

**NORTHAMPTON COUNTY  
REGULAR SESSION  
November 17, 2014**

**Be It Remembered that the Board of Commissioners of Northampton County met on November 17, 2014 with the following present: Robert Carter, Fannie Greene, Virginia Spruill, Chester Deloatch, and Joseph Barrett**

**Others Present: Kimberly Turner, Scott McKellar, Michelle Nelson, and Katherine Parker**

**Agenda Work Session:**

A 10-minute work session was held to discuss today's agenda items. Chairman Carter called upon County Manager Kimberly Turner for input. Ms. Turner had no changes.

**Regular Session:**

Chairman Carter called the meeting to order, welcomed everyone, and announced when citizens could make comments.

Chairman Carter delivered the Invocation and the Pledge of Allegiance was recited.

**Approval of Regular Session Minutes for November 3, 2014:**

A motion was made by Chester Deloatch and seconded by Virginia Spruill to approve the Regular Session Minutes for November 3, 2014. **Question Called:** *All present voting yes.* **Motion carried.**

**Approval of Closed Session Minutes for November 3, 2014:**

A motion was made by Virginia Spruill and seconded by Chester Deloatch to approve the Closed Session Minutes for November 3, 2014. **Question Called:** *All present voting yes.* **Motion carried.**

**Approval of Agenda for November 17, 2014:**

A motion was made by Fannie Greene and seconded by Joseph Barrett to approve the Agenda for November 17, 2014. **Question Called:** *All present voting yes.* **Motion carried.**

**CDBG- Scattered Site Housing Project Rehabilitation Contract Award Recommendation:**

Mr. Mike Scott, PRO, appeared before the Board for a recommendation of an award for rehabilitation services under the County's CDBG Scattered Site Housing Project. The County recently conducted procurement for rehabilitation for two units that are in this year's grant cycle. There were two bids from Bennett Construction and Dudley Construction. Mr. Scott's recommendation is for the Board to award the contract to Dudley Construction for Unit #4 in the amount of \$77,125, and Unit #6 in the amount of \$62,525. These amounts exceed the normal CDBG rehabilitation amount of \$40,000. A letter has been sent to DCA requesting that the

County be able to award these contracts under their substantial rehab provisions. He recommends that the Board award the contracts contingent on receiving approval from DCA in order to enter into substantial rehabilitation with this contract. Mr. Scott stated that it is generally a formality, but to his knowledge, that approval has not come back yet to the County Manager.

Commissioner Deloatch asked where Dudley Construction is. Mr. Scott replied that it is out of Nash County.

Commissioner Spruill asked where Unit #4 and 6 are. Mr. Scott stated that Unit #4 is on Firetower Road, and Unit #6 is on Highway 305 N.

Vice-Chairwoman Greene asked if this was a rehab. Mr. Scott replied yes, both of them are rehabilitations. He wanted to add, that on Unit #4, a significant part of their rehab costs are from lead based paint abatement. He said the house is sound; he would not recommend it for replacement but those costs are involved.

Commissioner Barrett asked if there were any unusual costs related to Unit #6. Mr. Scott responded that the main thing with that unit is the roof—the shingles. It is a lot of roof space, probably 2,000 square feet at least of roof. Both of the units will also need HVAC installed so there is nothing unusual, it's just the amount.

A motion was made by Chester Deloatch and seconded by Virginia Spruill to approve the contract coming from Dudley Construction to do the rehabilitation on the two projects contingent upon DCA approval. **Question Called:** *All present voting yes.* **Motion carried.**

**PLEASE SEE SCANNED DOCUMENT WHICH IS  
HEREBY MADE A PART OF THESE MINUTES:**



**MEMORANDUM**

**To: Mr. Robert V. Carter, Chairman**  
**From: Mike Scott, Project Administrator**  
**Date: November 10, 2014**  
**Subject: CDBG-Scattered Site Housing Project Rehabilitation Contract Award Recommendation**

Northampton County recently solicited bids from area contractors to provide Rehabilitation services for one (2) units in the County's 2011 CDBG-Scattered Site Housing Program. Bids were opened at 2:00PM in the Commissioner's Meeting Room on Friday, October 31, 2014. The CDBG procurement guidelines utilized were Competitive Negotiation and two area contractors submitted bids for consideration.

Below is a summary of the contractor's bids:

Unit #	Bennett Construction	Dudley Construction
Unit #4	\$78,225	\$77,125
Unit #6	\$64,450	\$62,525

The County's primary obligation is to award a contract to the "lowest most responsible qualified bidder". Both of the above contractors are NC Licensed General Contractors and are very reputable. We have verified through the State and Federal Debarred Vendors database that neither contractor is listed as a debarred vendor. In this case we recommend the Northampton County Commissioners award a contract in the amount of \$77,125.00 for Unit #4 and \$62,525.00 for Unit #6 to Dudley Construction as the lowest most responsible bidder to provide Rehabilitation services for these two units.

I will be in attendance at the November 17, 2014 Board of Commissioners Meeting to provide additional information and answer any questions.



Community & Economic  
Development Project Planning  
Grantwriting  
& Grant Administration

328 Hamilton Street  
Roanoke Rapids, NC 27870  
252-537-9050 (phone)  
252-537-4257 (fax)

E-mail:  
mike.scott.pro@gmail.com  
pattie.copeland.pro@gmail.com

**Tax Appeal-Carolina Telephone:**

Ms. Kathy Butler, Assistant Tax Administrator, appeared before the Board to obtain action concerning the release from tax bill 14A58768.06.1 in the amount of \$2,899.36 (C56- Rich Square Town \$2,692.26-F56 Rich Square Fire Service District \$207.10).

A motion was made by Virginia Spruill and seconded by Joseph Barrett to approve granting the release of tax bill 14A58768.06.1 in the amount of \$2,899.36 from the levy and so billed to the Town of Woodland \$2,671.56 and Woodland's Fire Service District \$307.34 totaling \$2,978.90 for 2014. **Question Called:** *All present voting yes.* **Motion carried.**

**Management Matters:**

Ms. Kimberly Turner, County Manager, appeared before the Board to inform them that she is still waiting on an appointment for the Lake Gaston Weed Control Council. She mentioned that if the Board doesn't have anyone in mind, she can advertise the opening in the paper to receive some interest for the Council.

Chairman Carter asked how many positions the Council needs. Ms. Turner replied two.

Vice-Chairwoman Greene asked who is being replaced. Ms. Turner said Robert Whitehead and Roger West.

Ms. Turner also informed the Board that the Auditors were here last week. She stated that they will not finish their report until December, therefore they will not appear before the Board to give their audit report until January.

Commissioner Barrett asked if there was a delay in them coming to do the audit. Ms. Turner said there some delay in the State getting some information to us.

Vice-Chairwoman Greene asked where that leaves us with the water bills. Ms. Turner said we can't do anything until we hear from the Auditors in January. Ms. Turner offered to bring the Board the Water Department's budget, so that they could be looking at that in the meantime. They can review the budget as far as the Revenue and Expenditures.

Vice-Chairwoman Greene mentioned that she is getting hit a lot about the water bills. She mentioned that the water bills in her area have doubled, and this is crucial to a lot of the citizens that can't afford their bill. She said we need to do something as quickly as we can. Ms. Turner says she understands, but we don't know where we stand until we get the audit.

**Citizens/Board Comments:**

***Chairman Carter called for Citizens Comments***

Dr. Michael Elam, President of Roanoke-Chowan Community College, appeared before the Board to present R-CCC's Annual Report. He has been going around to their service area with reports about what the College has been able to accomplish over the last 16 months. He wants to make this an annual visit to give the Board an opportunity to get a report from the College in

terms of what they are doing, and to get an idea of how the resources are being used. Dr. Elam also wanted to thank the Board for their increased support this year. Because of that support, they've been able to expand their efforts to provide work study opportunities for their students—specifically for the Northampton County students.

**Medline Contract:**

Mr. John White, Acting Health Director, appeared before the Board to request approval of an agreement between Medline and Northampton County Health Department's Home Health Agency for the purpose of providing patient specific medical supplies to be shipped directly to home health clients.

Commissioner Spruill asked if the client was the County or the citizens. Mr. White said the contract is with the Health Department, however the cost is passed on to the client of the Home Health Agency. This is part of their service.

Commissioner Spruill asked why the nurses were originally taking the supplies to the patients. Mr. White said that is just the way it has been set up for years. The supplies come into the Health Department and there is a stockpile of supplies that are stored there. With Medline, supplies will be ordered by the nurse and will be shipped directly to the patient.

Commissioner Barrett had a concern. He wanted to know who is providing the consultation services through delivering the medications. He explained that normally if you go to a pharmacist, they deliver consultations to the patients. Mr. White noted that most of these supplies are bandages, alcohol, saline solution, etc. He clarified that they are not drugs.

A motion was made by Fannie Greene and seconded by Joseph Barrett to approve the proposed contract between Northampton County Health Department Home Health Agency and Medline to have medical supplies shipped directly to client homes as presented above with an effective date of October 30, 2014. **Question Called: All present voting yes. Motion carried.**

Commissioner Barrett asked Mr. White to watch this and inform the Board as to how well this program is working out. He also recommended that Mr. White ask Ms. Revelle if she sought out any other vendors and offer that information to the Board as well.

**PLEASE SEE SCANNED DOCUMENTS WHICH ARE  
HEREBY MADE A PART OF THESE MINUTES:**



NORTHAMPTON COUNTY HEALTH DEPARTMENT  
9495 NC 305 HIGHWAY  
POST OFFICE BOX 635  
JACKSON, NORTH CAROLINA 27845



**DECISION PAPER**

**TO:** Northampton County Board of County Commissioners  
**FROM:** Northampton County Health Department  
**DATE:** November 10, 2014  
**RE:** Medline for Medical Supplies

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**PURPOSE:**

The purpose of this decision paper is to request the Board of Commissioners' approval of an agreement between Medline and Northampton County Health Department's Home Health Agency for the purpose of providing patient specific medical supplies to be shipped directly to home health clients.

**FACTS:**

1. Northampton County Health Department Home Health staff are currently making trips to client homes solely for the purpose of delivering medical supplies.
2. Medline will drop ship patient specific medical supplies to clients' homes reducing the travel and time nurses use to transport supplies.
3. A 1-2 week supply will be shipped at a time directly to clients and specific to their needs, reducing the amount of wasted supplies ordered in bulk and sent to the agency.
4. This contract was sent to Scott McKellar on October 10, 2014 to go through the contract process.
5. The Board of Health approved this contract at their meeting held on August 21, 2014.
6. Effective date of the contract will be October 30, 2014, upon approval.

**DISCUSSION:**

Northampton County's Home Health Agency is currently receiving medical supplies from vendors that only ship to the agency. Nurses currently have to make trips to client homes only to drop off needed supplies. This new contract with Medline will allow the nurses more time to complete other responsibilities and allow patients convenient access to their needed supplies. The contract was sent to the county attorney Scott McKellar on October 10, 2014 to go through the contract process. The Board of Health approved this contract during their August 21, 2014 meeting.

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**RECOMMENDATIONS:**

The Northampton County Health Department's Home Health Agency recommends that the Commissioners approve the proposed contract between Northampton County Health Department Home Health Agency and Medline to have medical supplies shipped directly to client homes as presented above with an effective date of October 30, 2014.

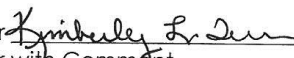
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Respectfully submitted,

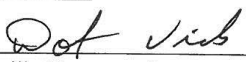
  
John L. White  
Acting Health Director

**COORDINATION:**

County Manager:

Concur   
Concur with Comment \_\_\_\_\_ 11/12/14  
Non-concur \_\_\_\_\_

Finance Director:

Concur   
Concur with Comment \_\_\_\_\_  
Non-concur \_\_\_\_\_

## **"PATIENT SPECIFIC" SUPPLY MANAGEMENT PROGRAM AGREEMENT**

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This Agreement is entered into effective on the 30 day of October, 2014 (the "Effective Date") by and between Medline Industries, Inc. (hereinafter referred to as "MEDLINE"), an Illinois Corporation and its wholly owned consolidating subsidiaries, MedCal Sales LLC, an Illinois Corporation, and Medline Industries Holdings, L.P., a Delaware Corporation and Northampton County Home Health Agency (hereinafter referred to as "Customer") an agency of the Health Department of Northampton County, a body politic and corporate organized and existing under the laws of the State of North Carolina with its principal address at: 9495 NC 305 Hwy Jackson, NC 27845.

WHEREAS, MEDLINE desires to provide CUSTOMER with MEDLINE's "Patient Specific" Supply Management Program (PHD) and CUSTOMER desires to participate in MEDLINE's "Patient Specific" Supply Management Program (PHD);

NOW THEREFORE, in consideration of the promises and the terms, covenants and conditions hereinafter set forth, the parties agree as follows:

### **I. PRICING GUARANTEES**

Prices on Medline Brand Products will be firm for one year from the Effective Date, with maximum yearly increases thereafter of 4% over the previous year, such increase to be effective on the anniversary date of the Agreement. The one year price protection on Medline Brand Products is contingent upon Customer complying with the provisions of this Agreement. After year one, Medline will provide 30 day advance notice of price increases on Medline Brand Product. Notwithstanding any other provision of this Agreement, Medline shall be entitled to increase/decrease prices on non-Medline Brand Product immediately upon the implementation of any price change by the manufacturer. For non-Medline branded Products which customer has under contract with a GPO of which Customer is a member, the price terms of such GPO agreement determine the pricing of that Product, not the provisions of this Agreement. In addition to the agreed price, Customer shall be responsible for the payment of all applicable sales, use, retailer's occupation tax and any excise tax incurred by Medline on all Products and services provided to Customer pursuant to this agreement. To the extent these taxes are applicable, one hundred percent (100%) thereof shall be added to invoices and paid in full by Customer, unless the Customer is exempt from such taxes and furnishes Medline with a certificate of exemption in a form reasonably acceptable to Medline. In the event Customer claims exemption under this Agreement, Customer agrees to the extent allowed by law to indemnify and hold Medline harmless from any and all subsequent assessments levied by a proper taxing authority for such taxes, including interest, penalties and late charges.

Customer represents and warrants that the sales on which Customer is paid a rebate hereunder do not require Medline to pay administrative fees to any group purchasing organization. In the event Medline is required to pay administrative fees on any such sales, Medline must be notified in writing that the Customer will be participating with a group purchasing organization and Customer shall reimburse Medline for any such fees paid and the rebate hereunder shall be terminated or reduced on a going forward basis to offset any fees paid in the future.

### **II. PAYMENT TERMS**

CUSTOMER shall pay MEDLINE's invoices (including freight) on net 30 day terms, regardless of CUSTOMER's ability to collect from patients or third party payers. All unpaid invoices or portions thereof shall accrue interest at 1.5% monthly, until paid in full.

MEDLINE accepts payment by check, money order or wire transfer. All pricing in this agreement is applicable for cash sales only.

### **III. FREIGHT TERMS**

All orders shipped to the CUSTOMER branch locations will be freight paid except for the following:



Orders including disposable incontinent products and/or liquid nutrient. (Due to the freight intensity of disposable incontinent products and liquid nutrient, MEDLINE will charge the actual shipping fee that the common carrier charges for shipping these products to the CUSTOMER, patient's home, and caregiver's home.)

The CUSTOMER will be billed the actual shipping charges for any orders that they specify must be shipped overnight to the CUSTOMER or to the patient's or caregiver's homes

The CUSTOMER will be charged actual freight for all Non-Formulary products that must be shipped from an alternate warehouse (not primary warehouse location) or direct from supplier, to THE CUSTOMER branch locations, caregiver's home or patient's home.

MEDLINE will charge a flat \$6.00 shipping and handling fee for all formulary orders that are shipping direct to the patient's or caregiver's homes.

#### **IV. SHIPMENT LEAD TIMES**

MEDLINE will commit to ship all orders the same day they are received, as long as they are received by 3:00 p.m. agency time. MEDLINE'S seventeen "patient specific" distribution centers are usually within a one to two day UPS / Federal Express shipping point to most locations in the Continental United States.

#### **V. ORDER PLACEMENT**

All product orders should be placed via fax (Teleform) a "customized" order form created specifically for the CUSTOMER, electronically through MEDLINE'S website, [www.medline.com](http://www.medline.com), or EDI.

#### **VI. SPECIALIZED REPORTING AND INVOICING**

MEDLINE agrees to provide the CUSTOMER with customized reporting and invoicing on line via [medline.com](http://medline.com) and / or that includes the following:

- Order confirmations will either be faxed back and / or sent via email (for [medline.com](http://medline.com) orders) by the end of the business day. The faxed back order confirmations include the shipping status on all items ordered, the breakdown on all items ordered into billable and non-billable status, as well as list the CUSTOMER'S internal billing code number next to MEDLINE's item number on all items.
- Weekly electronic manifest invoices sorted by patients' payer type (i.e. Medicare, Medicaid, private insurance, Hospice, etc.). These electronic weekly manifest invoices will separate all supply orders by patient, break items down into billable and non-billable status, and list the Homecare Agency's internal billing codes next to each of the MEDLINE item numbers.
- MEDLINE will provide all the aforementioned information on both the faxed back order confirmation and the electronic weekly manifest invoices for formulary products only. (See Exhibit A for what constitutes a formulary product). Non-formulary items will appear on faxed back order confirmations and summary invoices, but without billing codes and reimbursement status information. The CUSTOMER will retrieve the manifest invoice document weekly via Medline's online reporting tool, Insight and will pay MEDLINE for goods and services based upon the information provided.

#### **VII. SERVICE LEVEL COMMITMENTS**

MEDLINE will guarantee a 99% fill rate and two-day turnaround time (see Paragraph VI) on all product orders for formulary products. MEDLINE will not guarantee any service levels for non-formulary products. Formulary products are defined as any products shown in Exhibit A, attached hereto and made a part hereof. As part of Medline's distribution arrangement with CUSTOMER, Medline agrees to order in to stock products (non-Medline and Medline Brand) that are not a part of Medline's "Focus" formulary but which are requested by Customer.

Medline will maintain a maximum 60 day inventory level for Customer. Customer agrees to notify Medline if a change resulting in the decline of usage for requested product should occur. If, after 90 days, requested product is not ordered by customer and no notification is given to Medline, Medline will make commercially reasonable efforts to transfer surplus stock to other customers of

shipping locations, or return surplus stock to manufacturer. Customer agrees to be responsible for payment of any restocking or freight charges incurred on surplus items, or to purchase remaining stock.

#### **VIII. FORCE MAJEURE**

In the event (1) performance of any term or condition of this Agreement is delayed or prevented in whole or in part because of or related to (a) compliance with any law, decree, request, or order of any governmental agency or authority, whether local, state, provincial or federal, (b) riots, war, acts of terrorism, public disturbances, strikes, lockouts, differences with workmen, fires, explosions, storms, floods, acts of God, accidents of navigation, breakdown or failure of transportation, manufacturing, distribution, storage or processing facilities, (c) failure of or interference with the manufacture, receiving, handling, delivery or consumption of the Products, (d) the imposition of new or increased tariffs, taxes, duties and the like, (e) shortages or unavailability of raw materials, or (f) for any other reason (whether or not of the same class or kind as herein set forth) which is not within the reasonable control of the party whose performance is interfered with and which by the exercise of reasonable diligence said party is unable to prevent (such occurrences referred to herein as "force majeure"), or (2) of an inability to obtain at reasonable prices or in sufficient quantities the Products or the raw materials, chemicals, material, fuel, power, energy, labor, containers, transportation or distribution facilities or equipment relating to the production or distribution of the Products, then the party so affected by the occurrence or inability may at its option suspend performance, deliveries or receipts during the period so affected, and no liability will attach against either party on account thereof. Notwithstanding any other term or condition of this Agreement, in the event of a force majeure affecting MEDLINE as described above, MEDLINE may apportion its available supply of such Products among its purchasers on any basis without incurring any liability and/or adjust the prices of the Products to offset increased costs relating to the events described in (1) and (2), above.

#### **IX. CUSTOMER'S RESPONSIBILITY FOR BILLING CODES AND REIMBURSEMENT STATUS OF ITEMS**

In listing CUSTOMER's billing codes next to each item and breaking down each item into billable and non-billable reimbursement status on both the electronic weekly manifest invoices and faxed back order confirmations, MEDLINE will rely solely on the information that the CUSTOMER communicates to MEDLINE via the formulary matrix worksheet. The CUSTOMER is solely responsible, as between the CUSTOMER and MEDLINE, for providing accurate information. The billing codes and reimbursement status that the CUSTOMER assigns to each formulary product will be the billing codes and reimbursement status that will be used on the electronic weekly manifest invoices and faxed back order confirmations. MEDLINE accepts no responsibility for what the CUSTOMER deems as billable or non-billable or for which products they ultimately bill to Medicare or any other payer source. (i.e. Private Insurance, Medicaid, Hospice, etc.)

As a convenience for CUSTOMER, MEDLINE will, on request, provide product pricing information. The purpose of this information will be for informational purposes only for CUSTOMER to easily identify what they perhaps should possibly be charging to certain payer sources based on the CUSTOMER's contract with the payer source, subject to any and all applicable laws and regulations. This information will only be provided when requested by the CUSTOMER, and only when the CUSTOMER directs MEDLINE in writing as to the amount to calculate for any price change. MEDLINE does not assume any responsibility for the accuracy of the information provided by the CUSTOMER. Any product pricing information reported by MEDLINE should not be construed as suggestion, or advice on any price that CUSTOMER should charge any payer source.

## **X. RETURN POLICY**

### **Authorization**

All returns must be authorized by Medline prior to receipt. Product must be returned within 90 day of purchase. Authorizations are valid for 30 days. Return goods authorizations (RGAs) may be arranged either phoning HomeCare Customer Service at 1 800-700-0162 or by contacting a Medline sales representative. Unauthorized returns may be returned to customer at customer's expense, destroyed by Medline's at Medline's discretion, or subject to additional charges without credit being issued to customer.

### **Return Procedure**

After obtaining an RGA, each return must include the following information:

- Customer's name, address and account number.
- RGA number.
- Original PO number or original Medline order number.
- Lot number and expiration dates where applicable.

### **Return Policy**

Defective products are returnable with prior authorization. Non-defective products may be returned, provided customer has obtained prior authorization from Medline, if such products are in salable condition and suitable for restocking. Freight and restocking may apply as noted in the Restocking Fee Scheduled listed below. Product must be returned within 30 days of receipt. MEDLINE will provide credit for any product returned due to shipping errors, product defects and product recalls. Returns due to errors that are clearly the responsibility of MEDLINE: For orders that are under \$25.00 MEDLINE will first ask CUSTOMER to use product, if not MEDLINE will issue credit. For orders over \$25.00 MEDLINE will issue call tags and MEDLINE incurs the return shipping cost. For any returns due to ordering errors or other reasons that are clearly the responsibility of the CUSTOMER: For orders that are under \$25.00 MEDLINE will first ask CUSTOMER to use product, if not MEDLINE will issue no credit. For orders over \$25.00 MEDLINE will issue full credit provided that the product is returned within thirty (30) days and CUSTOMER incurs the return shipping costs. To receive full product credit (minus freight charges) for returns on orders shipped directly to the patient's home, the package (full cases) must be unopened and the return must be processed within thirty (30) days. The CUSTOMER or the patient will incur the shipping cost. The following restocking schedule would be in effect for returns due to reasons that are clearly the responsibility of CUSTOMER.

The following conditions will not be considered for return.

- Products purchased more than three months prior to return request.
- Products considered hazardous materials.
- Special or custom products made to customer specifications or sold as non-returnable.
- Products returned in altered or damaged packaging, or in packaging other than original packaging.
- Refrigerated items.
- Packs broken, breached or damaged.
- Items in unsalable units of measure where product cannot be resold.
- Returns prohibited by state law\*.
- Products with less than 6 months shelf life remaining based on expiration dates.
- Third party vendor products that require a vendor return authorization are subject to the vendor's return policy and applicable fees.
- Issuance of an RGA number does not guarantee credit. Credit issuance is dependent on confirmed receipt/review of returned products and is subject to the other terms of this policy.

\*Each state has individual Pharmacy laws, all returns are subject to approval of Medline Regulatory Affairs.

#### **Damages or Shortages**

In an effort to minimize any delay in resolving a damage or shortage claim, customer is required to count all receipts prior to customer's acceptance of delivery from the carrier. All damages or shortages must be noted on the carrier's freight bill or bill of lading and be countersigned by the customer. The damaged products must remain in the original carton, in the event inspection is required by the transportation company. Customer must notify Medline of any damages in transit or product shortages within two (2) business days of receipt, or Medline shall have no obligation to process credit or arrange for product replacement. Contact Medline Customer Service at 1-800-MEDLINE or a Medline sales representative to report damages or shortages.

#### **Products Shipped in Error by Medline**

Customer must notify Medline of any shipping errors or disputes within two (2) business days of receipt. Products shipped in error by Medline are freely returnable for full credit, provided that such returns are made within thirty (30) days of receipt.

#### **Defective product**

Defective product, properly noted damaged product and returns that are the result of a Medline error may be returned at Medline's expense and for a full credit, subject to the other provisions of this policy.

#### **Restocking Fee Schedule**

<u>Return from Date of Invoice</u>	<u>Re-stocking fee Percentage</u>
0 – 30 Days	10%
31 – 60 Days	\$10 or 10% whichever is greater
61 – 90 Days	\$10 or 20% whichever is greater
Greater than 90 days	not returnable unless expressly approved prior to receipt – contact your Medline Representative for additional information.

MEDLINE will provide credit for any product returned due to shipping errors, product defects and product recalls. Returns due to errors that are clearly the responsibility of MEDLINE: For orders that are under \$25.00 MEDLINE will first ask CUSTOMER to use product, if not MEDLINE will issue credit. For orders over \$25.00 MEDLINE will issue call tags and MEDLINE incurs the return shipping cost. For any returns due to ordering errors or other reasons that are clearly the responsibility of CUSTOMER: For orders that are under \$25.00 MEDLINE will first ask CUSTOMER to use product, if not MEDLINE will issue no credit. For orders over \$25.00 MEDLINE will issue full credit provided that the product is returned within thirty (30) days and CUSTOMER incurs the return shipping costs. To receive full product credit (minus freight charges) for returns on orders shipped directly to the patient's home, the package (full cases) must be unopened and the return must be processed within thirty (30) days. CUSTOMER or the patient will incur the shipping cost. The following restocking schedule would be in effect for returns due to reasons that are clearly the responsibility of CUSTOMER.

#### **XI. TERM OF AGREEMENT**

This Agreement shall be effective on the date specified hereinabove and shall renew automatically for one year terms, unless otherwise terminated as specified herein. Either party may terminate this Agreement at any time, for any reason, upon not less than sixty (60) days written notice to the other party. Either party may terminate this Agreement immediately in the event either party substantially or materially breaches the Agreement.

## **XII. GENERAL PROVISIONS**

- **Modifications.** This Agreement may only be amended or modified in writing, signed by both parties.
- **Entire Agreement.** This Agreement constitutes the entire understanding between the parties relating to the subject matter hereof and supersedes all prior agreements, understandings, memoranda, and other such communications, whether written or oral
- **Severability.** If any provision of this Agreement, or the application of any provision hereof to any person or circumstances, is held to be legally invalid, inoperative or unenforceable, then the remainder of this Agreement shall not be affected unless the invalid provision substantially impairs the benefit of the remaining portions of this Agreement to all of the parties.
- **Notices.** All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing, addressed to the receiving party's address set forth herein or to such other address as a party may designate by notice hereunder, and deemed duly given: (i) when personally delivered; (ii) when receipt is acknowledged, if sent by facsimile, telecopy or other electronic transmission device; provided, however, that if receipt is acknowledged after normal business hours of the recipient, notice shall be deemed to have been given on the next business day; (iii) one (1) day after deposit with a nationally recognized overnight courier, specifying "next day delivery"; or (iv) three (3) days after being sent by registered or certified mail, return receipt requested, postage prepaid.
- **Waiver.** Any delay or failure to exercise any remedy or right under this Agreement (whether a default exists or not) shall not be construed as a waiver of such remedy or right, or an acquiescence in such default, nor shall it affect any subsequent default of the same or a different nature.
- **Relationship of the Parties.** The relationship between CUSTOMER and MEDLINE is that of independent contractors. Nothing contained in this Agreement shall be construed to create the relationship of employer and employee or the relationship of principal and agent between CUSTOMER and MEDLINE. MEDLINE's authority shall be limited to that which is expressly stated in this Agreement. Neither party nor any of its representatives shall be construed to be the agent, employer, employee or representative of the other. Neither party shall have authority to bind the other to any agreement.
- **Regulatory Matters.** CUSTOMER and MEDLINE shall at all times during the term of this Agreement comply, in all material respects, with all federal and state laws, regulations and orders applicable to its operations. CUSTOMER and MEDLINE shall immediately notify the other party upon the receipt of a notice of violations, or threatened violations by a law enforcing entity which impacts the subject matter of this Agreement.
- **Governing Law.** This Agreement shall be construed and governed in all respects in accordance with the laws of the State of North Carolina and the North Carolina courts shall have the exclusive jurisdiction over any dispute arising under this Agreement or the relationship created herein.
- **Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties. This Agreement shall not be assigned or transferable by either of the parties without the written consent of the other party.
- **Indemnity:** To the extent allowed by law, CUSTOMER shall indemnify and hold harmless MEDLINE and its directors, members, officers, employees, representatives, agents or subcontractors, against any and all claims, damages, costs, and liabilities, including reasonable attorneys' fees, for any or all acts or omissions of Customer, its officers, members, employees, agents or subcontractors, however caused, arising from or relating to CUSTOMER or MEDLINE's material breach of this Agreement. MEDLINE hereby agrees to

indemnify, defend and hold harmless CUSTOMER and its respective directors, officers, employees, agents and insurers, from and against any and all third party claims, demands and actions, and the losses, expenses, damages, liabilities, costs (including reasonable attorneys' fees) and judgments related to such claims, arising out of bodily injury, property damage or any other damage or injury caused by use of the Products, or arising from or relating to CUSTOMER's material breach of this Agreement. All indemnification provisions contained in this Agreement shall survive the expiration or other termination of the Agreement.

- Patient Confidentiality. MEDLINE and CUSTOMER agree to comply with all laws relevant to performance of the contract, including any and all such laws and regulations relating to patient privacy and the confidentiality of patient information.

### **XIII. TRIAGE/MEDLINE CARE SOLUTIONS**

MEDLINE'S Third Party Provider Program (Triage) is offered as an additional benefit. An addendum to this agreement is required for participation.

Are you interested in participating in Triage, please initial:

YES: \_\_\_\_\_ NO: \_\_\_\_\_

### **XIV. LICENSURE**

- Several states require or will soon require medical supply vendors to retain copies of Home Health or Hospice Agency's operational license issued by state health organizations.

A copy of this license is attached to this agreement, please initial:

YES: \_\_\_\_\_ NO: \_\_\_\_\_; if NO state reason: \_\_\_\_\_

\_\_\_\_\_

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed as of the date first above written.

#### **CUSTOMER**

Signature: \_\_\_\_\_

Name (print): \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

#### **MEDLINE INDUSTRIES, INC.**

Signature: \_\_\_\_\_

Name (print): \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## Financial Responsibility Addendum

**Customer number:** \_\_\_\_\_ (Current BULK or PHD that holds the credit line)

Medline Industries, Inc. is pleased to extend credit to your affiliates and branches on your representation of responsibility. Accordingly, this addendum confirms the agreement between Medline Industries, Inc and \_\_\_\_\_ (Customer name and existing account number) that \_\_\_\_\_ will be financially responsible for all trade debt incurred from this date forward by the below listed facilities.

\_\_\_\_\_ requests that Medline establish a new PHD account number for each of the below listed facilities and agrees that the above mentioned Customer will continue to be financially responsible until the above mentioned Customer revokes this agreement in writing. A revocation as to one facility or account is not a revocation as to all, unless clearly stated in writing.

<u>Location Name</u>	<u>Address</u>	<u>City</u>	<u>ST</u>	<u>Zip Code</u>
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**Customer Authorization:**

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title and Date

**Medline Industries Authorization:**

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title and Date

This Instrument has been pre-audited in the manner as

Per NC.G.S. 159-28 (a) *Dot Visk*  
Finance Officer

***Chairman Carter called for additional Citizens Comments.***

None were heard.

***Chairman Carter called for Board Comments.***

Vice-Chairwoman Greene wanted to mention that during the swearing in for Sheriff Smith, Commissioners will be given the opportunity to make remarks.

Chairman Carter wanted to note that when he attended the Institute of Government for County Commissioners, he either purchased, or was given a book that he referenced to the Board. He passed out copies from the book to the Commissioners where it talks about the reduction, release and refund of property taxes. There are only three reasons whereby the Board should be concerned about reducing, releasing or refunding. Those three reasons are: if the tax is illegal, if it was levied for an illegal purpose, or whether there was a clerical error.

Chairman Carter mentioned that the book is the fourth edition of County Government in North Carolina, and Fleming Bell is the author of the book, and he is an Instructor/Professor at the Institute of Government and taught a course to County Commissioners. He asks that the County purchase the book for its elected County officials, and when they leave office, they return the book to the County. Mr. Carter feels this book will answer many of the Board's questions relative to how they should govern in the State.

A motion was made by Chester Deloatch and seconded by Joseph Barrett to adjourn. **Question Called: All present voting yes. Motion carried.**

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Michelle Nelson, Clerk to the Board  
"r.m. 11-17-14"