



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 10/9/2012

Report Type: Consent

Title: Supplemental Agreement: Plant Services iNet Gas Detector Usage

Report ID: 2012-00791

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's designee to approve an addendum to the Usage Agreement with Industrial Scientific Corporation for the use, maintenance, and monitoring of gas detection equipment for a 33 month lease term, to change equipment and add equipment, and increase the total lease amount, including taxes, to \$101,435.22.

Contact: Mark Laurenzi, Water Sewer Superintendent, (916) 808-5674, Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Wastewater Maintenance

Dept ID: 14001151

Attachments:

- 1-Description/Analysis
- 2-Background.
- 3-Exhibit A - Plant Services_iNet Addendum 2
- 4-Exhibit B - Plant Services_iNet Lease 51162_Addendum 2 Quotation.
- 5-Exhibit C - Plant Services_iNet Lease 51162
- 6-Exhibit D - Plant Services_iNet Lease 51162 Addendum 1
- 7-Exhibit E - Industrial Scientific Bid Approval Package

City Attorney Review

Approved as to Form
Joe Robinson
10/3/2012 3:13:41 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
9/28/2012 11:50:38 AM

Approvals/Acknowledgements

Department Director or Designee: Dave Brent - 10/2/2012 1:24:03 PM

Description/Analysis

Issue: The Department of Utilities (DOU), Plant Services Division, utilizes gas detection equipment to ensure the safety of our personnel during confined space entry and detect potential chlorine leaks. On June 6, 2012, DOU and Industrial Scientific Corporation entered into a Usage Agreement providing for a 33 month lease of the required gas detection equipment, including installation, maintenance, and monitoring for a total amount of 96,587.04, including taxes. On July 3, 2012, DOU and the supplier approved Addendum 1, which modified some of the leased equipment and increased the lease amount to 98,251.23, including taxes. This report recommends approval of Addendum 2, to amend the Usage Agreement to replace 50 alkaline battery packs with Lithium-Ion rechargeable battery packs, replace 6 MX6 units with 7 GasBadge Pro units, add 1 GasBadge Pro Docking Station, add 1 Manifold for the Docking Station connection to the existing Chlorine cylinder, and add 5 MX6 Pump Module handheld units. The total lease amount, including taxes, will be increased to \$101,435.22.

Policy Considerations: The Plant Services Division has a need to change and add equipment to the existing lease agreement to obtain cost savings and ensure safe, reliable functionality to the equipment users. When the original Usage Agreement was approved, Industrial Scientific was identified as the only supplier to offer the necessary equipment leasing, maintenance, and monitoring. City Council approval is required to increase the lease amount above \$100,000 under City Code section 3.56.290.

Economic Impacts: Not applicable.

Environmental Considerations: The Community Development Department, Environmental Planning Services has reviewed the project and has determined the project is exempt under the California Environmental Quality Act (CEQA) under Section 15061(b)(3). The activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment the activity is not subject to CEQA.

Sustainability: Over the entire 33 month lease period it is estimated that the Plant Services Division would use somewhere in the range of 10,000 to 30,000 alkaline batteries to keep 50 units in operation based on battery usage patterns since the lease was approved. Changing to rechargeable battery packs that have an estimated life of 5 years will eliminate the need to recycle hundreds of alkaline batteries each month.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: This addendum includes eliminating the use of disposable alkaline batteries and converting to Lithium-Ion rechargeable batteries. This change will increase the total lease cost by \$14,850, but staff estimates that this conversion will save approximately \$74,250 in battery replacement costs over the lease term.

Financial Considerations: Sufficient funding for the increased lease amount of \$101,435.22 is available in the Department of Utilities, Plant Services Division operating budget.

Emerging Small Business Development (ESBD): Industrial Scientific is not certified as an emerging or small business enterprise firm.



Background

The Department of Utilities (DOU), Plant Services Division, utilizes gas detection equipment to ensure the safety of our personnel during confined space entry and detect potential chlorine leaks per the City of Sacramento Illness & Injury Prevention Program (IIPP) guidelines and OSHA regulations. The current equipment reached the end of its useful life. As such, research was done and the quote process was initiated. In addition to having updated equipment, Plant Services desired a company that could handle remote calibration, monitoring, and reporting to maintain compliance with regulatory mandates.

Industrial Scientific was the only vendor that provided a comprehensive package. Other vendors were either unable to provide the monitoring or were distributors/subsidiaries of Industrial Scientific and could not compete with their parent company.

Plant Services also looked at purchasing vs. leasing for the equipment, but the numbers showed that leasing was a more cost effective alternative. Unit purchase price ranges from \$800 - \$2,500 per unit. With 50 units, total purchase cost for the units and support equipment was approximately \$85,000 - \$95,000. This cost did not include maintenance or unit replacement. The maintenance history in the Maintenance Management System demonstrated an average cost of \$3,000 per month for staff to maintain the current equipment. On the other hand, with a lease, maintenance and unit replacement are included. Estimated purchase price for a 3 year term: \$193,000.00, which includes \$85,000 for equipment and \$108,000 for staff to maintain it. Estimated lease price for a 3 year term: \$102,000 which includes equipment, maintenance, and equipment replacement.

The Department of Utilities, Plant Services Division, entered into a 33-month equipment, repair and monitoring lease with Industrial Scientific, which began June 27, 2012 and ends March 26, 2015.

The original 33-month Lease was for the amount of \$89,639.88 (\$96,587.04 including taxes, for which DOU is responsible under the equipment lease) broken into 33 monthly payments of \$2,926.88.

Prior to the delivery of equipment, Addendum 1 was added to the original Lease for a change of equipment. Addendum 1 changed out eleven MX4 gas detection units for eleven MX6 units and removed two unnecessary MX4 Docking Stations and two gas cylinders from the Water Treatment Plants. Addendum 1 increased the monthly amount by \$46.81. The new lease cost became \$91,184.61 (\$98,251.23 with taxes) broken into 33 monthly payments of \$2,763.17 (\$2,997.31 with taxes).

During the first month, it became apparent that Plant Services was going through alkaline batteries at a rapid rate, incurring a high expense and increasing DOU's recyclable output. Industrial Scientific offers another battery pack lease option, a rechargeable Lithium-Ion battery pack. Each unit takes 3 batteries at an average cost of \$1.00 per battery, so \$3.00 per battery replacement. Average replacement time of every three days for 50 units equals approximately 900 batteries replaced per month for a monthly cost of \$2,700.00 and a total of \$89,100.00 for the life of the 33 month lease. Estimated cost for lease of rechargeable packs and purchase of charger units is \$450.00 monthly and a total of \$14,850.00 for the life of the 33 month lease.

Addendum 2 proposes to change out 50 alkaline battery packs for 40 Lithium-Ion rechargeable battery packs, change out six MX6 units for seven GasBadge Pro units, add a GasBadge Pro

Docking Station, add a manifold for the GasBadge Pro Docking Station connection to the Chlorine cylinder, and add five MX6 pump modules. Per Quote #21908-1 from Industrial Scientific, Addendum 2 will increase the Lease amount by \$101.89 per month (\$109.79 with taxes) and includes the following changes:

Equipment Change: The alkaline batteries powering both the MX4 and MX6 gas detection units are draining at a faster rate than expected. Per Industrial Scientific, the estimated alkaline battery life is eight hours of use; however, required daily bump testing by some groups is using a large portion of the battery life. As a result, DOU is replacing batteries every few days. Besides staff time spent replacing batteries, this has reduced the functionality of the units due to unreliable battery life, and it is creating a continuous purchasing expense that is not practical to sustain. Industrial Scientific offers another battery pack lease option, a rechargeable Lithium-Ion battery pack. Estimated battery use for rechargeable packs is 14 hours of use for a MX4 unit and 20 hours of use for a MX6 unit before the units need to be recharged. Estimated life of the rechargeable packs is 5 years. Although converting to Lithium-Ion rechargeable batteries will increase the total lease cost by \$14,850.00, staff estimates that this conversion will save approximately \$74,250.00 in battery replacement costs over the lease term.

Equipment Change: The MX6 unit, which is able to detect six gases, has more functionality than the Well crew needs as they only work with chlorine on a daily basis. Switching six MX6 units for seven GasBadge Pro units will provide the needed function, without unneeded extras, at a much lower cost. Switching to the GasBadge Pro unit required the addition of a docking station and manifold for the cylinder connection but still provides a cost savings over the lease term.

Equipment Add: DOU has a need of five gas detection units with pump modules for two scenarios. In the first scenario, the pumping unit will be suspended by a line from the ceiling of a structure during confined space entry. The second scenario involves feeding a tube attached to the pumping unit through a manhole cover to test the air quality in the piping before the manhole is removed. The current units do not have pump modules and the manufacturer has recommended against using the current units for the aerial readings.

The new monthly payment for the remaining 29 months of the Lease will include the current monthly payment of \$2763.17 plus the Addendum 2 monthly payment of \$101.89 for a total monthly payment of \$2,865.06 (\$3087.10 with taxes). If the Addendum 2 items are shipped by the end of October, the amended 33-month Lease cost would include four months at \$2763.17 and 29 months at \$2,865.06 which would give us a new total Lease amount of \$94,139.42 (\$101,435.22 with taxes). In order for Plant Services to agree to Addendum 2 and increase the Lease amount above \$100,000, it is necessary for the City Council to authorize the additional expenditure per City Code section 3.56.090.



INDUSTRIAL SCIENTIFIC

CORPORATION

1001 Oakdale Road
Oakdale, PA 15071-1500
USA

Phone: (412) 788-4353
1-800-DETECTS (338-3287)
Fax: (412) 788-8353
www.indsci.com

September 18, 2012

Ms. Deanne Neighbours
City of Sacramento
1391 35th Avenue
Sacramento, CA 95660

Dear Deanne:

Ref: iNet Usage Agreement

Enclosed is a revised Schedule B, EQUIPMENT SCHEDULE, which reflects the following changes in the equipment on your iNet Agreement:

Qty	Part Number	Description
The following MX6 instruments will be removed from the iNet contract with the insertion of the GBPro equipment below.		
-6	MX6-K1237301	MX6 iBrid Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, UL/CSA/ATEX/IECEx, No Pump, English
The following GBPro equipment will replace the MX6 equipment listed above.		
7	18100060-7	GasBadge Pro - Chlorine (Cl2)
1	18108915	iNet DS Docking Station for GasBadge Pro, 2 iGas Readers, Universal power cord
13	17131038-2	MX6 Lithium-ion Extended Battery Pack, UL/CSA/ATEX
31	VTSB-201	Ventis MX4 Li-ion Extended Range Battery Kit, Black, UL/CSA/ATEX/IECEx
5	18106765	SP6 - MX6 Pump Module
1	18105924	5 Port Manifold

By this letter we are amending City of Sacramento's monthly usage fee to include the addition of this equipment. This additional equipment increases your monthly fee by \$101.89 and the new monthly fee will be \$2,865.06 until the conclusion of this agreement.

If the above accurately sets forth our mutual understanding, please sign and fax back to me at 412-809-1813.

Thank you for the opportunity to be of continued service to City of Sacramento.

Industrial Scientific Corporation

By: *Amy L McBride*

Agreed And Accepted:
City of Sacramento

By: _____

Title: _____

Date: _____



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SCHEDULE B

EQUIPMENT SCHEDULE

(Revised July 3, 2012)
(Revised September 18, 2012)

Total Equipment

Qty	Part Number	Description
8	MX6-K1237201	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Lithium-ion ERB, Diffusion (no pump), English
5	MX6-K1237211	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Lithium-ion ERB, Aspirated (pump), English
31	VTS-K1232000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Lithium-ion ERB, No Charger, Black, UL/CSA, No Carrying Case, English
7	18100060-7	GasBadge Pro - Chlorine (Cl2)
1	18108915	iNet DS Docking Station for GasBadge Pro, 2 iGas Readers, Universal power cord
3	18108917	iNet DS Docking Station for MX6
2	18108918	iNet DS Docking Station for Ventis MX4
5	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18105858	iGas Regulator w/Pressure Switch for 650L Cylinders
3	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
2	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
1	18109159	Calibration Gas Cylinder, 650-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, CGA-330 <i>Initial Supply Only</i>
5	17124348	Wall Mounted Gas Cylinder Holder
2	18105924	5-Port Gas Regulator Manifold

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SCHEDULE B

EQUIPMENT SCHEDULE

Breakdown by Location

Location 1 – Fairbarn Water Treatment Plant

Qty	Part Number	Description
4	MX6-K1237201	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Lithium-ion ERB, Diffusion (no pump), English
1	18108917	iNet DS Docking Station for MX6
2	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
2	17124348	Wall Mounted Gas Cylinder Holder

Location 2 – Sacramento Water Treatment Plant

Qty	Part Number	Description
4	MX6-K1237201	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Lithium-ion ERB, Diffusion (no pump), English
1	18108917	iNet DS Docking Station for MX6
2	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
2	17124348	Wall Mounted Gas Cylinder Holder



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Location 3 – Combined Wastewater Treatment Plant

Qty	Part Number	Description
5	MX6-K1237211	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Lithium-ion ERB, Aspirated (pump), English
31	VTS-K1232000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Lithium-ion ERB, No Charger, Black, UL/CSA, No Carrying Case, English
7	18100060-7	GasBadge Pro - Chlorine (Cl2)
1	18108915	iNet DS Docking Station for GasBadge Pro, 2 iGas Readers, Universal power cord
1	18108917	iNet DS Docking Station for MX6
2	18108918	iNet DS Docking Station for Ventis MX4
1	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18105858	iGas Regulator w/Pressure Switch for 650L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109159	Calibration Gas Cylinder, 650-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, CGA-330 <i>Initial Supply Only</i>
1	17124348	Wall Mounted Gas Cylinder Holder
2	18105924	5-Port Gas Regulator Manifold



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Fax: +1 412-788-8353
Web: www.indsci.com

Customer: City of Sacramento
1391 35th Ave.
Sacramento, CA 95822
US

Case #/Opportunity: 20120914-110778
Quote#: 21908 - 1
Date: September 17, 2012
Delivery: 29-Oct-2012
Expires: 60 Days
Page: 1/2

Deanne Neighbours
(916) 808-7864
dneighbours@cityofsacramento.org

iNet™ 29 Month Addendum (Exchange Program)

Qty	Part Number	Description
The following MX6 instruments will be removed from the iNet contract with the insertion of the GBPro equipment below.		
6	MX6-K1237301	MX6 iBrid Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, UL/CSA/ATEX/IECEX, No Pump, English
The following GBPro equipment will replace the MX6 equipment listed above.		
7	18100060-7	GasBadge Pro - Chlorine (Cl2)
1	18108915	iNet DS Docking Station for GasBadge Pro, 2 iGas Readers, Universal power cord
13	17131038-2	MX6 Lithium-ion Extended Battery Pack, UL/CSA/ATEX
31	VTSB-201	Ventis MX4 Li-ion Extended Range Battery Kit, Black, UL/CSA/ATEX/IECEX
5	18106765	SP6 - MX6 Pump Module
1	18105924	18105924 - 5 PORT MANIFOLD
		Monthly Adjustment (USD) \$101.89

If you would like to proceed with ordering this equipment, please contact our Contract Administration Department at contractadminUSA@indsci.com. They will then forward the correct forms for you to complete and return to ISC to confirm the addition of this equipment to your current contract.

iNet™ Exchange Program: Pricing is the additional monthly price for the 29 months remaining on the 33 month agreement w City of Sacramento.

Price does not include taxes, GST, PST, customs, duties and all other related expenses; where applicable.

Commodities, technology or software exported from the United States or later re-exported must be in accordance with the Export Administration Regulations. Diversion contrary to U.S. law prohibited.

Prices quoted firm for a period of 60 days

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Delivering highest quality, best customer service . . .
every transaction, every time*



Commodities, technology or software exported from the United States or later re-exported must be in accordance with the Exportation Administration Regulations. Diversion contrary to U.S. law prohibited.

INDUSTRIAL SCIENTIFIC

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Oakdale, PA 15071-1500
USA

Phone: +1 412-788-4353 / 1-800-DETECTS (338 87)
Fax: +1 412-788-8353
Web: www.indsci.com

ISC Contact (s)

Name: Bob Comer
Title: District Manager
Phone: (916) 203-5847
Email: bcomer@indsci.com

Prices quoted firm for a period of 60 days

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Delivering highest quality, best customer service . . .
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Diversion contrary to U.S. law prohibited.*



**iNet® USAGE AGREEMENT
Exchange Program
With iNet DS**

This iNet Usage Agreement (the "Agreement") is made on June 6, 2012, between INDUSTRIAL SCIENTIFIC CORPORATION, a Pennsylvania corporation ("Company"), and CITY OF SACRAMENTO, CALIFORNIA (the "Customer" and, along with Company, the "Parties," provided the Parties may be individually referred to as a "Party").

PREAMBLE

Company manufactures, distributes, provides and services gas detection equipment used in a variety of applications. Company has developed iNet, a program through which Company (a) helps its customer select gas detection equipment appropriate for the customer's needs; (b) provides, calibrates and services the detection equipment selected by a customer; and (c) enables the customer to transmit detection readings to Company over the Internet and, thereby, frees that customer from burdensome recordkeeping.

Customer wishes to subscribe for the iNet services and to use the gas detection and related equipment described on Schedule B to this Agreement (the "Equipment"), all on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the promises and with the intent to be legally bound, the Parties hereto agree as follows:

AGREEMENT

1. Subscription. Customer hereby subscribes for the iNet service (the "Subscription") for a period of thirty-three (33) months, during which the first two (2) months are considered an implementation period. The Subscription shall begin three (3) weeks after Customer provides Company with (a) a purchase order; (b) a completed Schedule A; (c) a completed and fully-executed Pre-Installation Acceptance Form ("PIAF") on the attached Schedule C; and (d) this Agreement as fully-executed by Customer and Company (the "Required Documents"). Based upon the receipt of the Required Documents, and factoring the aforementioned three (3) week period, the Subscription will commence JUNE 27, 2012, and terminate on MARCH 26, 2015 (the "Term").

2. Subscription Fee and Costs. The total cost of the Subscription for the Initial Term is US \$89,639.88 (the "Subscription Fee"), billed to Customer as follows: an initial invoice in the amount of US \$5,432.72 issued sixty (60) days after commencement of the Initial Term, followed by thirty-one (31) invoices for equal installment payments in the amount of US \$2,716.36. Customer shall pay all invoices in accordance with Section 2(c) below. Unless otherwise agreed upon in writing by the Parties, the Subscription Fee for each month of the Renewal Term shall be equal to the monthly installment of the Subscription Fee invoiced for the last month of the Initial Term.

(a) Charges. In addition to the Subscription Fee, any and all charges for Customer's Internet connection and calibration gas will be paid by Customer.

(b) Expenses. Customer shall reimburse Company for any travel expenses incurred by Company in the course of performing its duties hereunder; such expenses could include, but are not limited to, expenses for food, lodging, rental car, mileage and airfare, provided that Customer approves any such reimbursable expenses in advance. Travel expenses associated with the initial installation are included in the Subscription Fee.

(c) Payment Terms. Customer will pay to Company the Subscription Fee, reimbursable expenses and any other fees and charges hereunder ("Fees"). Subscription Fees do not include taxes that may apply. Customer is responsible for all applicable sales, use, and any other taxes, duties and charges imposed by any government body or agency with respect to the Equipment and Subscription (except taxes based

upon Company's income). Payment of the Fees is due within thirty (30) days from the date of the invoice ("Net 30"). All invoices will be delivered by one of the following methods as selected by Customer: US postal service first class mail, electronic data interchange (EDI), or email. If Customer provides any other special invoicing requirements, Company shall charge increased Fees to accommodate Customer's special invoicing requirements. Company will notify Customer of the amount of increased Fees that will be charged to accommodate special invoicing requirements.

(d) Purchase Orders. In the event of a conflict between terms and conditions of a Purchase Order issued hereunder and this Agreement, the provisions of this Agreement shall control. No legal terms and conditions on a Purchase Order will be binding upon Company without Company's written agreement.

3. Installation and Use.

(a) Installation. The Equipment will be installed only at the location(s) specified in Schedule A and shall not be transferred or removed from such location(s) without Company's prior written permission. Company reserves the right to schedule the installation at a mutually agreed upon time and date.

(b) Protection From Direct/Indirect Affected Network Components. Company is not responsible for network systems affected directly or indirectly by installation of iNet components.

(c) Security Changes. Customer is responsible for changes made in network and system security, training new network users; and any other network related administration duties relating to this installation.

Company is not responsible for the security of the networked computing system that has been connected to the Internet.

(d) Customer Network Requirement. Customer will provide cabling and/or wireless networking components and cabling installation labor for all necessary network connections.

4. Customer's Responsibilities. In addition to its other obligations set forth herein, Customer shall:

(a) use the Equipment only in accordance with the documentation and other instructions provided by Company;

(b) dock the gas detection Equipment onto the iNet DS Docking Station (or any other similar docking station provided by Company) at least once each day. Company has no obligation to record, analyze, or take any action with respect to, any information recorded by the gas detection Equipment until such time as Customer has properly docked the Equipment to the docking station;

(c) when Company delivers to Customer replacement Equipment for failed Equipment pursuant to Company's obligations set forth in Section 5 below, Customer acknowledges that it shall be obligated to promptly return the failed Equipment so replaced to Company in prepaid shipping packages provided by Company packed in a commercially reasonable manner pursuant to Company instructions. In addition, if Customer does not return such replaced failed Equipment to Company within seven (7) days after receipt of the replacement Equipment and prepaid shipping materials, Customer shall purchase such Equipment from Company for an amount equal to the current retail price charged by Company for the Equipment;

(d) provide Company with ready access to any Equipment or other materials delivered hereunder for Company to fulfill its obligations hereunder;

(e) only permit its employees, and no other parties, to use the Equipment;

(f) replace any lost, stolen or otherwise missing Equipment (including Equipment lost due to fire, theft, vandalism and the like) and replace any Equipment that is destroyed or damaged beyond repair at an agreed upon pricing schedule at time of replacement;

(g) refrain from creating or attempting to create, or permitting others to create or attempt to create, by reverse engineering or otherwise, any Equipment made available under this Agreement; and

(h) return, at Customer's expense, any Equipment delivered hereunder to Company at the end of the Term in the same condition in which it was received, normal wear and tear excepted.

5. Company Responsibilities. In addition to its other obligations set forth herein, Company shall:

(a) deliver to Customer for the Term the Equipment;

(b) promptly repair or replace, as described on Schedule D, any delivered Equipment that malfunctions or otherwise fails for any reason other than misuse (or negligent use) by Customer;

(c) provide the type and level of service described on Schedule D;

(d) provide field service technicians to perform initial installation services having the credentials, training and screening stated on Schedule E and, if Customer will require that Company's technicians have additional credentials, training, and/or screening beyond that identified on Schedule E, Customer agrees to pay all associated costs and expenses incurred by Company related to obtaining the additional credentials, training, and/or screening required by Customer, provided that Company notifies Customer of these costs and expenses after learning of Customer's additional requirements and, after receiving such notification, Customer confirms in writing its continued requirements for such additional credentials, training, and/or screening.

6. Termination.

(a) Termination by Company. Company may terminate this Agreement prior to its expiration upon thirty (30) days' prior written notice to Customer upon the occurrence of any of the following events: (i) Customer becomes insolvent, or institutes (or there is instituted against it) proceedings in bankruptcy, insolvency, reorganization or dissolution, makes an assignment for the benefit of creditors or becomes nationalized or has any of its material assets confiscated or expropriated; (ii) except as permitted by Section 13(e), Customer attempts to sell, assign, delegate or transfer any of its rights and obligations under this Agreement or Customer is dissolved, substantially changes its line of business, sells substantially all of its assets, or suffers a change in ownership; and/or (iii) Customer commits a material breach of this Agreement and fails to remedy it within a reasonable period of time.

(b) Termination by Customer. Customer may terminate this Agreement prior to its expiration upon thirty (30) days' prior written notice to Company if Company commits a material breach of this Agreement and fails to remedy it within a reasonable period of time.

7. Rights of Parties on Termination.

(a) Obligations After Termination. In the event that this Agreement is terminated or expires on its own terms, Company shall have no further responsibilities to Customer.

(b) Return of Materials. Within thirty (30) days after expiration or termination of this Agreement for any reason, Customer shall deliver to Company, at Customer's expense, all Equipment, documentation and any other material supplied to Customer by Company.

(c) Survival. Notwithstanding anything to the contrary set forth herein, no termination of this Agreement shall relieve any Party from any obligations pursuant to Sections 4(h), 7(b), 8, 9, 10, 11, or 13, or any other obligations hereunder which are outstanding on, or relate to matters or claims occurring or arising prior to, the date of such termination or which survive such termination by their own terms.

8. Limited Warranty. The Equipment delivered hereunder is warranted for the shorter of (a) the Term of the Agreement; or (b) until Company replaces the Equipment. The Equipment is warranted to conform to Company's standard specifications as set forth in documentation provided to Customer prior to the date of this Agreement. Company does not warrant that the Equipment will meet Customer's requirements, or that the Equipment will be error free. Company's sole obligation under the warranty shall be limited to correction of Equipment defects.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE LIMITED WARRANTY SET FORTH IN THIS SECTION 8 AND THE OBLIGATIONS AND LIABILITIES HEREUNDER ARE IN LIEU OF, AND CUSTOMER HEREBY WAIVES, ALL IMPLIED GUARANTEES AND WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND IT IS IN LIEU OF ANY LIABILITY OF COMPANY UNDER ANY PROVISIONS OF THIS AGREEMENT AND ANY PROVISIONS OF ANY APPLICABLE LAW.

9. Protection of Interest. Customer acknowledges and agrees that title to any Equipment or other material delivered hereunder remains vested in Company at all times. Customer hereby authorizes Company at any time, and from time to time, to execute and/or file, in accordance with the laws of any jurisdiction, with or without the signature of Customer, all Uniform Commercial Code financing or continuation statements or other documents which Company may deem necessary or desirable to protect its ownership interest in any Equipment or other material delivered hereunder. Customer authorizes Company to execute any such documentation on behalf of Customer as Customer's attorney-in-fact. Customer acknowledges that the Equipment is provided as a true lease.

10. Indemnification, Limitation of Liability and Remedy.

(a) Indemnification. Each of Company and Customer (individually, an "Indemnifying Party") shall indemnify, hold harmless and defend the other and the other's respective officers, directors, agents, representatives, employees, and affiliates (the "Indemnified Parties"), at the Indemnifying Party's expense, from and against any and all claims, demands, actions, costs, expenses, liabilities, judgments, causes of action, proceedings, suits, losses and damages of any nature, which are threatened or brought against, or are suffered or incurred by, the other or any of the other's Indemnified Parties resulting from any of the Indemnifying Party's acts or omissions relating to this Agreement, including without limitation (i) any negligent or tortious conduct; (ii) failure or any breach of any of their respective representations, warranties, covenants, agreements or conditions contained in this Agreement; and (iii) any violations of applicable laws or regulations. Customer will indemnify Company and its Indemnified Parties against any misrepresentations by Customer's officers, employees, or agents, including the extension of any warranties on products or services not specifically authorized by Company in writing.

(b) Limitation of Liability. Company shall not be liable to Customer, or to any customer, employee, representative, officer, director, agent or affiliate of Customer, for any SPECIAL, INDIRECT, CONTINGENT, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, LOSS OF BUSINESS OPPORTUNITIES, OR FOR LOSSES OR DAMAGES CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT AND/OR SERVICES DELIVERED HEREUNDER OR THE FAILURE TO DELIVER PRODUCTS OR SERVICES hereunder. This subsection (b) shall not apply to tort liability for death, personal injury or property damage arising from any negligent act or omission or

willful misconduct at the installation locations by Company, its officials, employees, agents or subcontractors.

(c) Limitation of Remedy. If Company should be held liable for damages to Customer for any cause arising out of or related to this Agreement, or its breach, such damages, in the aggregate, shall not exceed the lesser of (i) the Subscription Fee actually paid hereunder; or (ii) actual damages incurred. Customer expressly waives its right to collect any greater amount. This subsection (c) shall not apply to tort liability for death, personal injury or property damage arising from any negligent act or omission or willful misconduct at the installation locations by Company, its officials, employees, agents or subcontractors.

(d) Use of Equipment. COMPANY AND ITS OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, EMPLOYEES AND AFFILIATES SHALL NOT BE LIABLE FOR DAMAGES OR INJURIES OF ANY KIND OR NATURE INCURRED OR SUFFERED BY CUSTOMER OR ANY OF ITS OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, EMPLOYEES AND/OR AFFILIATES ("CUSTOMER PARTIES") THAT RELATE IN ANY WAY TO OR ARISE FROM COMPANY'S PROVISION OF WRITTEN REPORTS, OR FAILURE TO PROVIDE SUCH REPORTS, OR DELAY IN PROVIDING SUCH REPORTS TO CUSTOMER OR ANY OF THE CUSTOMER PARTIES, CONCERNING ANY DATA OR ANY ANALYSIS BASED ON ANY DATA COLLECTED BY THE EQUIPMENT PROVIDED HEREUNDER.

11. Disclosure and Confidentiality.

(a) Company Information. Customer agrees that any technical or business information, including, but not limited to, the terms of this Agreement and its pricing terms, that is disclosed to Customer in connection with the performance of services under this Agreement ("Company Confidential Information") either orally or in writing, is to be treated as confidential and proprietary, except as provided in this subsection (a). Customer agrees that Company Confidential Information will be maintained in strict confidence and not used for any purpose unrelated to this Agreement nor disclosed to any third parties. The requirement to maintain information in strict confidence, however, shall not apply to Company Confidential Information that: (i) is or becomes generally available to the public through no wrongful act of Customer; (ii) was in the possession of Customer prior to the time it was acquired hereunder and was not acquired, directly or indirectly, from Company or its affiliates or from others under an obligation of confidentiality; (iii) is independently made available as a matter of right to Customer by a third party without obligations of confidentiality, provided that such third party did not acquire such information directly or indirectly from Company or its affiliates; or (iv) is required by law to be divulged, provided that Customer must notify Company prior to any disclosure, and must assist Company in minimizing the extent of disclosure.

Customer agrees to limit access to Company Confidential Information to its employees, agents, and representatives who reasonably require such access for purposes of this Agreement. Customer agrees to use its best efforts in requiring that its employees, agents, and representatives maintain Company Confidential Information in strict confidence. Customer must not make, nor permit the making of, any copies, abstracts, derivatives, or summaries of any Company Confidential Information without Company's prior written consent. Upon termination of this Agreement and the completion of all work hereunder, or at Company's request, Customer must return all Company Confidential Information, including, but not limited to, all copies, abstracts, derivatives, and summaries.

Notwithstanding any other provision of this subsection (a), if Customer receives a request for disclosure of any Company Confidential Information, pursuant to the California Public Records Act, the Customer shall give notice to Company of any request for the disclosure of such information. The Company shall then have five (5) days from the date it receives such notice to enter into an agreement with the Customer, satisfactory to the Sacramento City Attorney, providing for the defense of, and complete indemnification and reimbursement for, all costs

(including plaintiff's attorney fees) incurred by Customer in any legal action to compel the disclosure of such information under the California Public Records Act. The Company shall have sole responsibility for defense of the actual "proprietary" or "trade secret" designation of such information. The parties understand and agree that any failure by the Company to respond to the notice provided by Customer and/or to enter into such agreement with Customer shall constitute a complete waiver by Company of the protection afforded such Company Confidential Information under this subsection (a), and such information shall be disclosed by Customer pursuant to applicable procedures required by the Public Records Act.

(b) Customer Information. Company agrees not to share or disclose any information collected from Customer to any outside third party. Notwithstanding the foregoing, Company may collect, use and/or disclose information collected from Customer to any outside third party for iNet related research and development purposes provided that such information is de-identified by collection on an anonymous basis aggregated with similar information collected from other customers of Company for research and development purposes. Furthermore, Company may disclose Customer information if required to do so by law or in the good-faith belief that such action is necessary to: (i) conform to legal requirements or comply with legal process served on Company; (ii) protect and defend the rights or property of Company, iNet, or iNet participating sites; or (iii) act under exigent circumstances to protect the personal safety of users of the iNet service, or the public.

12. Use of Customer's Name and Testimonials. Customer agrees to permit Company to:

(a) publish Customer's name on lists identifying customers of Company's iNet gas detection services without any additional approval from Customer;

(b) publish information regarding Customer's usage of Company's products and iNet services and benefits realized by Customer for marketing purposes but only with Customer's prior written approval of the content of such marketing material pertaining to Customer; and

(c) issue a press release containing Customer's testimonials, as well as information regarding Customer's usage of Company's products and iNet services and benefits realized, but only with Customer's prior written approval of the content of such press release.

13. General Provisions.

(a) Amendments. This Agreement may be amended only by a writing signed by each of the Parties, and any such amendment shall be effective only to the extent specifically set forth in such writing.

(b) Governing Law. This Agreement shall be a contract under the laws of the State of California and for all purposes shall be governed by and construed and enforced in accordance with the substantive laws of said state without regard to its principles of conflicts of laws and the U.N. Convention on Contracts for the International Sale of Goods.

(c) Mediation. The Parties agree that they shall submit any dispute related to or arising out of this Agreement to non-binding mediation at a location in the County of Sacramento to be mutually agreed upon by the Parties. Each Party shall bear its own costs incurred in connection with the mediation; the mediator's costs and fees shall be borne equally by the Parties.

(d) [Reserved]

(e) Assignment. Customer shall not assign, pledge, sublet or otherwise transfer any of its rights, interest or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of Company which consent may be granted or

withheld in Company's sole and absolute discretion. For purposes of this Agreement, an assignment shall include a sale of substantially all of Customer's assets or a merger or consolidation of Customer with one or more other entities in which Customer is not the surviving entity or the shareholders of Customer own less than a majority of the voting securities of the entity that survives the merger or consolidation.

(f) Force Majeure.

(i) No Party is liable for any failure to perform its obligations under this Agreement (other than accrued obligations to make payments of money) if such performance has been delayed, interfered with or prevented by an event of Force Majeure.

(ii) As used in this Section, "Force Majeure" means any circumstances whatsoever which are not within the reasonable control of the Party affected thereby, including without limitation an act of God, war, insurrection, riot, strike or labor dispute, shortage of materials, fire, explosion, flood, government requisition or allocation, breakdown of or damage to plant, equipment or facilities, interruption or delay in transportation, fuel supplies or electrical power, Internet connection, server or related equipment failure, embargo, boycott, order or act of civil or military authority, legislation, regulation or administrative rules (including without limitation any Executive Order issued by the President of the United States), or any inability to obtain or maintain any governmental permit or approval. The Party who declares Force Majeure will give prompt notice to the other Party of such declaration.

(iii) If the performance of any obligation has been delayed, interfered with or prevented by an event of Force Majeure, then the Party affected by such event will take such actions as are reasonably available to remove the event of Force Majeure or to mitigate the effect of such occurrence.

(iv) If an event of Force Majeure occurs, the obligations of the Parties under this Agreement (other than accrued obligations to make payments of money) will be suspended during, but not longer than, the continuance of the event of Force Majeure. If such event (alone or extended by another event of Force Majeure) continues so that the obligations of the Parties remain suspended for a period of twenty (20) continuous days and, at the end of such period or at any time thereafter during which such suspension continues uninterrupted, any Party, in the exercise of reasonable judgment, concludes that there is no likelihood that the event of Force Majeure will be removed in the immediate future, then any Party may terminate this Agreement without liability to any other Party (other than on account of accrued obligations to make payments of money) by giving to the other five (5) days' written notice of its intention to terminate.

(g) Counterparts. This Agreement may be executed in any number of counterparts, and by each of the Parties on separate counterparts, each of which, when so executed, shall be deemed an original, but all of which shall constitute but one and the same instrument.

Counterparts of this Agreement (or applicable signature pages hereof) that are manually signed and delivered by facsimile transmission or PDF files shall be deemed to constitute signed original counterparts hereof and shall bind the Parties signing and delivering in such manner.

(h) Cumulative Remedies. The rights and remedies of the Parties hereunder are cumulative and not exclusive of any rights or remedies which the Parties would otherwise have. No single or partial exercise of any such right or remedy by a Party, and no discontinuance of steps to enforce any such right or remedy, shall preclude any further exercise thereof or of any other right or remedy of such Party.

(i) Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the transactions contemplated hereby and supersedes all prior written and oral agreements, and all contemporaneous oral agreements, relating to such transactions.

(j) Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

(k) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of each of the Parties and their respective successors and permitted assigns.

(l) Notices. All notices that may be given under this Agreement shall be in writing and shall be delivered by (i) hand; (ii) registered or certified mail; or (iii) facsimile (provided there is confirmation of receipt of complete transmission), to the following addresses and to the attention of the representative listed below or at such other addresses as may be later provided in accordance with this Section 13(l):

If to Company: INDUSTRIAL SCIENTIFIC CORPORATION
Attention: Contract Administrator
1001 Oakdale Road
Oakdale, PA 15017
Phone: 1-800-338-3287 Fax: 412-809-1813

If to Customer: City of Sacramento
Attention: Mark Laurenzi
1391 35th Avenue
Sacramento, CA 95660
Phone: 916-808-5674
Fax: 916-808-7955

Notices delivered personally shall be effective when delivered. Notices sent by facsimile shall be effective on the first business day following the date of complete transmission. Notices sent by registered or certified mail shall be effective when received.

COMPANY

INDUSTRIAL SCIENTIFIC CORPORATION

By:

Name:

Title:

[Signature]
GARTH F. MILLER
V.P. CUSTOMER OPERATIONS

CUSTOMER

CITY OF SACRAMENTO, CALIFORNIA

By:

Name:

Title:

Name:

[Signature]
MARK LAURENZI
W/S SUPERINTENDENT
[Signature]
Dave Brent, Director
Department of Utilities

SCHEDULE A

INSTALLATION SITE

Location 1: Fairbairn Water Treatment Plant

Customer Name: City of Sacramento
Address: 7501 College Town Dr

City: Sacramento
State/Prov.: CA Zip/Postal Code: 95826
Country: USA
Contact Name: Mary Krizanosky
Title: Supervising Plant Operator
Phone Number: 916-808-1311
Email Address: mkrizanosky@cityofsacramento.org
Fax Number: 916-808-3781

Location 2: Sacramento Water Treatment Plant

Customer Name: City of Sacramento
Address: 1 Water Street

City: Sacramento
State/Prov.: CA Zip/Postal Code: 95811
Country: USA
Contact Name: Dan Houston
Title: Supervising Plant Operator
Phone Number: 916-808-7082
Email Address: dhouston@cityofsacramento.org
Fax Number: 916-808-4969

Location 3: Combined Wastewater Treatment Plant

Customer Name: City of Sacramento
Address: 1391 35th Avenue

City: Sacramento
State/Prov.: CA Zip/Postal Code: 95822
Country: USA
Contact Name: Vern Fields
Title: Machinist Supervisor
Phone Number: 916-808-5542
Email Address: vfields@cityofsacramento.org
Fax Number: 916-808-7955

Billing Address: 1391 35th Avenue

City: Sacramento

State/Prov.: CA Zip/Postal Code: 95660

Country: USA

Billing Contact Name: Alaina Jordan

Phone Number: 916-808-1464

Email Address: ajordan@cityofsacramento.org

Fax Number: 916-808-7955

Purchase order number: iNET

IT INFORMATION

IT Contact Name: Ron Fuiioka

Title: IT Supervisor

Phone Number: 916-808-1450

Email Address: lsouza@cityofsacramento.org

Fax Number: 916-808-7955

iNet CONTROL INFORMATION

Admin Contact Name: Deanne Neighbours

Title: Admin Tech

Phone Number: 916-808-3536

Email Address: dneighbours@cityofsacramento.org

Fax Number: 916-808-7955



SCHEDULE B

EQUIPMENT SCHEDULE

Total Equipment

Qty	Part Number	Description
11	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
39	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
3	18108917	iNet DS Docking Station for MX6
5	18108918	iNet DS Docking Station for Ventis MX4
5	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18105858	iGas Regulator w/Pressure Switch for 650L Cylinders
3	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
2	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
1	18109159	Calibration Gas Cylinder, 650-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, CGA-330 <i>Initial Supply Only</i>
5	17124348	Wall Mounted Gas Cylinder Holder
3	18105924	5-Port Gas Regulator Manifold

SHIP DATE 6-21-12

SHIP FROM 2ND DAY

SHIP TO DENNIS PIKE

BOOKINGS \$ 89,639.88

COMERL - DSM

N/A - NAM

SCHEDULE B

EQUIPMENT SCHEDULE

Breakdown by Location

Location 1 – Fairbarn Water Treatment Plant

Qty	Part Number	Description
2	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
2	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
1	18108917	iNet DS Docking Station for MX6
1	18108918	iNet DS Docking Station for Ventis MX4
2	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
2	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold

Location 2 – Sacramento Water Treatment Plant

Qty	Part Number	Description
2	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
2	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
1	18108917	iNet DS Docking Station for MX6
1	18108918	iNet DS Docking Station for Ventis MX4
2	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
2	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold

Location 3 – Combined Wastewater Treatment Plant

Qty	Part Number	Description
7	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
35	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
1	18108917	iNet DS Docking Station for MX6
3	18108918	iNet DS Docking Station for Ventis MX4
1	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18105858	iGas Regulator w/Pressure Switch for 650L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109159	Calibration Gas Cylinder, 650-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, CGA-330 <i>Initial Supply Only</i>
1	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold

SCHEDULE C

PRE-INSTALLATION ACCEPTANCE FORM

iNet™ Pre-Installation Acceptance Form for "iNet DS" docking station

Rev 8

ISC: Parenthesis fields (____) to be completed by Industrial Scientific prior to delivery to customer.
 Customer: Please complete & sign, then fax, mail or email to contractadminUS@indscl.com

iNet DS

A successful installation requires that the "iNet DS" will have Internet access in order to upload to the iNet Server. Web access via Port 443 is required.

Check to confirm the "iNet DS" will have access to the below URL:
<https://inetupload.indscl.com/UploadWeb/services/Uploader>

An "iNet DS" may be subject to the customer's proxy server policies.

Check to confirm if the "iNet DS" will utilize a Proxy Server to access the Internet.

Proxy Address	Proxy Server Credentials (if Authentication Required)	
	Username	Password

There are (8) "iNet DS" (s) being supplied with this proposal. For each "iNet DS", please confirm the following will be ready and/or available to ensure there will be no delays upon commissioning.

Network Ports, Power Outlets will be available at each "iNet DS" location.
 AND
 (0) Ethernet patch cables for each "iNet DS" included on this order.

Ethernet patch cables to be provided by CUSTOMER for each "iNet DS".

Check if DHCP IP Addresses will be used for each "iNet DS"
 OR
 Check if Static IP Addresses will be used for each "iNet DS"

If customer desires "iNet DS" to utilize static IP addresses, in order to enable pre configuration of "iNet DS" prior to shipping, please provide Static IP Address, Gateway Address, Subnet Mask Address, DNS Addresses, Proxy Addresses and Proxy Server Usernames / Passwords for each "iNet DS" in Appendix II, Last Page.

INSTRUMENTS

Existing Instruments and / or "iNet DS" to be participating in this iNet Service.

No

OR

Yes - List of serial numbers for existing equipment listed in Appendix I, Last Page.

Customer, CITY OF SACRAMENTO, has successfully performed the pre-installation work detailed in this form and has scheduled all necessary resources, including personnel, to be available when Industrial Scientific performs the "iNet DS" commissioning.

If the above accurately describes our mutual understanding, please sign in the space provided below and return this document to Industrial Scientific. No installation will occur until we have received an unmodified, fully executed, signed copy of this form. It should also be known that if on-site commissioning has been elected, and Industrial Scientific arrives on-site to perform the "iNet DS" installation and any work or personnel described in this form is not completed or available and Industrial Scientific is unable to successfully perform the "iNet DS" installation because of this, you will be responsible for additional expenses incurred by Industrial Scientific in completing the installation.

Installation will occur approximately 4 weeks after receipt of a fully executed copy of this form.

Agreed and Accepted:

By: 
Name: (Please Print): MARK LAVKER
Title: W/S Supt.
Date: 5/31/12

SCHEDULE D

SCHEDULE OF SERVICES

Company will perform the services relating to and consisting of the following:

Provide and install hardware and software as detailed in Schedule B, which shall calibrate and service the detection Equipment selected by Customer, and enable Customer to transmit detection readings to Company over the Internet.

Company will provide three (3) remote installations, commissionings and trainings

Monitor the condition of the instruments from information transmitted to Company via the Internet.

Provide replacement instrument(s) when an instrument problem is detected.

Provide rental equipment as needed. (Fees for rental equipment are not included in the monthly Subscription Fee and shall be determined at time of rental.)

SCHEDULE E

SCHEDULE OF SCREENING, BACKGROUND CHECKS AND TRAINING

Field Service Technicians have the following:

- 1) Drug and alcohol screening through DISA Contractors Consortium—Drug screening is done through urinalysis, hair follicle and breathalyzer tests. Screening is done pre-employment and on a random basis in which fifty percent (50%) of the technicians are tested every six (6) months. Company's DISA Number is: 7528.
- 2) Background checks through Justifacts Credential Verification, Inc. on a pre-employment basis.
- 3) Transportation Workers Identification Card ("TWIC")—issued through the US Department of Homeland Security and includes a comprehensive background check.

If Customer will require drug and alcohol screening or background checks in addition to those listed above, Customer agrees to pay all costs associated with such additional drug and alcohol screening or background checks.

Additionally, Customer may request that Field Service Technicians undergo any of the following safety-related training, provided a single training activity or any combination of training activities shall not exceed three (3) hours:

- 1) Watch a safety video less than one (1) hour in length;
- 2) Complete computer based training (CBT) less than one (1) hour in length located at the site the technician will be performing services; or
- 3) Receive oral safety training or briefing less than one (1) hour in length.

If Customer will require safety training in addition to that listed above or training longer than the time frame identified above (3 hours maximum), Customer agrees to pay all costs associated with such additional safety training and, in addition, to pay the current per day labor rate for a technician.

INDUSTRIAL SCIENTIFIC

CORPORATION

1001 Oakdale Road
Oakdale, PA 15071-1500
USA

Phone: (412) 788-4353
1-800-DETECTS (338-3287)
Fax: (412) 788-8353
www.indsci.com

July 3, 2012

Ms. Deanne Neighbours
City of Sacramento
1391 35th Avenue
Sacramento, CA 95660

Dear Deanne:

Ref: iNet Usage Agreement

Enclosed is a revised Schedule B, EQUIPMENT SCHEDULE, which reflects the following changes in the equipment on your iNet Agreement:

Location 1 – Fairbarn Water Treatment Plant

Qty	Part Number	Description
2	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
-2	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
-1	18108918	iNet DS Docking Station for Ventis MX4
-1	18105924	5-Port Gas Regulator Manifold

Location 2 – Sacramento Water Treatment Plant

Qty	Part Number	Description
2	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
-2	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
-1	18108918	iNet DS Docking Station for Ventis MX4
-1	18105924	5-Port Gas Regulator Manifold

Location 3 – Combined Wastewater Treatment Plant

Qty	Part Number	Description
4	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
-4	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
-1	18108918	iNet DS Docking Station for Ventis MX4

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www.indsci.com

By this letter we are amending City of Sacramento's monthly usage fee to include the addition of this equipment. This additional equipment increases your monthly fee by \$46.81 and the new monthly fee will be \$2,763.17 until the conclusion of this agreement.

If the above accurately sets forth our mutual understanding, please sign and fax back to me at 412-809-1813.

Thank you for the opportunity to be of continued service to City of Sacramento.

Industrial Scientific Corporation

By: *Amy L McBride*

Agreed And Accepted:
City of Sacramento

By: *[Signature]*

Title: *W/S Supt.*

Date: *7/23/12*

By: *[Signature]*

Dave Brent, Director
Department of Utilities



OUR MISSION
Design - Manufacture - Sell: Highest quality products for the preservation of life and property
Provide: Best customer service available

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CORPORATION

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Phone: (412) 788-4353
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Fax: (412) 788-8353
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SCHEDULE B

EQUIPMENT SCHEDULE

(Revised July 3, 2012)

Total Equipment

Qty	Part Number	Description
19	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
31	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
3	18108917	iNet DS Docking Station for MX6
2	18108918	iNet DS Docking Station for Ventis MX4
5	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18105858	iGas Regulator w/Pressure Switch for 650L Cylinders
3	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
2	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
1	18109159	Calibration Gas Cylinder, 650-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, CGA-330 <i>Initial Supply Only</i>
5	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold

INDUSTRIAL SCIENTIFIC

CORPORATION

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Oakdale, PA 15071-1500
USA

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SCHEDULE B

EQUIPMENT SCHEDULE

Breakdown by Location

Location 1 – Fairbarn Water Treatment Plant

Qty	Part Number	Description
4	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
1	18108917	iNet DS Docking Station for MX6
2	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
2	17124348	Wall Mounted Gas Cylinder Holder

Location 2 – Sacramento Water Treatment Plant

Qty	Part Number	Description
4	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
1	18108917	iNet DS Docking Station for MX6
2	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
2	17124348	Wall Mounted Gas Cylinder Holder

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Location 3 - Combined Wastewater Treatment Plant

Qty	Part Number	Description
11	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
✓ 31	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
✓ 1	18108917	iNet DS Docking Station for MX6
✓ 2	18108918	iNet DS Docking Station for Ventis MX4
✓ 1	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
✓ 1	18105858	iGas Regulator w/Pressure Switch for 650L Cylinders
✓ 1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
✓ 1	18109159	Calibration Gas Cylinder, 650-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, CGA-330 <i>Initial Supply Only</i>
✓ 1	17124348	Wall Mounted Gas Cylinder Holder
✓ 1	18105924	5-Port Gas Regulator Manifold



OUR MISSION
Design - Manufacture - Sell: Highest quality products for the preservation of life and property
Provide: Best customer service available

NON-COMPETITIVE BID/CONTRACT JUSTIFICATION

For use of all goods and services acquisitions.

This justification document consists of two (2) pages. All information must be provided and all questions must be answered. The "Required Approvals" section must include a date for each signature, as appropriate for the transaction.

Requesting Department Information		
Department: Utilities	Department Contact: Bill Rhinehart	
Division: Plant Services	E-Mail: brhinehart@cityofsacramento.org	
	Telephone: 916-808-7792	FAX: 916-808-7955
Delivery Location: Combined Wastewater Treatment Plant, Fairbairn Water Treatment Plant, Sacramento River Water Treatment Plant		
Required Contact Information for Source of Supply or Service		
Contractor/Supplier: Industrial Scientific	Contractor Address: 1001 Oakdale Road, Oakdale, PA 15071	
Contract Amount: \$ 98,251.42	Amendment Amount:* (if applicable) \$ <small>(*Current amendment only)</small>	Equipment Purchase Amount: \$
Funding Source: <input type="checkbox"/> General Fund <input type="checkbox"/> CIP <input type="checkbox"/> Grant <input checked="" type="checkbox"/> Account # 6005-14001211-444021		
Provide a brief description of the purchase request, including all goods and/or services the contractor will provide:		
Lease of Gas Detectors to include equipment, installation, training, web-application, monitoring, and ongoing equipment and customer service for a 33 month period for the Combined Wastewater Treatment Plant, Fairbairn Water Treatment Plant, and Sacramento River Water Treatment Plant.		
Contract Type and Term		
<input checked="" type="checkbox"/> Supplies/Equipment <input checked="" type="checkbox"/> Sole-Source <input checked="" type="checkbox"/> Service/Consultant <input type="checkbox"/> Sole-Brand <input type="checkbox"/> IT Goods <input type="checkbox"/> Cooperative <input type="checkbox"/> IT Service Agreement <input type="checkbox"/> IT Goods & Service <input type="checkbox"/> Other <input type="checkbox"/> Blanket	Contract Term: Begin: <u>July 2012</u> End: <u>MARCH 26, 2015</u> Explain late contract submittal (services only):	
Current Contract Information (If the requested service/supply is currently under contract, please provide the information below)		
City Contract no. #:	Resolution no. #:	
Total value of current contract:	Term (time period) of contract:	
Required Approvals		
Certification: I am aware of the Sacramento City Charter Article XIV, City Code Chapter(s) 3.56, 3.60, 3.67, and the City's policy instructions, which set forth the requirements for competitive bidding. As an authorized Department representative, I have gathered information and have made a concentrated effort to review comparable/equal services or equipment, as documented in this justification. I hereby certify the validity of the information and believe, to the best of my knowledge, that the justification conforms to the City's requirements for sole-source/sole-brand purchasing.		
Division/Section <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied  Division Manager/Date	Department <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied  Director/Date	Purchasing Division <input type="checkbox"/> Approved <input type="checkbox"/> Denied Procurement Manager or Designee/Date

Complete responses must be provided for all of the following items.

A. THE GOOD/SERVICE REQUESTED IS RESTRICTED TO ONE SUPPLIER FOR THE REASONS STATED BELOW:

1. Explain why the acquisition cannot be competitively bid and why is the acquisition restricted to this good/service/supplier?

After much research, Industrial Scientific was the only vendor that provided a comprehensive package that includes equipment leases and upgrades, installation of all hardware, replacement parts and Labor, remote management of instrument calibrations, data transfers from hardware to a web-based management application, system testing, training, and ongoing customer support.. Other vendors either provided only equipment leases and repairs along with customer support or were distributors/subsidiaries of Industrial Scientific.

1.a. Explain if this is an emergency purchase or how the supplier is the only source for the acquisition and reference the city code that applies.

This is not an emergency purchase. Per AP-4101 Non Professional Services Section 2, 2.1(a), 3(ii) we conducted a good faith review of available sources and found that there is only one reasonable and practicable source for the required non-professional services.

1.b. For non-competitively bid contracts over \$5,000.00, explain why this acquisition is required and how this acquisition meets at least one of the following criteria: a) provision of essential services; b) required for public health or safety; c) emergency as defined in city ordinance. d) the acquisition is necessary to avoid financial loss to the city.

The acquisition of updated Gas Detectors along with a comprehensive system to manage, calibrate, and repair the Detectors is essential to provide dependable and accurate information in high risk situations that affect the health and safety of our employees.

2. Provide the background of events leading to this acquisition.

Our current Gas Detectors are past their economically useful life. All calibrations and bump tests are done manually and there is no easy metric to insure agency mandated procedures are being followed for confined space entry.

3. Describe the uniqueness of the acquisition (why was the good/service/supplier chosen?)

After much research, Industrial Scientific was the only vendor that provided a comprehensive scaleable platform package that includes : Equipment leases and upgrades, Installation of all hardware, Replacement parts and Labor, Remote management of instrument calibrations, Data transfers from hardware to a web-based management application, System testing, Training, and Customer support.

4. What are the consequences of not purchasing the good/service or contracting with the proposed supplier?

If we do not implement a standard operating procedure for maintaining, monitoring, and repairing our Gas Monitors as well as keeping the equipment up to date, we fail to keep our costs down, lose efficiency and lead-times, and mostly importantly jeopardize the safety of our employees.

5. What market research was conducted to substantiate no competition, including evaluation of other items considered?

(Provide a narrative of your efforts to identify other similar or appropriate goods/services, including a summary of how the department concluded that such alternatives are either inappropriate or unavailable. The names and addresses of suppliers contacted and the reasons for not considering them must be included OR an explanation of why the survey or effort to identify other goods/services was not performed.)

Goods and services were researched and good faith efforts were made to find vendors that could provide them. We decided upon Industrial Scientific as they offered the most complete package for our needs. Per the attached IFB Evaluation Form, multiple vendors were found and approached for quotes. We received a bid from Industrial Scientific, but after requesting bids from the other vendors , we were informed that they were all Distributors or Subsidiaries of Industrial Scientific and would not compete with Industrial Scientific.

B. PRICE ANALYSIS

1. How was the price offered determined to be fair and reasonable?

(Explain what the basis was for comparison and include cost analyses as applicable.)

There are no competitors with like products and services to compare costs against.

2. Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier

Cost savings will be realized by creating predictability in our cost structure, increasing the reliability of the equipment, increasing compliance with mandated procedures, reducing gas detection maintenance costs, reducing labor costs, decreasing lead times due to the reduction of downtime, and increasing the overall safety of our employees.

INDUSTRIAL SCIENTIFIC

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May 1, 2012

Ms. Deanne Neighbours
City of Sacramento
1391 35th Ave.
Sacramento, CA 95822

Dear Ms. Neighbours:

RE: **iNet Instrument Network™**

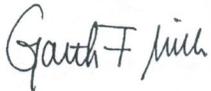
This letter serves to confirm that Industrial Scientific Corporation is the sole source provider of the patented **iNet Instrument Network™** (US Patent 6,442,639).

Industrial Scientific remotely monitors the condition of your Industrial Scientific instrument fleet and automatically handles any necessary service requirements based on the Exchange Plan that you have selected. In addition, the program also includes iNet™ Control which provides visibility into your gas detection program via the Web. By logging onto a secure website you can review equipment usage, maintenance and alarm events. iNet™ Control tells you when your gas detectors were last calibrated, whether a sensor is about to fail, and which gas detectors went into alarm that day. You can use detailed views to identify the source of potential problems, take action, and save lives.

There is no other comparable all-inclusive gas detection program like iNet™ in existence today.

Please contact us if we can be of further assistance.

Sincerely yours,



Garth F. Miller
Vice President, Customer Operations



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Provide: Best customer service available



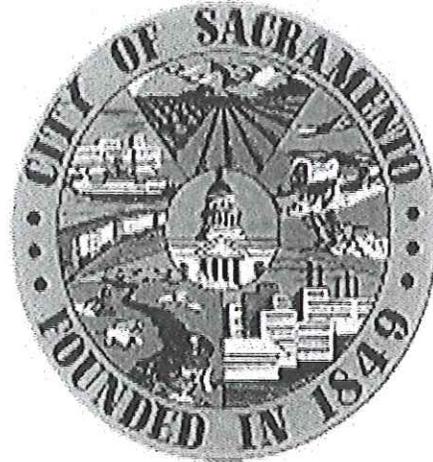
ORDER # → 110238299

Schedule July 10th

Rev.

Proposal for City of Sacramento

1391 35th Ave.
Sacramento, CA 95822
US



Submitted by: Bob Comer



Last Updated: April 11, 2012

Bob Comer
1001 Oakdale Rd.
Oakdale, PA 15071
April 11, 2012

INDUSTRIAL

SCIENTIFIC

Tom Carney
City of Sacramento
1391 35th Ave.
Sacramento, CA 95822
US

Dear Tom Carney:

On behalf of Industrial Scientific Corporation, I am pleased to offer City of Sacramento the following iNet™ Proposal to help your team achieve its safety objectives. In partnering with Industrial Scientific through iNet, City of Sacramento will employ a solution that meets the highest industry standards for monitoring gas hazards, maintaining gas detection equipment, and managing the gas conditions in your workplace. Some of the measurable benefits of iNet include:

- Continuous monitoring of your instrument fleet via the Internet
- Customer user interface provides direct access into your gas monitoring program
- Web-enabled reports that identify gas hazard risks to employee safety and productivity, allowing you to anticipate and address problems before they occur
- Automatic notification of instrument malfunctions
- Automatic, remote management of instrument calibrations and bump tests
- Automatic, remote management of repairs and replacement parts
- Instrument standardization
- Remote instrument upgrades
- Low total cost of ownership of your gas detection program
- Predictable year-over-year expenses for your gas detection program
- Asset tracking by serial number
- Secure off-site storage of your gas hazard and instrumentation data
- Live technical support from customer-oriented, knowledgeable professionals
- Installation and setup of all Docking Stations™ and instruments
- On-site or remote training options

Preserving human life is our life's work. With over 63,450 instruments and 2,840 customer sites on iNet, Industrial Scientific is keeping hundreds of thousands of people safe every day while removing the most cost-intensive and time-consuming tasks in gas detection. We are the industry leader. We look forward to bringing iNet to City of Sacramento.

Sincerely,

Bob Comer
District Manager
Enclosure

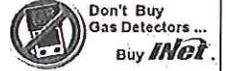


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Statement of Confidentiality

The material contained in this document and all attachments are proprietary to Industrial Scientific Corporation.

This material may not be disclosed, duplicated, or reproduced, in whole or in part, without Industrial Scientific's written consent.

Executive Summary

The City of Sacramento is currently using BW monitors that are past their economically useful life. All calibrations and bump tests are done manually and there is no easy to use metric to insure agency mandated procedures are being followed.

iNet will:

1. Improve the city's visibility into all gas exposure events.
2. Lower their gas detection maintenance costs and create predictability in their expense structure.
3. Implement a standard operating procedure that automates more regular bump testing of the gas detection equipment.
4. Implement a standard operating procedure for the maintaining and repairing of the monitors that includes predictive failure analysis that will improve efficiencies and lead time.

In this iNet™ proposal, Industrial Scientific Corporation is offering a solution that enables the city to achieve its objectives as follows:

1. iNet ensures reliability and increases compliance by assuring that every device performs as needed through automatic, remote managing of instrument calibrations and function testing. iNet offers built-in best-in-class standard operating procedures for the maintaining of gas monitors.
2. iNet is an all-inclusive program from a cost perspective; it includes all hardware (instruments, accessories and Docking Stations), replacement parts, labor, freight, installation and training.
3. iNet will provide a scalable platform. Changing requirements, new technology, new equipment needs, and short term rentals are able to be integrated easily and seamlessly. Taking advantage of the new instrument technology will provide the safety team the capability to identify up to six gases with one instrument including inert atmospheric testing.
4. iNet will help eliminate instrument downtime by analyzing data, using the latest in predictive diagnostic intelligence, to identify service requirements proactively.

Solution

Industrial Scientifics' iNet Instrument Network™ is a total-cost-of-ownership program that eliminates the most cost-intensive and time-consuming tasks involved with managing a gas monitor fleet.

iNet service is grounded in the unique combination of three industry best practices to deliver extraordinary simplicity and value. First, iNet automates many tasks associated with operating a gas monitor fleet including instrument calibration, function testing, diagnostics, documentation and repair or replacement of an instrument if a problem occurs. Second, iNet allows users to focus on their core competency by freeing them from the hassles of administering a gas detection program. Third, standardizing equipment and processes improves safety and lowers costs by minimizing variations in practices and documentation.

These best practices all add end-user value by eliminating downtime, streamlining instrument fleets and lowering costs. Industrial Scientific also provides peace of mind for iNet users by allowing them to shift the responsibility of managing and servicing gas detection programs to the industry experts.

Industrial Scientific combines the patented two-way communication technology of its Docking Station with the capabilities of the Internet to offer a solution that is designed to suit City of Sacramento's needs. This includes the following:

Continuous Monitoring

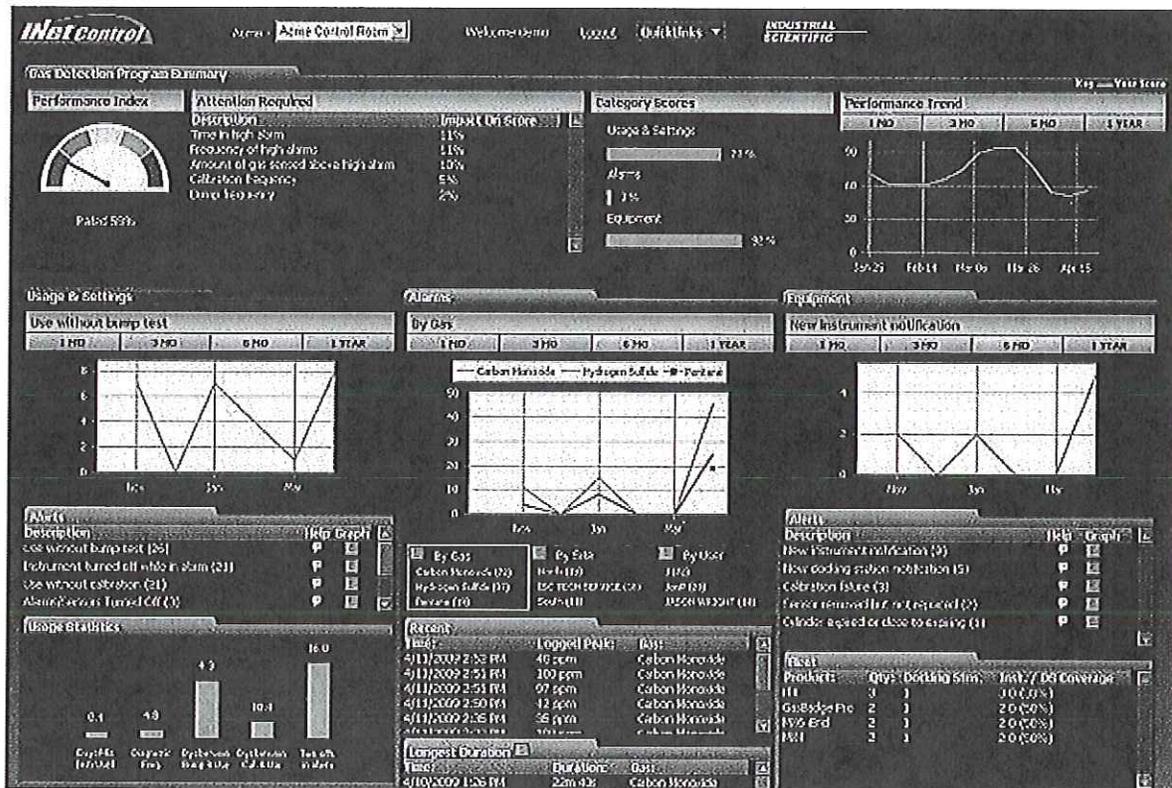
- Industrial Scientific continuously monitors your instrument fleet via the internet and automatically initiates any service requirement. No action is required by you to initiate service.
- Program and Instrument Status Reports Sent at User-Defined Frequency

Services

- Automatic notification if an instrument malfunctions
- Asset tracking by serial number
- Secure off-site storage of your data
- Automated calibration gas replenishment
- All repair parts and freight
- Consolidated monthly billing
- Continuous upgrade of the instrument fleet as new updates and software revisions are released.

iNet™ Control

- iNet™ Control is a web-based application that is used to administer and manage your gas detection fleet. In addition to managing routine tasks such as instrument fleet settings and calibration and bump schedules, iNet control provides insight into the safety of your gas detection program. iNet™ Control compiles data received from Docking Station and instrument transactions to ultimately help you safely manage your business. Reviewing the iNet™ Control on a regular basis allows you to quickly identify unsafe practices and address them. The Customer User Interface will show this and much more ensuring your gas detection fleet and users are utilizing the best possible practices. Compare your score against the industry averages. See where and how to create a safer work environment.



Installation

- Installation and setup of iNet DS and instruments (remote or on-site)
- System testing
- Training
- Travel expenses (if applicable)

On-line Training Courses

- On-line training is available for all portable monitors and iNet at www.indsci.com. Industrial Scientifics' On-line Training Courses and video tutorials allow instrument operators to learn in a self paced, professional environment. On-line Courses combine flash presentations with voice-overs as well as embedded video clips.



iNet Customer Support

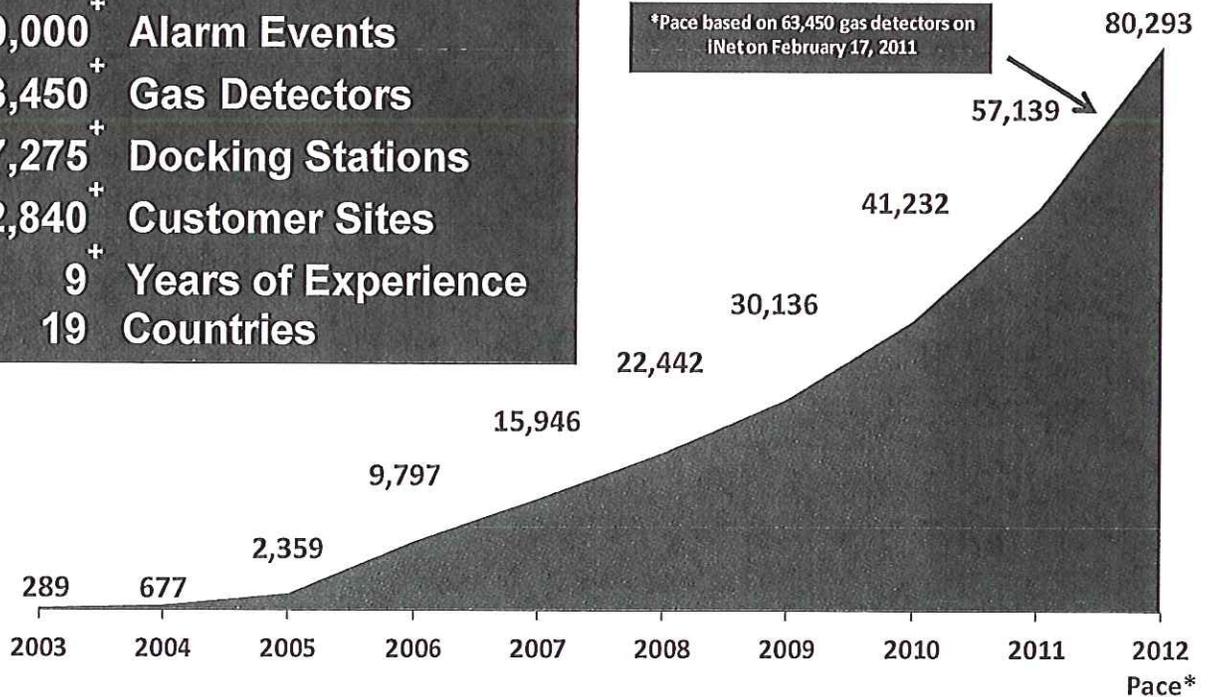
- iNet Customer Support is available at no additional charge for all iNet DS subscribers at either inetadmin@indsci.com or 1-877-FOR INET (367 4638). A "LIVE" iNet Customer Support Specialist is available Monday – Thursday 7am – 8pm (EST) and Friday 7am – 6pm (EST) to assist with questions ranging from systems support to instrument operation.

iNet Exchange™ Program

- Under the iNet Exchange™ program, all equipment is provided for a period of 33 Months. If malfunction is detected at City of Sacramento a ready-to-use replacement instrument is automatically scheduled for priority shipping. City of Sacramento will then return the instrument in need of repair back to Industrial Scientific in a pre-paid shipping package. This solution enables City of Sacramento to focus employees back on its core business; Industrial Scientific takes responsibility for the gas monitoring fleet maintenance.

Number of Gas Detectors on **iNet™**

33,500,000,000 + Datalog Readings
 9,000,000 + Alarm Events
 63,450 + Gas Detectors
 7,275 + Docking Stations
 2,840 + Customer Sites
 9 + Years of Experience
 19 Countries





Equipment List

Location 1 – Fairbairn Water Treatment Plant

Qty	Part Number	Description
2	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
2	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
1	18108917	iNet DS Docking Station for MX6
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2	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
2	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold

Revised

Location 2 – Sacramento Water Treatment Plant

Qty	Part Number	Description
2	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
2	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
1	18108917	iNet DS Docking Station for MX6
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2	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold



Location 3 – Combined Wastewater Treatment Plant

<u>Qty</u>	<u>Part Number</u>	<u>Description</u>
7	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
35	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
1	18108917	iNet DS Docking Station for MX6
3	18108918	iNet DS Docking Station for Ventis MX4
1	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18105858	iGas Regulator w/Pressure Switch for 650L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109159	Calibration Gas Cylinder, 650-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, CGA-330 <i>Initial Supply Only</i>
1	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold

Total Equipment

<u>Qty</u>	<u>Part Number</u>	<u>Description</u>
11	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
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5	17124348	Wall Mounted Gas Cylinder Holder
3	18105924	5-Port Gas Regulator Manifold

Instrument Specifications

MX6 iBrid™ Multi-Gas Monitor



Case Material	Lexan/ABS/Stainless Steel w/ Protective Rubber Overmold		
Dimensions	135 mm x 77 mm x 43 mm (5.3" x 3.05" x 1.7") – Diffusion Version		
Weight	409 g (14.4 oz) typical		
Sensors	Combustible Gas / Methane: Catalytic Diffusion / Infrared Oxygen and Toxic Gases: Electrochemical CO ₂ : Infrared VOCs: Photoionization (PID) 10.6 eV		
Measuring Ranges	Gas (Symbol)	Range	Increments
	Ammonia (NH ₃)	0-500 ppm	1.0 ppm
	Carbon Dioxide (CO ₂)	0-5% of Volume	0.01%
	Carbon Monoxide (CO)	0-1,500 ppm	1.0 ppm
	Carbon Monoxide (CO) <i>optional</i>	0-9,999 ppm	1.0 ppm
	Carbon Monoxide (COSH)	0-1,500 ppm	1.0 ppm
	Hydrogen Sulfide <i>combined sensor</i>	0-500 ppm	0.1 ppm
	Chlorine (Cl ₂)	0-100 ppm	0.1 ppm
	Combustible Gases (LEL) <i>catalytic</i>	0-100% LEL	1.0% or 10ppm
	Combustible Gases (LEL) <i>infrared</i>	0-100% LEL	1.0%
	Chlorine Dioxide (ClO ₂)	0-1 ppm	0.01 ppm
	Hydrogen (H ₂)	0-2,000 ppm	1.0 ppm
	Hydrogen Chloride (HCL)	0-30 ppm	0.1 ppm
	Hydrogen Cyanide (HCN)	0-30 ppm	0.1 ppm
	Hydrogen Sulfide (H ₂ S)	0-500 ppm	0.1 ppm
	Methane (CH ₄) <i>catalytic</i>	0-5% of Volume	0.1%
	Methane (CH ₄) <i>infrared</i>	0-100% of Volume	1.0%
	Nitrogen Dioxide (NO ₂)	0-150 ppm	0.1 ppm
	Nitric Oxide (NO)	0-1,000 ppm	1.0 ppm
	Oxygen (O ₂)	0-30% of Volume	0.1% ppm
Phosphine (PH ₃)	0-10 ppm	0.01 ppm	
Phosphine (PH ₃) <i>optional</i>	0-1000 ppm	1.0 ppm	
Sulfur Dioxide (SO ₂)	0-150 ppm	0.1 ppm	
VOCs (General – PID)	0-2,000 ppm	0.1 ppm	
Display/Readout	STN Color Graphic LCD		
Operating Temperature Range	-20°C to 55°C (-4°F to 131°F) typical		
Operating Humidity Range	15% to 95% non-condensing (continuous) typical		
Power Source / Run Times	Rechargeable Lithium-ion (Li-ion) Battery Pack (24 hours typical) Rechargeable Extended-Range Lithium-ion (Li-ion) Battery Pack (36 hours typical) Replaceable AA Alkaline Battery Pack (10.5 hours typical)		
Certifications	IECEX/ATEX: Intrinsic Safety: EEx ia d I/II; IP65 (IP64 pump version), Equipment Group & Category: II 2G / I M1 (I M2 w/IR sensor) <u>UL</u> : Class I, Groups A,B,C,D T4; AEx ia d IIC T4 <u>CSA</u> : Class I, Groups A,B,C,D T4 <u>MSHA</u> : CFR30, Part 18 & 22, Intrinsically safe for methane/air mixtures		

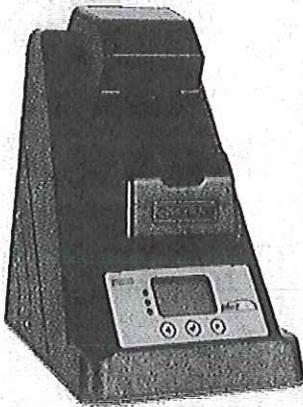


Ventis™ MX4 Multi-Gas Monitor

Case Material	Polycarbonate w/ protective rubber overmold		
Dimensions	103 mm x 58 mm x 30 mm (4.1" x 2.3" x 1.2") - Ventis lithium-ion battery version (typical) 172 mm x 67 mm x 66 mm (6.8" x 2.6" x 2.6") - Ventis with Pump lithium-ion battery version (typical)		
Weight	182 g (6.4 oz) - Ventis lithium-ion battery version (typical) 380 g (13.4 oz) - Ventis with Pump lithium-ion battery version (typical)		
Sensors	Combustible gases/methane – Catalytic Diffusion O ₂ , CO, H ₂ S, NO ₂ , SO ₂ – Electrochemical		
Measuring Ranges	Gas (Symbol)	Range	Increments
	Combustible Gases:	0-100% LEL	1% increments
	Methane (CH ₄):	0-5% of vol.	0.01% increments
	Oxygen (O ₂):	0-30% of vol.	0.1% increments
	Carbon Monoxide (CO):	0-1,000 ppm	1 ppm increments
	Hydrogen Sulfide (H ₂ S):	0-500 ppm	0.1 ppm increments
	Nitrogen Dioxide (NO ₂):	0-150 ppm	0.1 ppm increments
	Sulfur Dioxide (SO ₂):	0-150 ppm	0.1 ppm increments
Operating Temperature Range	-20°C to 50°C (-4°F to 122°F) typical		
Operating Humidity Range	15%-95% non-condensing (continuous) typical		
Power Source / Run Times	Rechargeable Lithium-ion Battery Pack (12 hours typical @ 20°C) - Ventis Rechargeable Extended-Range Lithium-ion Battery Pack (20 hours typical @ 20°C) - Ventis Replaceable AAA Alkaline Battery Pack (8 hours typical @ 20°C) - Ventis Rechargeable Lithium-ion Battery Pack (12 hours typical @ 20°C) – Ventis with Pump Replaceable AAA Alkaline Battery Pack (4 hours typical @ 20°C) - Ventis with Pump		
Certifications	<p>UL</p> <p>Class I, Division 1, Groups A B C D, T4 Class II, Groups F G (Carbonaceous & Grain Dust) Class I, Zone 1, AEx ia d IIC IP66 IP67</p> <p>ATEX</p> <p>Ex d ia I Mb / Ex d ia IIC T4 Gb; Equipment Group and Category I M2 and II 2G IP66 IP67</p> <p>IECEX</p> <p>Ex d ia IIC T4 Gb IP66 IP67</p> <p>CSA</p> <p>Class I, Division 1, Groups A B C D, T4 C22.2 No. 152 for %LEL reading only Ex d ia IIC T4</p>		

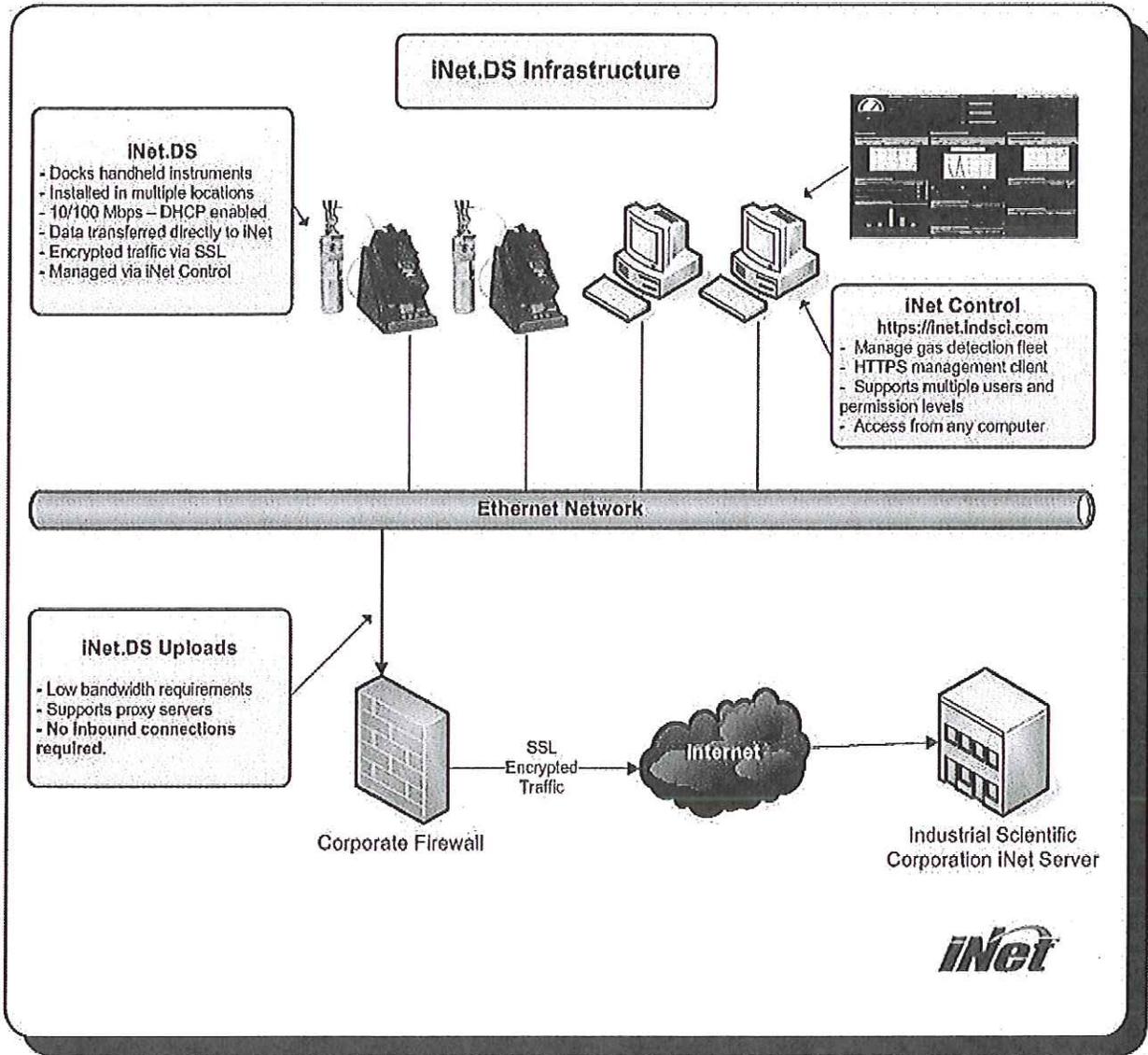
iNet DS

The iNet DS, similar to a PDA cradle, is used to dock the hand-held instruments. When docked, the iNet DS charges, calibrates, bump tests, downloads data log information and runs diagnostic tests against the instruments ensuring all key functions within the instruments are in working order. The iNet DS requires access to internet directly or through a proxy server. Highlights include:



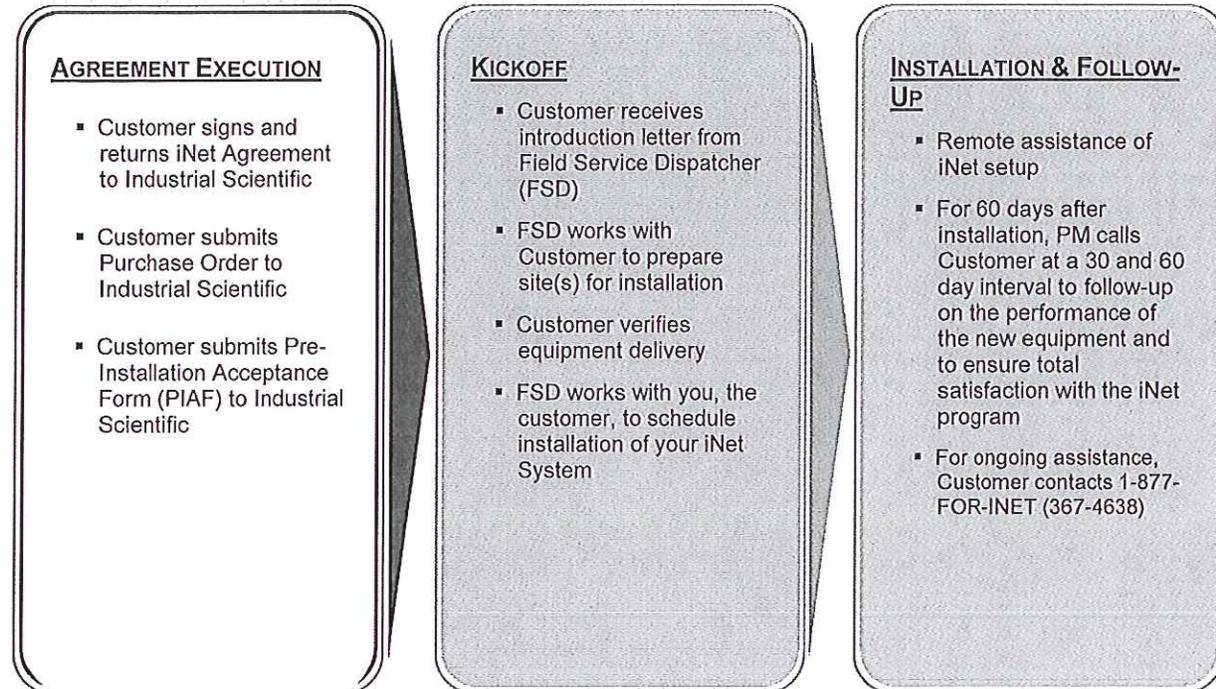
- **Secure:** Utilizes a secured Windows CE Embedded platform.
- **One-Way Data Transfers:** May not be connected to via a client, web browser or other tool; uploads to the DSS via one-way data transfer
- **DHCP-Enabled:** Easy to relocate in the corporate network.
- **Network-Ready:** 10 mbps; Ethernet Connection required for each iNet DS
- **Small Data Transfers:** : Communicates through the web via HTTP XML packets over port 80,443
- **Updates:** Updates via the network

Architecture



Remote Implementation

iNet implementation has three phases as follows:



Throughout the iNet installation processes, you will communicate with a Field Service Dispatcher (FSD) who will work with you on preparation and installation.

You will be notified by the iNet Fulfillment Center and/or ISC Field Service Department when your order ships to you.

Your FSD will contact you to verify that you have received your shipment, and that you have checked the entire order against the contract equipment list, as well as the shipping invoice, to ensure that everything has arrived and is ready for the installation process to begin.

Your FSD will call to check that everything is functioning properly, and may ask you to run some tests to see that everything is ready for the final steps of the installation process.

At this time, or shortly thereafter, your FSD will call to verify that you have installed/provided the required equipment for installation. This would include such items as one Ethernet drop (a known, discrete, functioning connection) and one 120 VAC outlet for each docking station. Both of these items must reach from the room/area service point to each docking station location.

During this conversation, your FSD will cover any customer required forms, as well as any additional customer requirements for the installation. Your FSD will also establish that your IT Department will have a staff member available for consultation should issues arise with the network functionality. Once all of these items are resolved, your FSD will make an appointment to provide remote installation.

Industrial Scientific Overview

Industrial Scientific Corporation is a global leader in designing, manufacturing, selling and servicing gas monitoring instruments, systems and related products to protect and preserve human life.

**INDUSTRIAL SCIENTIFIC
CORPORATION**

OUR MISSION

Preserving human life on, above and below the earth

*Delivering highest quality, best customer service ...
every transaction, every time*

Headquartered in an advanced ISO 9001:2000-certified facility near the Pittsburgh International Airport, Industrial Scientific provides equipment used for safety and industrial hygiene in potentially dangerous locations. Principal markets for the Company's products include oil refineries, oil exploration and drilling operations including offshore rigs, underground mining and tunneling, utilities including telephone, electric, natural gas, water and wastewater treatment facilities, municipal agencies such as police, fire and hazardous response units, government regulatory agencies such as EPA, OSHA, and MSHA, insurance companies, and food and beverage-processing companies.

The company started in 1976 as the Research Division of National Mine Service Company (NMS) with a focus on developing instrumentation to detect methane gas. In 1985, NMS sold the division, and Industrial Scientific Corporation began independent operations on January 25, 1985. With continuous investments in research and engineering design, the instrument family grew to include patented technologies and state-of-the-art designs. Industrial Scientific became the name for the most rugged and dependable gas instrumentation on the market.

On June 30, 1993, the company had its initial public stock offering, and was traded on the NASDAQ exchange for almost 6 years. Based on the commitment to doing the right things for the right reasons, the stock was removed in 1999 from public trading. As a private company Industrial Scientific is better able to concentrate on the intensive, long-range research programs needed in their industry.

The Company's products range from hand-held / portable instruments capable of monitoring from one to six gases, to permanently installed systems capable of monitoring many different gases in hundreds of locations from a central monitoring station. The products carry third-party intrinsic safety and performance approvals including ATEX/CENELEC, UL, MSHA, CSA, and bear the CE mark. In addition, Industrial Scientific has held the status of ISO9001 since 1994, and was the first U.S. manufacturer of gas monitors to receive such certification.

Employing over 850 people, Industrial Scientific has manufacturing operations in Pittsburgh (USA), Arras (France), Dortmund (Germany) and Shanghai (China), provides technical services to customers from local service centers around the world, and has additional subsidiaries in Australia, Canada, Czech Republic, Dubai, Germany, The Netherlands, Singapore, Switzerland and the United Kingdom.

Industrial Scientific Corporation
1001 Oakdale Road
Oakdale, PA 15071
1-800-DETECTS (1-800-338-3287)
www.indsci.com
info@indsci.com



Industrial Scientific Team Members

Name	Title	Phone Number	Email	Function
Bob Comer	District Manager	(916) 203-5847	bcomer@indsci.com	Questions concerning proposal
	Contract Administrator	(412) 490-1811	contractadminUS@indsci.com	Commercial terms
	iNet System engineer	(412) 490-1988	JSCAmericasiNetSE@indsci.com	IT Questions
Dave Kuiawa	Director of Training and Field Services	(412) 490-1867	dkuiawa@indsci.com	Installation and Training
iNet Fulfillment Center	Oakdale/Houston/Edmonton	1(877) FOR-INET	inetadmin@indsci.com	Post installation support



Business Case

iNet	iNet Duration	33 Months	USD
	iNet Monthly Usage Fee*	2716.36	
	iNet 33 Month Usage Fee*	89,639.88	

- *iNet Monthly Usage Fee is per month for 33 Months.
- *iNet Monthly Usage Fee includes 3 Remote Installation.
- *iNet Monthly Usage Fees include all necessary hardware (instruments, accessories and Docking Stations), replacement parts, labor, freight, installation and training.
- *iNet Monthly Usage Fees include unlimited license to iNet™ Control. This includes all software upgrades for the term of the iNet agreement.
- iNet Customer Support is available at 1-877-FOR INET Monday thru Thursday 7AM to 8 PM (EST) and Friday 7AM to 6PM (EST) or inetadmin@indsci.com
- Price does not include taxes, GST, PST, customs, duties and all other related expenses; where applicable.
- *Prices quoted are firm for a period of 60 days.
- Contract to be provided.
- Commodities, technology or software exported from the United States or later re-exported must be in accordance with the Export Administration Regulations. Diversion contrary to U.S. law prohibited.



Required Documentation

A draft copy of the iNet Usage Agreement will be provided separate

PIAF Document Attached
Auto Gas Replenishment Attached



iNet™ Pre-Installation Acceptance Form for “iNet DS” docking station Rev 8

ISC: Parenthesis fields (___) to be completed by Industrial Scientific prior to delivery to customer.
Customer: Please complete & sign, then fax, mail or email to contractadminUS@indsci.com

iNet DS

A successful installation requires that the “iNet DS” will have Internet access in order to upload to the iNet Server. Web access via Port 443 is required.

___ Check to confirm the “iNet DS” will have access to the below URL:

<https://inetupload.indsci.com/UploadWeb/services/Uploader>

An “iNet DS” may be subject to the customer's proxy server policies.

___ Check to confirm if the “iNet DS” will utilize a Proxy Server to access the Internet.

Proxy Address	Proxy Server Credentials (if Authentication Required)	
	Username	Password

There are (8) “iNet DS” (s) being supplied with this proposal. For each “iNet DS”, please confirm the following will be ready and/or available to ensure there will be no delays upon commissioning.

___ Network Ports, Power Outlets will be available at each “iNet DS” location.

AND

(___) Ethernet patch cables for each “iNet DS” included on this order.

(X) Ethernet patch cables to be provided by CUSTOMER for each “iNet DS”.

___ Check if DHCP IP Addresses will be used for each “iNet DS”

OR

___ Check if Static IP Addresses will be used for each “iNet DS”

If customer desires “iNet DS” to utilize static IP addresses, in order to enable pre configuration of “iNet DS” prior to shipping, please provide Static IP Address, Gateway Address, Subnet Mask Address, DNS Addresses, Proxy Addresses and Proxy Server Usernames / Passwords for each “iNet DS” in **Appendix II, Last Page.**



INSTRUMENTS

Existing Instruments and / or "iNet DS" to be participating in this iNet Service.

No

OR

Yes – List of serial numbers for existing equipment listed in **Appendix I, Last Page.**

Customer City of Sacramento, has successfully performed the pre-installation work detailed in this form and has scheduled all necessary resources, including personnel, to be available when Industrial Scientific performs the "iNet DS" commissioning.

If the above accurately describes our mutual understanding, please sign in the space provided below and return this document to Industrial Scientific. No installation will occur until we have received an unmodified, fully executed, signed copy of this form. It should also be known that if on-site commissioning has been elected, and Industrial Scientific arrives on-site to perform the "iNet DS" installation and any work or personnel described in this form is not completed or available and Industrial Scientific is unable to successfully perform the "iNet DS" installation because of this, you will be responsible for additional expenses incurred by Industrial Scientific in completing the installation.

Installation will occur approximately 4 weeks after receipt of a fully executed copy of this form.

Agreed and Accepted:

By: _____

Name: (Please Print): _____

Title: _____

Date: _____



Auto Gas Replenish

The Auto Gas Replenishment program is the most efficient way for iNet customers to manage their calibration gas needs. A new cylinder of gas will automatically be sent when the iNet report indicates a cylinder needs replaced.

- Yes I would like to enroll in the Auto Gas Replenishment Program
- No I would **not** like to enroll in the Auto Gas Replenishment Program

Invoice Address: _____

Ship Address: _____

Attention: _____
E-mail: _____
Phone: _____

Shipping Method: Fed Ex __Ground __2nd Day __Overnight

Method of Payment:
Purchase Order #: _____
Distributor _____

Or
Credit Card#: _____
Expiration Date: _____
Name on Card: _____

Auto Replenish iNet Alert Contact: _____
E-mail: _____
Phone: _____

For Internal Use only: iNet Account Name	ERP ID#

iNet@ USAGE AGREEMENT
Exchange Program
With iNet DS

This iNet Usage Agreement (the "**Agreement**") is made on May __, 2012, between INDUSTRIAL SCIENTIFIC CORPORATION, a Pennsylvania corporation ("**Company**"), and CITY OF SACRAMENTO, CALIFORNIA (the "**Customer**") and, along with Company, the "**Parties**," provided the Parties may be individually referred to as a "**Party**").

PREAMBLE

Company manufactures, distributes, provides and services gas detection equipment used in a variety of applications. Company has developed iNet, a program through which Company (a) helps its customer select gas detection equipment appropriate for the customer's needs; (b) provides, calibrates and services the detection equipment selected by a customer; and (c) enables the customer to transmit detection readings to Company over the Internet and, thereby, frees that customer from burdensome recordkeeping.

Customer wishes to subscribe for the iNet services and to use the gas detection and related equipment described on Schedule B to this Agreement (the "**Equipment**"), all on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the promises and with the intent to be legally bound, the Parties hereto agree as follows:

AGREEMENT

1. Subscription. Customer hereby subscribes for the iNet service (the "**Subscription**") for a period of **thirty-three** (33) months, during which the first two (2) months are considered an implementation period. The Subscription shall begin three (3) weeks after Customer provides Company with (a) a purchase order; (b) a completed Schedule A; (c) a completed and fully-executed Pre-Installation Acceptance Form ("**PIAF**") on the attached Schedule C; and (d) this Agreement as fully-executed by Customer and Company (the "**Required Documents**"). Based upon the receipt of the Required Documents, and factoring the aforementioned three (3) week period, the Subscription will commence _____, 2012, and terminate on _____, 2015 (the "**Term**").

2. Subscription Fee and Costs. The total cost of the Subscription for the Initial Term is US \$89,639.88 (the "**Subscription Fee**"), billed to Customer as follows: an initial invoice in the amount of US \$5,432.72 issued sixty (60) days after commencement of the Initial Term, followed by thirty-one (31) invoices for equal installment payments in the amount of US \$2,716.36. Customer shall pay all invoices in accordance with Section 2(c) below. Unless otherwise agreed upon in writing by the Parties, the Subscription Fee for each month of the Renewal Term shall be equal to the monthly installment of the Subscription Fee invoiced for the last month of the Initial Term.

(a) Charges. In addition to the Subscription Fee, any and all charges for Customer's Internet connection and calibration gas will be paid by Customer.

(b) Expenses. Customer shall reimburse Company for any travel expenses incurred by Company in the course of performing its duties hereunder; such expenses could include, but are not limited to, expenses for food, lodging, rental car, mileage and airfare, provided that Customer approves any such reimbursable expenses in advance. Travel expenses associated with the initial installation are included in the Subscription Fee.

(c) Payment Terms. Customer will pay to Company the Subscription Fee, reimbursable expenses and any other fees and charges hereunder ("**Fees**"). Subscription Fees do not include taxes that may apply. Customer is responsible for all applicable sales, use, and any other taxes, duties and charges imposed by any government body or agency with respect to the Equipment and Subscription (except taxes based

upon Company's income). Payment of the Fees is due within thirty (30) days from the date of the invoice ("Net 30"). All invoices will be delivered by one of the following methods as selected by Customer: US postal service first class mail, electronic data interchange (EDI), or email. If Customer provides any other special invoicing requirements, Company shall charge increased Fees to accommodate Customer's special invoicing requirements. Company will notify Customer of the amount of increased Fees that will be charged to accommodate special invoicing requirements.

(d) Purchase Orders. In the event of a conflict between terms and conditions of a Purchase Order issued hereunder and this Agreement, the provisions of this Agreement shall control. No legal terms and conditions on a Purchase Order will be binding upon Company without Company's written agreement.

3. Installation and Use.

(a) Installation. The Equipment will be installed only at the location(s) specified in Schedule A and shall not be transferred or removed from such location(s) without Company's prior written permission. Company reserves the right to schedule the installation at a mutually agreed upon time and date.

(b) Protection From Direct/Indirect Affected Network Components. Company is not responsible for network systems affected directly or indirectly by installation of iNet components.

(c) Security Changes. Customer is responsible for changes made in network and system security, training new network users; and any other network related administration duties relating to this installation.

Company is not responsible for the security of the networked computing system that has been connected to the Internet.

(d) Customer Network Requirement. Customer will provide cabling and/or wireless networking components and cabling installation labor for all necessary network connections.

4. Customer's Responsibilities. In addition to its other obligations set forth herein, Customer shall:

(a) use the Equipment only in accordance with the documentation and other instructions provided by Company;

(b) dock the gas detection Equipment onto the iNet DS Docking Station (or any other similar docking station provided by Company) at least once each day. Company has no obligation to record, analyze, or take any action with respect to, any information recorded by the gas detection Equipment until such time as Customer has properly docked the Equipment to the docking station;

(c) when Company delivers to Customer replacement Equipment for failed Equipment pursuant to Company's obligations set forth in Section 5 below, Customer acknowledges that it shall be obligated to promptly return the failed Equipment so replaced to Company in prepaid shipping packages provided by Company packed in a commercially reasonable manner pursuant to Company instructions. In addition, if Customer does not return such replaced failed Equipment to Company within seven (7) days after receipt of the replacement Equipment and prepaid shipping materials, Customer shall purchase such Equipment from Company for an amount equal to the current retail price charged by Company for the Equipment;

(d) provide Company with ready access to any Equipment or other materials delivered hereunder for Company to fulfill its obligations hereunder;

(e) only permit its employees, and no other parties, to use the Equipment;

(f) replace any lost, stolen or otherwise missing Equipment (including Equipment lost due to fire, theft, vandalism and the like) and replace any Equipment that is destroyed or damaged beyond repair at an agreed upon pricing schedule at time of replacement;

(g) refrain from creating or attempting to create, or permitting others to create or attempt to create, by reverse engineering or otherwise, any Equipment made available under this Agreement; and

(h) return, at Customer's expense, any Equipment delivered hereunder to Company at the end of the Term in the same condition in which it was received, normal wear and tear excepted.

5. Company Responsibilities. In addition to its other obligations set forth herein, Company shall:

(a) deliver to Customer for the Term the Equipment;

(b) promptly repair or replace, as described on Schedule D, any delivered Equipment that malfunctions or otherwise fails for any reason other than misuse (or negligent use) by Customer;

(c) provide the type and level of service described on Schedule D;

(d) provide field service technicians to perform initial installation services having the credentials, training and screening stated on Schedule E and, if Customer will require that Company's technicians have additional credentials, training, and/or screening beyond that identified on Schedule E, Customer agrees to pay all associated costs and expenses incurred by Company related to obtaining the additional credentials, training, and/or screening required by Customer, provided that Company notifies Customer of these costs and expenses after learning of Customer's additional requirements and, after receiving such notification, Customer confirms in writing its continued requirements for such additional credentials, training, and/or screening.

6. Termination.

(a) Termination by Company. Company may terminate this Agreement prior to its expiration upon thirty (30) days' prior written notice to Customer upon the occurrence of any of the following events: (i) Customer becomes insolvent, or institutes (or there is instituted against it) proceedings in bankruptcy, insolvency, reorganization or dissolution, makes an assignment for the benefit of creditors or becomes nationalized or has any of its material assets confiscated or expropriated; (ii) except as permitted by Section 13(e), Customer attempts to sell, assign, delegate or transfer any of its rights and obligations under this Agreement or Customer is dissolved, substantially changes its line of business, sells substantially all of its assets, or suffers a change in ownership; and/or (iii) Customer commits a material breach of this Agreement and fails to remedy it within a reasonable period of time.

(b) Termination by Customer. Customer may terminate this Agreement prior to its expiration upon thirty (30) days' prior written notice to Company if Company commits a material breach of this Agreement and fails to remedy it within a reasonable period of time.

7. Rights of Parties on Termination.

(a) Obligations After Termination. In the event that this Agreement is terminated or expires on its own terms, Company shall have no further responsibilities to Customer.

(b) Return of Materials. Within thirty (30) days after expiration or termination of this Agreement for any reason, Customer shall deliver to Company, at Customer's expense, all Equipment, documentation and any other material supplied to Customer by Company.

(c) Survival. Notwithstanding anything to the contrary set forth herein, no termination of this Agreement shall relieve any Party from any obligations pursuant to Sections 4(h), 7(b), 8, 9, 10, 11, or 13, or any other obligations hereunder which are outstanding on, or relate to matters or claims occurring or arising prior to, the date of such termination or which survive such termination by their own terms.

8. Limited Warranty. The Equipment delivered hereunder is warranted for the shorter of (a) the Term of the Agreement; or (b) until Company replaces the Equipment. The Equipment is warranted to conform to Company's standard specifications as set forth in documentation provided to Customer prior to the date of this Agreement. Company does not warrant that the Equipment will meet Customer's requirements, or that the Equipment will be error free. Company's sole obligation under the warranty shall be limited to correction of Equipment defects.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE LIMITED WARRANTY SET FORTH IN THIS SECTION 8 AND THE OBLIGATIONS AND LIABILITIES HEREUNDER ARE IN LIEU OF, AND CUSTOMER HEREBY WAIVES, ALL IMPLIED GUARANTEES AND WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND IT IS IN LIEU OF ANY LIABILITY OF COMPANY UNDER ANY PROVISIONS OF THIS AGREEMENT AND ANY PROVISIONS OF ANY APPLICABLE LAW.

9. Protection of Interest. **Customer acknowledges and agrees that title to any Equipment or other material delivered hereunder remains vested in Company at all times.** Customer hereby authorizes Company at any time, and from time to time, to execute and/or file, in accordance with the laws of any jurisdiction, with or without the signature of Customer, all Uniform Commercial Code financing or continuation statements or other documents which Company may deem necessary or desirable to protect its ownership interest in any Equipment or other material delivered hereunder. Customer authorizes Company to execute any such documentation on behalf of Customer as Customer's attorney-in-fact. Customer acknowledges that the Equipment is provided as a true lease.

10. Indemnification, Limitation of Liability and Remedy.

(a) Indemnification. Each of Company and Customer (individually, an "**Indemnifying Party**") shall indemnify, hold harmless and defend the other and the other's respective officers, directors, agents, representatives, employees, and affiliates (the "**Indemnified Parties**"), at the Indemnifying Party's expense, from and against any and all claims, demands, actions, costs, expenses, liabilities, judgments, causes of action, proceedings, suits, losses and damages of any nature, which are threatened or brought against, or are suffered or incurred by, the other or any of the other's Indemnified Parties resulting from any of the Indemnifying Party's acts or omissions relating to this Agreement, including without limitation (i) any negligent or tortious conduct; (ii) failure or any breach of any of their respective representations, warranties, covenants, agreements or conditions contained in this Agreement; and (iii) any violations of applicable laws or regulations. Customer will indemnify Company and its Indemnified Parties against any misrepresentations by Customer's officers, employees, or agents, including the extension of any warranties on products or services not specifically authorized by Company in writing.

(b) Limitation of Liability. Company shall not be liable to Customer, or to any customer, employee, representative, officer, director, agent or affiliate of Customer, for any SPECIAL, INDIRECT, CONTINGENT, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, LOSS OF BUSINESS OPPORTUNITIES, OR FOR LOSSES OR DAMAGES CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT AND/OR SERVICES DELIVERED HEREUNDER OR THE FAILURE TO DELIVER PRODUCTS OR SERVICES hereunder. This subsection (b) shall not apply to tort liability for death, personal injury or property damage arising from any negligent act or omission or

willful misconduct at the installation locations by Company, its officials, employees, agents or subcontractors.

(c) Limitation of Remedy. If Company should be held liable for damages to Customer for any cause arising out of or related to this Agreement, or its breach, such damages, in the aggregate, shall not exceed the lesser of (i) the Subscription Fee actually paid hereunder; or (ii) actual damages incurred. Customer expressly waives its right to collect any greater amount. This subsection (c) shall not apply to tort liability for death, personal injury or property damage arising from any negligent act or omission or willful misconduct at the installation locations by Company, its officials, employees, agents or subcontractors.

(d) Use of Equipment. COMPANY AND ITS OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, EMPLOYEES AND AFFILIATES SHALL NOT BE LIABLE FOR DAMAGES OR INJURIES OF ANY KIND OR NATURE INCURRED OR SUFFERED BY CUSTOMER OR ANY OF ITS OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, EMPLOYEES AND/OR AFFILIATES (“CUSTOMER PARTIES”) THAT RELATE IN ANY WAY TO OR ARISE FROM COMPANY’S PROVISION OF WRITTEN REPORTS, OR FAILURE TO PROVIDE SUCH REPORTS, OR DELAY IN PROVIDING SUCH REPORTS TO CUSTOMER OR ANY OF THE CUSTOMER PARTIES, CONCERNING ANY DATA OR ANY ANALYSIS BASED ON ANY DATA COLLECTED BY THE EQUIPMENT PROVIDED HEREUNDER.

11. Disclosure and Confidentiality.

(a) Company Information. Customer agrees that any technical or business information, including, but not limited to, the terms of this Agreement and its pricing terms, that is disclosed to Customer in connection with the performance of services under this Agreement (“**Company Confidential Information**”) either orally or in writing, is to be treated as confidential and proprietary, except as provided in this subsection (a). Customer agrees that Company Confidential Information will be maintained in strict confidence and not used for any purpose unrelated to this Agreement nor disclosed to any third parties. The requirement to maintain information in strict confidence, however, shall not apply to Company Confidential Information that: (i) is or becomes generally available to the public through no wrongful act of Customer; (ii) was in the possession of Customer prior to the time it was acquired hereunder and was not acquired, directly or indirectly, from Company or its affiliates or from others under an obligation of confidentiality; (iii) is independently made available as a matter of right to Customer by a third party without obligations of confidentiality, provided that such third party did not acquire such information directly or indirectly from Company or its affiliates; or (iv) is required by law to be divulged, provided that Customer must notify Company prior to any disclosure, and must assist Company in minimizing the extent of disclosure.

Customer agrees to limit access to Company Confidential Information to its employees, agents, and representatives who reasonably require such access for purposes of this Agreement. Customer agrees to use its best efforts in requiring that its employees, agents, and representatives maintain Company Confidential Information in strict confidence. Customer must not make, nor permit the making of, any copies, abstracts, derivatives, or summaries of any Company Confidential Information without Company’s prior written consent. Upon termination of this Agreement and the completion of all work hereunder, or at Company’s request, Customer must return all Company Confidential Information, including, but not limited to, all copies, abstracts, derivatives, and summaries.

Notwithstanding any other provision of this subsection (a), if Customer receives a request for disclosure of any Company Confidential Information, pursuant to the California Public Records Act, the Customer shall give notice to Company of any request for the disclosure of such information. The Company shall then have five (5) days from the date it receives such notice to enter into an agreement with the Customer, satisfactory to the Sacramento City Attorney, providing for the defense of, and complete indemnification and reimbursement for, all costs

(including plaintiff’s attorney fees) incurred by Customer in any legal action to compel the disclosure of such information under the California Public Records Act. The Company shall have sole responsibility for defense of the actual “proprietary” or “trade secret” designation of such information. The parties understand and agree that any failure by the Company to respond to the notice provided by Customer and/or to enter into such agreement with Customer shall constitute a complete waiver by Company of the protection afforded such Company Confidential Information under this subsection (a), and such information shall be disclosed by Customer pursuant to applicable procedures required by the Public Records Act.

(b) Customer Information. Company agrees not to share or disclose any information collected from Customer to any outside third party. Notwithstanding the foregoing, Company may collect, use and/or disclose information collected from Customer to any outside third party for iNet related research and development purposes provided that such information is de-identified by collection on an anonymous basis aggregated with similar information collected from other customers of Company for research and development purposes. Furthermore, Company may disclose Customer information if required to do so by law or in the good-faith belief that such action is necessary to: (i) conform to legal requirements or comply with legal process served on Company; (ii) protect and defend the rights or property of Company, iNet, or iNet participating sites; or (iii) act under exigent circumstances to protect the personal safety of users of the iNet service, or the public.

12. Use of Customer’s Name and Testimonials. Customer agrees to permit Company to:

(a) publish Customer’s name on lists identifying customers of Company’s iNet gas detection services without any additional approval from Customer;

(b) publish information regarding Customer’s usage of Company’s products and iNet services and benefits realized by Customer for marketing purposes but only with Customer’s prior written approval of the content of such marketing material pertaining to Customer; and

(c) issue a press release containing Customer’s testimonials, as well as information regarding Customer’s usage of Company’s products and iNet services and benefits realized, but only with Customer’s prior written approval of the content of such press release.

13. General Provisions.

(a) Amendments. This Agreement may be amended only by a writing signed by each of the Parties, and any such amendment shall be effective only to the extent specifically set forth in such writing.

(b) Governing Law. This Agreement shall be a contract under the laws of the State of California and for all purposes shall be governed by and construed and enforced in accordance with the substantive laws of said state without regard to its principles of conflicts of laws and the U.N. Convention on Contracts for the International Sale of Goods.

(c) Mediation. The Parties agree that they shall submit any dispute related to or arising out of this Agreement to non-binding mediation at a location in the County of Sacramento to be mutually agreed upon by the Parties. Each Party shall bear its own costs incurred in connection with the mediation; the mediator’s costs and fees shall be borne equally by the Parties.

(d) [Reserved]

(e) Assignment. Customer shall not assign, pledge, sublet or otherwise transfer any of its rights, interest or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of Company which consent may be granted or

withheld in Company's sole and absolute discretion. For purposes of this Agreement, an assignment shall include a sale of substantially all of Customer's assets or a merger or consolidation of Customer with one or more other entities in which Customer is not the surviving entity or the shareholders of Customer own less than a majority of the voting securities of the entity that survives the merger or consolidation.

(f) Force Majeure.

(i) No Party is liable for any failure to perform its obligations under this Agreement (other than accrued obligations to make payments of money) if such performance has been delayed, interfered with or prevented by an event of Force Majeure.

(ii) As used in this Section, "**Force Majeure**" means any circumstances whatsoever which are not within the reasonable control of the Party affected thereby, including without limitation an act of God, war, insurrection, riot, strike or labor dispute, shortage of materials, fire, explosion, flood, government requisition or allocation, breakdown of or damage to plant, equipment or facilities, interruption or delay in transportation, fuel supplies or electrical power, Internet connection, server or related equipment failure, embargo, boycott, order or act of civil or military authority, legislation, regulation or administrative rules (including without limitation any Executive Order issued by the President of the United States), or any inability to obtain or maintain any governmental permit or approval. The Party who declares Force Majeure will give prompt notice to the other Party of such declaration.

(iii) If the performance of any obligation has been delayed, interfered with or prevented by an event of Force Majeure, then the Party affected by such event will take such actions as are reasonably available to remove the event of Force Majeure or to mitigate the effect of such occurrence.

(iv) If an event of Force Majeure occurs, the obligations of the Parties under this Agreement (other than accrued obligations to make payments of money) will be suspended during, but not longer than, the continuance of the event of Force Majeure. If such event (alone or extended by another event of Force Majeure) continues so that the obligations of the Parties remain suspended for a period of twenty (20) continuous days and, at the end of such period or at any time thereafter during which such suspension continues uninterrupted, any Party, in the exercise of reasonable judgment, concludes that there is no likelihood that the event of Force Majeure will be removed in the immediate future, then any Party may terminate this Agreement without liability to any other Party (other than on account of accrued obligations to make payments of money) by giving to the other five (5) days' written notice of its intention to terminate.

(g) Counterparts. This Agreement may be executed in any number of counterparts, and by each of the Parties on separate counterparts, each of which, when so executed, shall be deemed an original, but all of which shall constitute but one and the same instrument.

Counterparts of this Agreement (or applicable signature pages hereof) that are manually signed and delivered by facsimile transmission or PDF files shall be deemed to constitute signed original counterparts hereof and shall bind the Parties signing and delivering in such manner.

(h) Cumulative Remedies. The rights and remedies of the Parties hereunder are cumulative and not exclusive of any rights or remedies which the Parties would otherwise have. No single or partial exercise of any such right or remedy by a Party, and no discontinuance of steps to enforce any such right or remedy, shall preclude any further exercise thereof or of any other right or remedy of such Party.

(i) Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the transactions contemplated hereby and supersedes all prior written and oral agreements, and all contemporaneous oral agreements, relating to such transactions.

(j) Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

(k) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of each of the Parties and their respective successors and permitted assigns.

(l) Notices. All notices that may be given under this Agreement shall be in writing and shall be delivered by (i) hand; (ii) registered or certified mail; or (iii) facsimile (provided there is confirmation of receipt of complete transmission), to the following addresses and to the attention of the representative listed below or at such other addresses as may be later provided in accordance with this Section 13(l):

If to Company: INDUSTRIAL SCIENTIFIC CORPORATION
Attention: Contract Administrator
1001 Oakdale Road
Oakdale, PA 15017
Phone: 1-800-338-3287 Fax: 412-809-1813

If to Customer: NAME: _____
Attention: _____
Address: _____
City, State/Province: _____
Zip/Postal Code, Country: _____
Phone: _____ Fax: _____

Notices delivered personally shall be effective when delivered. Notices sent by facsimile shall be effective on the first business day following the date of complete transmission. Notices sent by registered or certified mail shall be effective when received.

COMPANY

INDUSTRIAL SCIENTIFIC CORPORATION

By: _____

Name: _____

Title: _____

CUSTOMER

CITY OF SACRAMENTO, CALIFORNIA

By: _____

Name: _____

Title: _____

SCHEDULE A

INSTALLATION SITE

Location 1: Fairbairn Water Treatment Plant

Customer Name: City of Sacramento
Address: 7501 College Town Dr

City: Sacramento
State/Prov.: CA Zip/Postal Code: 95826
Country: USA
Contact Name:
Title:
Phone Number:
Email Address:
Fax Number:

Location 2: Sacramento Water Treatment Plant

Customer Name: City of Sacramento
Address: 1 Water Street

City: Sacramento
State/Prov.: CA Zip/Postal Code: 95811
Country: USA
Contact Name:
Title:
Phone Number:
Email Address:
Fax Number:

Location 3: Combined Wastewater Treatment Plant

Customer Name: City of Sacramento
Address: 1391 35th Avenue

City: Sacramento
State/Prov.: CA Zip/Postal Code: 95822
Country: USA
Contact Name:
Title:
Phone Number:
Email Address:
Fax Number:

Billing Address: _____

City: _____
State/Prov.: _____ Zip/Postal
Code: _____
Country: _____

Billing Contact Name: _____
Phone Number: _____
Email Address: _____
Fax Number: _____
Purchase order number: _____

IT INFORMATION

IT Contact Name: _____
Title: _____
Phone Number: _____
Email Address: _____
Fax Number: _____

iNet CONTROL INFORMATION

Admin Contact Name: _____
Title: _____
Phone Number: _____
Email Address: _____
Fax Number: _____

COMPLETE SHADED AREAS

SCHEDULE B

EQUIPMENT SCHEDULE

Total Equipment

<u>Qty</u>	<u>Part Number</u>	<u>Description</u>
11	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
39	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
3	18108917	iNet DS Docking Station for MX6
5	18108918	iNet DS Docking Station for Ventis MX4
5	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18105858	iGas Regulator w/Pressure Switch for 650L Cylinders
3	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
2	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
1	18109159	Calibration Gas Cylinder, 650-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, CGA-330 <i>Initial Supply Only</i>
5	17124348	Wall Mounted Gas Cylinder Holder
3	18105924	5-Port Gas Regulator Manifold

SCHEDULE B

EQUIPMENT SCHEDULE

Breakdown by Location

Location 1 – Fairbarn Water Treatment Plant

<u>Qty</u>	<u>Part Number</u>	<u>Description</u>
2	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
2	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
1	18108917	iNet DS Docking Station for MX6
1	18108918	iNet DS Docking Station for Ventis MX4
2	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
2	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold

Location 2 – Sacramento Water Treatment Plant

<u>Qty</u>	<u>Part Number</u>	<u>Description</u>
2	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
2	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
1	18108917	iNet DS Docking Station for MX6
1	18108918	iNet DS Docking Station for Ventis MX4
2	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109157	Calibration Gas Cylinder, 116-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, 5/8x18 INT. THD <i>Initial Supply Only</i>
2	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold

Location 3 – Combined Wastewater Treatment Plant

<u>Qty</u>	<u>Part Number</u>	<u>Description</u>
7	MX6-K1237301	MX6 iBrid Multi-Gas Monitor - LEL (Pentane), CO, H2S, O2, Cl2, Alkaline Battery, Diffusion (no pump), English
35	VTS-K1233000101	Ventis MX4 Multi-Gas Monitor, LEL (Pentane), CO, H2S, O2, Alkaline Battery, No Charger, Black, UL/CSA, No Carrying Case, English
1	18108917	iNet DS Docking Station for MX6
3	18108918	iNet DS Docking Station for Ventis MX4
1	18105841	iGas Regulator w/Pressure Switch for 58/103L Cylinders
1	18105858	iGas Regulator w/Pressure Switch for 650L Cylinders
1	18101758	Cylinder, Calibration Gas, 10 ppm Chlorine (58 L) <i>Initial Supply Only</i>
1	18109159	Calibration Gas Cylinder, 650-Liter, 100 ppm CO, 25 ppm H2S, 25% LEL Pentane and 18% O2, Nitrogen, CGA-330 <i>Initial Supply Only</i>
1	17124348	Wall Mounted Gas Cylinder Holder
1	18105924	5-Port Gas Regulator Manifold

SCHEDULE C

PRE-INSTALLATION ACCEPTANCE FORM

iNet™ Pre-Installation Acceptance Form for "iNet DS" docking station

Rev 8

ISC: Parenthesis fields (___) to be completed by Industrial Scientific prior to delivery to customer.

Customer: Please complete & sign, then fax, mail or email to contractadminUS@indsci.com

iNet DS

A successful installation requires that the "iNet DS" will have Internet access in order to upload to the iNet Server. Web access via Port 443 is required.

___ Check to confirm the "iNet DS" will have access to the below URL:

<https://inetupload.indsci.com/UploadWeb/services/Uploader>

An "iNet DS" may be subject to the customer's proxy server policies.

___ Check to confirm if the "iNet DS" will utilize a Proxy Server to access the Internet.

Proxy Address	Proxy Server Credentials (if Authentication Required)	
	Username	Password

There are (_8_) "iNet DS" (s) being supplied with this proposal. For each "iNet DS", please confirm the following will be ready and/or available to ensure there will be no delays upon commissioning.

___ Network Ports, Power Outlets will be available at each "iNet DS" location.

AND

(_0_) Ethernet patch cables for each "iNet DS" included on this order.

___ Ethernet patch cables to be provided by CUSTOMER for each "iNet DS".

___ Check if DHCP IP Addresses will be used for each "iNet DS"

OR

___ Check if Static IP Addresses will be used for each "iNet DS"

If customer desires "iNet DS" to utilize static IP addresses, in order to enable pre configuration of "iNet DS" prior to shipping, please provide Static IP Address, Gateway Address, Subnet Mask Address, DNS Addresses, Proxy Addresses and Proxy Server Usernames / Passwords for each "iNet DS" in **Appendix II, Last Page.**

INSTRUMENTS

Existing Instruments and / or "iNet DS" to be participating in this iNet Service.

No

OR

Yes – List of serial numbers for existing equipment listed in **Appendix I, Last Page**.

Customer, CITY OF SACRAMENTO, has successfully performed the pre-installation work detailed in this form and has scheduled all necessary resources, including personnel, to be available when Industrial Scientific performs the "iNet DS" commissioning.

If the above accurately describes our mutual understanding, please sign in the space provided below and return this document to Industrial Scientific. No installation will occur until we have received an unmodified, fully executed, signed copy of this form. It should also be known that if on-site commissioning has been elected, and Industrial Scientific arrives on-site to perform the "iNet DS" installation and any work or personnel described in this form is not completed or available and Industrial Scientific is unable to successfully perform the "iNet DS" installation because of this, you will be responsible for additional expenses incurred by Industrial Scientific in completing the installation.

Installation will occur approximately 4 weeks after receipt of a fully executed copy of this form.

Agreed and Accepted:

By: _____

Name: (Please Print): _____

Title: _____

Date: _____

SCHEDULE D

SCHEDULE OF SERVICES

Company will perform the services relating to and consisting of the following:

Provide and install hardware and software as detailed in Schedule B, which shall calibrate and service the detection Equipment selected by Customer, and enable Customer to transmit detection readings to Company over the Internet.

Company will provide three (3) remote installations, commissionings and trainings

Monitor the condition of the instruments from information transmitted to Company via the Internet.

Provide replacement instrument(s) when an instrument problem is detected.

Provide rental equipment as needed. (Fees for rental equipment are not included in the monthly Subscription Fee and shall be determined at time of rental.)

SCHEDULE E

SCHEDULE OF SCREENING, BACKGROUND CHECKS AND TRAINING

Field Service Technicians have the following:

- 1) Drug and alcohol screening through DISA Contractors Consortium—Drug screening is done through urinalysis, hair follicle and breathalyzer tests. Screening is done pre-employment and on a random basis in which fifty percent (50%) of the technicians are tested every six (6) months. Company's DISA Number is: 7528.
- 2) Background checks through Justifacts Credential Verification, Inc. on a pre-employment basis.
- 3) Transportation Workers Identification Card ("TWIC")—issued through the US Department of Homeland Security and includes a comprehensive background check.

If Customer will require drug and alcohol screening or background checks in addition to those listed above, Customer agrees to pay all costs associated with such additional drug and alcohol screening or background checks.

Additionally, Customer may request that Field Service Technicians undergo any of the following safety-related training, provided a single training activity or any combination of training activities shall not exceed three (3) hours:

- 1) Watch a safety video less than one (1) hour in length;
- 2) Complete computer based training (CBT) less than one (1) hour in length located at the site the technician will be performing services; or
- 3) Receive oral safety training or briefing less than one (1) hour in length.

If Customer will require safety training in addition to that listed above or training longer than the time frame identified above (3 hours maximum), Customer agrees to pay all costs associated with such additional safety training and, in addition, to pay the current per day labor rate for a technician.