complaints from senders of electronic messages arising out of KCN's failure to timely transmit any message to County.
   E. KCN shall provide sufficient promotional material to be posted in each housing and public area of County.
   F. KCN shall provide all supplies for the program. This includes printer, paper and toner.

3. **Responsibilities of the County:**

   A. County will provide any labor for the installation of a printer, if applicable, including but not limited to material handling within the facility.
   B. County will provide a computer terminal including electrical and network connectivity in order to review and approve all incoming messages from the Secure Mail service.

[1] Santa Barbara County Jail was referred to as Santa Barbara County Sheriff's Department in the Agreement

C. County agrees that KCN is not liable for the approval and/or rejection of electronic messages. It is the responsibility of the County to read, review and approve/reject all incoming emails.

4. Fees and Charges:

KCN shall apply "Service Fees" to all electronic messages in accordance with the fee structure (Attachment C). All fees shall be assessed to the sender.

5. Equipment:

Upon expiration or termination of these services, County agrees that all equipment and materials remain the property of KCN.

6. Confidentiality:

KCN agrees to keep all information about inmates confidential and to make no disclosure thereof to any third party, except as may otherwise by required by law. KCN agrees to give County prompt Notice of any such disclosure.

7. Compliance:

KCN and the County shall comply with all laws, orders, rules and regulations applicable to it that are associated with the performance of its duties and obligations.

8. Approval:

It will be the sole responsibility of the County to review and approve and/or reject all incoming messages. KCN does not read, review or approve and/or reject any messages and therefore cannot be liable for any email content. KCN will supply word watch software that will detect words that are not approved per the County. This software is offered only as assistance to the County when reviewing messages. KCN is not liable for any electronic messages that are approved based solely on this software.

9. Indemnification:

KCN shall defend, indemnify and save harmless the County, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of this Agreement or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission to act on the part of the KCN or its agents or employees or other independent contractors directly responsible to it; except those claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities resulting from the sole negligence or willful misconduct of the County.

KCN shall notify the County immediately in the event of any accident or injury arising out of or in connection with this Agreement.

Except as expressly modified by this First Amendment, the provisions and conditions of the original Agreement, as amended, are unchanged and shall remain in full force and effect. The original Agreement, as amended and as expressly modified by this First Amendment, is the complete agreement of the parties and supersedes all prior or contemporaneous agreements and representations, whether written or oral and may not be further modified or amended except by written amendment.

/
/
/
/

IN WITNESS WHEREOF and intending to be bound as of the First Amendment Effective Date, each of the parties has caused this First Amendment to be signed by its duly authorized representatives on the date(s) shown below.

Santa Barbara County, by

Steve Lavagnino, Chair

Date

Attest:
Mona Miyasato,
Clerk of the Board

By: Deputy

Keefe Commissary Network, LLC.
an affiliate of The Keefe Group, by

Signature

Michael Manning
Printed Name

Vice President
Title

3-19-14
Date

APPROVED AS TO FORM:
MICHAEL GHIZZONI
COUNTY COUNSEL

By:
Kevin E. Ready, Sr.
Senior Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
ROBERT W GEIS, CPA
AUDITOR-CONTROLLER

by:
Deputy

APPROVED AS TO FORM:
RAY AROMATORIO,
RISK PROGRAM ADMINISTRATOR

By: Marianne Rauch
County Executive Officer
Risk Manager

SHERIFF-CORONER

Bill Brown; Sheriff - Coroner
Santa Barbara County

7890 - JANE DOE
Location: 4 MAI - 4-1 - 4MNL-

From: John Vitale
Sent: 03/27/2012 4:18 PM CDT

Attachment B

64 CHARCTERS PER LINE 2560 CHARACTERS @ 12 FONT 40 LINES

7890 – JANE DOE

Location: 4 MAI – 4-1-4MNL

From: John Vitale

Sent: 03/27/2012 4:18 PM CDT

SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS
SSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSSS

Attachment C

SECURE MAIL

SERVICE FEES

SECURE MAIL MESSAGE PRICING			
Message Package	**Price of Package**	**Price per Message**	**Commission per Package**
1 Message	$0.65	$0.65	**$0.25**
5 Messages	$3.00	$0.60	**$1.25**
20 Messages	$11.00	$0.55	**$5.00**
40 Messages	$20.00	$0.50	**$10.00**

SECURE MAIL PHOTO PRICING			
Photo Package	**Price of Package**	**Price per Photo**	**Commission per Package**
1 Photo	$0.65	$0.65	**$0.20**
5 Photos	$3.00	$0.60	**$1.00**
20 Photos	$11.00	$0.55	**$4.00**
40 Photos	$20.00	$0.50	**$8.00**

KEEFE COMMISSARY NETWORK AGREEMENT

This Agreement made and entered into as of this _1st __day of _May_, 2011, by and between KEEFE COMMISSARY NETWORK, L.L.C. an affiliate of THE KEEFE GROUP, ("KEEFE") and **_SANTA BARBARA County Jail_**, a Correctional SANTA BARBARA COUNTY JAIL in the State of __California___,

Whereas, KEEFE is in the business of supplying food and other related products to inmate commissary departments of correctional facilities throughout the United States, including SANTA BARBARA COUNTY JAIL; and,

Whereas, the parties wish to enter into a Commissary Agreement to facilitate the ordering of commissary supplies by inmates and the payment thereof, now, therefore, in consideration of the mutual promises and conditions herein contained, it is agreed between the parties:

1. OPERATION OF COMMISSARY BY SANTA BARBARA COUNTY JAIL

SANTA BARBARA COUNTY JAIL agrees that during the term of this Agreement, it will, at its expense, provide personnel to account for inmate welfare funds.

2. OPERATION OF COMMISSARY BY KEEFE

KEEFE agrees that on weekly basis, it will download all inmate orders for commissary items. KEEFE will bag, box, and ship such commissary items to the SANTA BARBARA COUNTY JAIL and will deliver the orders to the inmates. KEEFE will bill the SANTA BARBARA COUNTY JAIL monthly, or more frequently as agreed by the parties, for all such purchases. In addition, KEEFE will keep the computer equipment updated with

complete information as to commissary items available, pricing, and other terms and conditions of sale. KEEFE will provide inmate order forms to the facility at no charge.

3. **HARDWARE**

During the term of this agreement, KEEFE shall supply SANTA BARBARA COUNTY JAIL with such computer equipment and software as listed in Exhibit A. In the event that SANTA BARBARA COUNTY JAIL elects to terminate the Agreement, SANTA BARBARA COUNTY JAIL will promptly return all equipment and software to KEEFE. KEEFE hereby grants to SANTA BARBARA COUNTY JAIL a royalty free license to use the KEEFE Commissary Network software. The complete KEEFE COMMISSARY NETWORK Inmate Accounting program is provided at no cost to the SANTA BARBARA COUNTY JAIL throughout the term of this contract. SANTA BARBARA COUNTY JAIL acknowledges the proprietary nature of the software and/or written software documentation and hereby agrees NOT to disclose, reproduce, transfer or use the software and/or documentation for any purpose other than those specifically allowed by the terms of this agreement without specific written permission of an Officer of KEEFE.

4. **PAYMENT**

KEEFE will invoice SANTA BARBARA COUNTY JAIL for all commissary items purchased. SANTA BARBARA COUNTY JAIL will pay such invoices in accordance with KEEFE'S standard credit terms (NET 30 DAYS) from the Inmate Trust Account.

5. **SERVICE FEE**

SANTA BARBARA COUNTY JAIL will be paid a service fee for the services to be provided by it hereunder equal to **39 %** of adjusted gross sales. On the anniversary date each year commission will be raised one percent (1%). This annual commission adjustment shall

continue for years 2012-2015 at which time commission will be held for the life of the contract at 42%. See below:

Commission for 2011-2012 = 39%.
Commission for 2012-2013 = 40%
Commission for 2013-2014 = 41%
Commission for 2014-2015 = 42%
Final year of contract 2015-2016 = 42%
All renewal years of contract = 42%

Adjusted gross sales are gross sales less the sales of noncommissioned items as determined by KEEFE and SANTA BARBARA COUNTY JAIL listed on Exhibit B to this Agreement. In the event that the inmate's funds available to purchase commissary products are inhibited in any way by change in policy from SANTA BARBARA COUNTY JAIL, the service fee paid to SANTA BARBARA COUNTY JAIL may be renegotiated. KEEFE will provide 15,500 Hygiene Kits at no charge and the cost will be $0.95 each after 15,500 kits, per year. KEEFE will provide 8,400 Welfare Kit at no charge and the cost will be $2.55 each after 8400 kits, per year.

6. **MENU**

Product selection and pricing will be agreed upon by SANTA BARBARA COUNTY JAIL and KEEFE. Menu selection shall be reviewed as needed, but no less than annually. All changes must be approved by SANTA BARBARA COUNTY JAIL. Any price adjustments will be made at least yearly on the contract anniversary date with prior agreement and approval of SANTA BARBARA COUNTY JAIL.

7. FRIENDS AND FAMILY INMATE ORDERING SITE

Keefe Commissary will maintain a customized website specifically designed for SANTA BARBARA County allowing friends and family of inmates to order products to be delivered to SANTA BARBARA County inmates. Keefe and SANTA BARBARA County will work to agree on pricing of these items and selection no less than annually. This additional service will be provided at no additional cost to the County and will be an exclusive agreement where Keefe will be the sole provider of this program. SANTA BARBARA COUNTY JAIL will be paid a service fee services for this additional service to be provided by it hereunder equal to **39%** of adjusted gross sales. Commissions shall be adjusted annually and congruent with commissions set forth in Section 5, Service Fee.

KCN will charge the friends and family a $3.00 non-commissionable handling charge for this service. These fees cover the maintenance of the website, credit Card fees and any bad debt costs. SANTA BARBARA County is not responsible for bad debt, collection costs or other fees associated with operation of the website.

In accordance with the agreed upon arrangements made between Keefe Commissary, SANTA BARBARA County and DSSI, Inc., Keefe Commissary shall cooperate with DSSI, Inc. and the County of Santa Barbara to facilitate the implementation of the interface with the new jail management system. Information transfer shall include inmate information necessary for all commissary purchases and effective operation of the Friends & Family Inmate Ordering Website.

8. DEPOSIT SERVICES

This agreement shall include KEEFE'S Access Corrections® Deposit Services. KEEFE will facilitate family deposits to inmate trust accounts via the website and a toll free phone number. KEEFE will guarantee all deposits and ACH moneys to designated INSTITUTION bank account nightly. No fees for this service will be born by INSTITUTION. Deposit service fees are charged to the end user on a percentage basis as follows:

SERVICE FEES

ELECTRONIC DEPOSIT SERVICES				
Gross Amount Deposited	**Credit/Debit Deposits via Website**	**Credit/Debit Deposits via Phone**	**Credit/Debit Deposits via Lobby Kiosk**	Cash Deposits via Lobby Kiosk
$0.01 - $19.99	$2.95	$3.95	$2.95	$3.00
$20.00 - $99.99	$5.95	$6.95	$5.95	$3.00
$100.00 - $199.99	$7.95	$8.95	$7.95	$3.00
$200.00 - $300.00	$9.95	$10.95	$9.95	$3.00

At the discretion of the Sheriff, deposit kiosks can placed in mutually agreeable sites within the facilities. Facility will provide power and network connectivity for the kiosk. No fees for this service will be born by INSTITUTION. Deposit service fees are charged to the end user on a percentage basis as described in the above chart.

9. TERM & TERMINATION

This Agreement shall continue in effect for a period of one year (the base term) from the date hereof. The Agreement may be renewed at the sole discretion of SANTA BARBARA County, for successive one year terms. Either party to this Agreement may terminate this contract with a 60 day written notice to the other party.

10. GOVERNING LAW

This Agreement shall be governed by the laws of the State of California.

11. ENTIRE AGREEMENT-WAIVER

This Agreement constitutes the entire Agreement between the parties with respect to the provision of delivery services, and there are no other or further written or oral understandings or agreements with respect thereto. No variation or modification of the Agreement and no waiver of its provision shall be valid unless in writing and signed by the duly authorized officers of KEEFE and SANTA BARBARA COUNTY JAIL. This Agreement supersedes all other agreements between the parties for the provision of Commissary Delivery Services.

12. INDEMNIFICATION

CONTRACTOR shall defend, indemnify and save harmless the INSTITUTION and COUNTY OF SANTA BARBARA, their officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of this Agreement or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission to act on the part of the CONTRACTOR or his agents or employees or other independent contractors directly responsible to him; except those claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities resulting from the sole negligence or willful misconduct of the INSTITUTION or COUNTY OF SANTA BARBARA.

CONTRACTOR shall notify the INSTITUTION immediately in the event of any accident or injury arising out of or in connection with this Agreement.

.10. INSURANCE

Without limiting the CONTRACTOR's indemnification of the INSTITUTION and COUNTY OF SANTA BARBARA, CONTRACTOR shall procure the following required insurance coverage(s) at its sole cost and expense. All insurance coverages are to be placed with insurers which (1) have a Best's rating of no less than A: VII, and (2) are admitted insurance companies in the State of California. All other insurers require the prior approval of the INSTITUTION. Such insurance coverage shall be maintained during the term of this Agreement. Failure to comply with the insurance requirements shall place CONTRACTOR in default. Upon request by the INSTITUTION, CONTRACTOR shall provide a certified copy of any insurance policy to the INSTITUTION within ten (10) working days.

1. Workers' Compensation Insurance: Statutory Workers' Compensation and Employers Liability Insurance shall cover all CONTRACTOR's staff while performing any work incidental to the performance of this Agreement. The policy shall provide that no cancellation, or expiration or reduction of coverage shall be effective or occur until at least thirty (30) days after receipt of such notice by the INSTITUTION. In the event CONTRACTOR is self-insured, it shall furnish a copy of Certificate of Consent to Self-Insure issued by the Department of Industrial Relations for the State of California. This provision does not apply if CONTRACTOR has no employees as defined in Labor Code Section 3350 et seq. during the entire period of this Agreement and CONTRACTOR submits a written statement to the INSTITUTION stating that fact.

2. General and Automobile Liability Insurance: The general liability insurance shall include bodily injury, property damage and personal injury liability coverage, shall afford coverage for all premises, operations, products and completed operations of CONTRACTOR and shall include contractual liability coverage sufficiently

broad so as to include the insurable liability assumed by the CONTRACTOR in the indemnity and hold harmless provisions [above] of the Indemnification Section of this Agreement between INSTITUTION and CONTRACTOR. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles that are operated on behalf of CONTRACTOR pursuant to CONTRACTOR's activities hereunder. CONTRACTORS shall require all subcontractors to be included under its policies or furnish separate certificates and endorsements to meet the standards of these provisions by each subcontractor. INSTITUTION and COUNTY OF SANTA BARBARA, their officers, agents, and employees shall be Additional Insured status on any policy. A cross liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each shall be included in the policies. A copy of the endorsement evidencing that the policy has been changed to reflect the Additional Insured status must be attached to the certificate of insurance. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than $1,000,000 per occurrence and $2,000,000 in the aggregate. Any deductible or Self-Insured Retention {SIR} over $10,000 requires approval by the INSTITUTION.

Said policy or policies shall include a severability of interest or cross liability clause or equivalent wording. Said policy or policies shall contain a provision of the following form:

"Such insurance as is afforded by this policy shall be primary and non-contributory to the full limits stated in the declarations, and if the INSTITUTION

has other valid and collectible insurance for a loss covered by this policy, that other insurance shall be excess only."

If the policy providing liability coverage is on a 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of three years following completion of the performance or attempted performance of the provisions of this agreement. Said policy or policies shall provide that the INSTITUTION shall be given thirty (30) days written notice prior to cancellation or expiration of the policy or reduction in coverage.

CONTRACTOR shall submit to the office of the designated INSTITUTION representative certificate(s) of insurance documenting the required insurance as specified above prior to this Agreement becoming effective. INSTITUTION shall maintain current certificate(s) of insurance at all times in the office of the designated INSTITUTION representative as a condition precedent to any payment under this Agreement. Approval of insurance by INSTITUTION or acceptance of the certificate of insurance by INSTITUTION shall not relieve or decrease the extent to which the CONTRACTOR may be held responsible for payment of damages resulting from CONTRACTOR'S services of operation pursuant to the contract, nor shall it be deemed a waiver of COUNTY'S rights to insurance coverage hereunder.

In the event the CONTRACTOR is not able to comply with the INSTITUTION 'S insurance requirements, INSTITUTION may, at their sole discretion and at the CONTRACTOR'S expense, provide compliant coverage.

The above insurance requirements are subject to periodic review by the INSTITUTION. INSTITUTION Risk Manager is authorized to change the above insurance requirements, with the concurrence of County Counsel, to include additional types of insurance coverage or higher

coverage limits, provided that such change is reasonable based on changed risk of loss or in light of past claims against the INSTITUTION or inflation. This option may be exercised during any amendment of this Agreement that results in an increase in the nature of INSTITUTION's risk and such change of provisions will be in effect for the term of the amended Agreement. Such change pertaining to types of insurance coverage or higher coverage limits must be made by written amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of acceptance of the amendment or modification.

IN WITNESS WHEREOF, the parties have executed this Commissary Agreement as of the year and date first above written.

KEEFE COMMISSARY NETWORK (KEEFE)

John Puricelli
Executive Vice President, General Manager

9/8/11
Date

SANTA BARBARA County Jail (SANTA BARBARA COUNTY JAIL)

BY _____

TITLE **Chief Deputy**

DATE July 7, 2011

Exhibit "A"

<u>Hardware Featured</u>

Current equipment provided.

The DELL computer hardware is provided, maintained, and warranted at no additional cost for the life of the commissary agreement.

Commissary Agreement

Exhibit B

Noncommissioned Items

Stamped envelopes

Postage stamps

Indigent Kits

Admission Kits

On-site, special commissary item sales sold by SANTA BARBARA COUNTY JAIL

How Commissions Are Determined

The commissions will be based on the weekly, adjusted gross commissary sales. Adjusted gross sales are gross sales less postage sales or other noncommissioned sales.

Monthly Sales
Less Postage/Non Commissionable
= Adjusted Gross Sales

x 39 % Commission Offered (Adjusted annually per Section 5, SERVICE FEE)

*Postage sales and stamped envelopes are noncommissioned.