

CONTRACT #3
RFS # NA
Edison # 44915

Department of Health

VENDOR:
Medical Logistic Solutions, Inc.



Tennessee Department of Health
Division of Administrative Services
710 James Robertson Parkway, 5th Floor
Nashville, TN 37243
(615) 253-3923
Fax (615) 253-1998

June 15, 2016

Mark White, Chairman
Fiscal Review Committee
Rachel Jackson Building, 8th Floor
320 Sixth Avenue North
Nashville, TN 37243

and

Mr. Mike Perry, Chief Procurement Officer
Department of General Services
Procurement Office
Tennessee Tower, 3rd Floor
Nashville, TN 37243

Dear Chairman White and CPO Perry:

The Department of Health, Laboratory Services is requesting an extension and additional funding to Medical Logistics Contract 44915. This contract was established to provide courier services to and from hospitals and county offices to the State Laboratories for testing.

A new contract is being established through a competitive bid process to begin upon completion of the current contract which expires August 18, 2016. The new contract should be in place before the current contract expires; however, if a new vendor is selected through the competitive bid process, the lab will need time to transition to the new vendor. Therefore an extension to October 31, 2016 is being requested if this situation occurs. The extension will require an additional funding of \$170,000 ensuring all samples are picked up and delivered as required to perform testing during the transition period. The additional funding will bring the total of this contract to \$1,224,510.00

We appreciate your approval to proceed with this contract and thank you for your consideration.

Sincerely,

John J. Dreyzehner, MD, MPH, FACOEM
Commissioner

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	Jim Gibson	*Contact Phone:	615-262-6303		
*Presenter's name(s):	Jim Gibson				
Edison Contract Number: <i>(if applicable)</i>	44915	RFS Number: <i>(if applicable)</i>			
*Original or Proposed Contract Begin Date:	02/18/15	*Current or Proposed End Date:	10/31/16		
Current Request Amendment Number: <i>(if applicable)</i>	2				
Proposed Amendment Effective Date: <i>(if applicable)</i>	08/19/16				
*Department Submitting:	Department of Health				
*Division:	Laboratory Services				
*Date Submitted:	06/15/16				
*Submitted Within Sixty (60) days:	Yes				
<i>If not, explain:</i>					
*Contract Vendor Name:	Medical Logistics				
*Current or Proposed Maximum Liability:	1,224,510.00				
*Estimated Total Spend for Commodities:	1,224,510.00				
*Current or Proposed Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)					
FY:15	FY:16	FY:17	FY:	FY	FY
\$31,600.00	\$926,205.00	\$260,000.00	\$	\$	\$
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from Edison)					
FY:	FY:	FY:	FY:	FY	FY
\$	\$	\$	\$	\$	\$
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:					
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:					
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:					

Supplemental Documentation Required for
Fiscal Review Committee

*Contract Funding Source/Amount:			
State:	100%	Federal:	
<i>Interdepartmental:</i>		<i>Other:</i>	
If "other" please define:			
If "interdepartmental" please define:			
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
Method of Original Award: <i>(if applicable)</i>			
*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?		\$964,510.00 cost was determined by competitive bidding.	
*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.		34 vendors were invited to bid. 4 vendors responded	

Rule Exception Request

Use this document to request changes to Central Procurement Office templates, policies, or other procurement documents or to modify the “necessary contract clauses” identified in Tenn. Comp. R. & Reg. 0690-03-01-.17 (“CPO Rule 17”). Complete this document in conformity with CPO Rule 17, which is available [here](#). Send the completed document in PDF format to: Agsprs.Agsprs@tn.gov. All Rule Exception Requests are subject to review and approval by the Chief Procurement Officer. Rule Exception Requests that propose to modify any of CPO Rule 17’s necessary contract clauses shall be subject to review and approval by the Comptroller of the Treasury.

<p>APPROVED</p> <hr/> <p>CHIEF PROCUREMENT OFFICER</p>
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<p>APPROVED</p> <hr/> <p>COMPTROLLER OF THE TREASURY</p>
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Agency request tracking #	44915 Health
1. Procuring Agency	Health
2. Edison contract ID #	44915
3. Contractor or Grantee	Medical Logistic Solutions Inc.
4. Contract’s Effective Date	02/18/15
5. Contract or grant contract’s Term (with ALL options to extend exercised)	18 months
6. Contract’s Maximum Liability (with ALL options to extend exercised)	\$ 964,510.00
7. Citation and explanation of the rule(s) for which the exception is requested	<p>Section 2 “Term of Contract” Special Terms and Conditions of Agency Term Contract #44915</p> <p><i>It is understood and agreed that the state reserves the right to extend the term contract period resulting from this solicitation an additional period of time, not to exceed 180 days beyond the normal expiration date of such contract, upon mutual written agreement by both parties, under the same terms, conditions and pricing.</i></p>
8. Description of requested changes If adding new provisions or modifying existing provisions, insert the new or modified provisions in their entirety.	<p>Agency is requesting to amend the standard extension language of the Agency Term contract between Medical Logistic Solutions and the TN Department of Health.</p> <p>As according to the State standard, the term currently allows the parties to extend the contract 180 days beyond the normal expiration date of such contract.</p> <p>Instead of the 180 days Health would like for the extension period to be limited to 254 days.</p>
9. Justification	We have already exercised the 180 day extension to conduct a thorough RFP and have awarded a contract to a new vendor. We will need a little time to transition to the new vendor. Therefore, we would like to add a little

	more time to ensure we have adequate time to transition to the new vendor.
Signature of Agency head or designee and date <i>John J. Dreyzehner MD MPH - JdA</i> 06/29/16	

Amendment Request

This request form is not required for amendments to grant contracts. Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@tn.gov

APPROVED

CHIEF PROCUREMENT OFFICER

DATE

Agency request tracking #	Courier Lab 3	
1. Procuring Agency	Department of Health	
2. Contractor	Medical Logistic Solutions Inc.	
3. Edison contract ID #	44915	
4. Proposed amendment #	3	
5. Contract's Effective Date	2/18/15	
6. Current end date	08/18/16	
7. Proposed end date	10/31/16	
8. Current Maximum Liability or Estimated Liability	\$ 964,510.00	
9. Proposed Maximum Liability or Estimated Liability	\$ 1,224,510.00	
10. Office for Information Resources Pre-Approval Endorsement Request <i>– information technology service (N/A to THDA)</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
11. eHealth Pre-Approval Endorsement Request <i>– health-related professional, pharmaceutical, laboratory, or imaging</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
12. Human Resources Pre-Approval Endorsement Request <i>– state employee training service</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
13. Explain why the proposed amendment is needed	<p>A contract through Services Procurement is being negotiated, this new contract will not be available by the current end date of 8/18/16. This amendment is being requested to extend the end date and add \$170,000 to the current contract in order to guarantee this service is continued. This vendor picks-up and delivers laboratory samples for required testing.</p>	

Agency request tracking #	Courier Lab 3
14. If the amendment involves a change in Scope, describe efforts to identify reasonable, competitive, procurement alternatives to amending the contract.	
<p data-bbox="191 331 1398 394">Signature of Agency head or authorized designee, title of signatory, and date (the authorized designee may sign his or her own name if indicated on the Signature Certification and Authorization document)</p> <p data-bbox="331 453 1214 575"> 6/9/16</p>	

ATC#: 44915 – Courier Service - Edison #: 44915

Contract Start Date: 2/18/2015

System Expiration Date: 8/18/2016

Maximum Liability: \$964,510.00

Spend to Date: \$839,305.00 (2/18/15 to 6/13/16)

Original Number of Renewals: 0

Renewals Remaining: 0

Background: This contract is for a Contractor to provide a seven day a week pickup and delivery service for biological specimens, reports and supplies. The pickup and delivery locations include county health departments, hospitals, and birthing centers.

Request: Health is requesting to add \$260,000.00 to the max liability of this contract due to higher than anticipated volume and the department is requesting an extension of 2 months and 13 days through October 31, 2016. The extension language was included in the contract at time of award. The department needs more time to finalize a RFP for the new contract. The department did a one-year contract as to test the program and revise specifications for a longer-term contract through a RFP.

Competitively Procured: Yes

of Invitations Sent: 36

of Bids Received: 7

Vendor Name and Location:

Medical Logistic Solution
7200 S. Alton Way Suite A-240
Centennial, CO 80112

Main User Agencies: Health

Contract Line Items: 5

1000164650	Courier Service, Hospitals, Pick-up and Delivery, Delivery to DOH Laboratory Services, 7 days/week, 24 hours per day, Per Pick-up Trip
1000164649	Courier Service, Health Departments, Pick-up and Delivery, Delivery to One of Three DOH Laboratories, 5 days/week, 24 hours per day, Per Pick-up Trip
1000167259	Courier Service, Call-In, Hospitals, Pick-up and Delivery As Notified, Delivery to DOH Laboratory Services, 7 days/week, 24 hours per day, Per Pick-up Trip
1000167260	Courier Service, Call-In, Health Departments, Pick-up and Delivery As Notified, Delivery to One of Three DOH Laboratories, 5 days/week, 24 hours per day, Per Pick-up Trip
1000167261	Courier Service, Emergency, Same-Day Pick-up and Delivery, Per pick-up trip



DIVISION OF ADMINISTRATIVE SERVICES
5TH FLOOR, ANDREW JOHNSON TOWER
710 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243

EXECUTIVE MEMORANDUM

TO: JOHN J. DREYZEHNER
Commissioner
Approved: _____ Date: _____

VINCENT PINKNEY
Assistant Commissioner
Approved: VP Date: 6/14/16

FROM: Karen Olive KO
Director, Goods Procurement Office

DATE: 06/10/2016

SUBJECT: Medical Logistics

Summary and Recommendation:

Laboratory Services is requesting to extend the Medical Logistics Contract 44915 to October 31, 2016 with an additional \$170,000.00 funding.

A new contract is being established through a competitive bid process to begin upon complete of the current contract which expires August 18, 2016. The new contract should be in place by 8/18/16; however, if a new vendor is selected the lab will need a transition period. The extension and additional funding will ensure the lab samples are picked up and delivered as required to perform testing during the transition period.

The total cost of this contract will be \$1,224,510.00

Summary of Attachments:

Enclosed



STATE OF TENNESSEE, DEPARTMENT OF GENERAL SERVICES
CENTRAL PROCUREMENT OFFICE

Agency Term Contract Issued to:

Medical Logistic Solutions Inc
7200 S Alton Way Ste A240
Centennial, CO 80112

Vendor ID: 0000185582

Contract Number: 0000000000000000000044915

Title: TDOH - Courier Service

Start Date : February 18, 2015
End Date: August 18, 2016

Contract Contact Information:

State of Tennessee
Department of General Services, Central Procurement Office
Contract Administrator: Karen A Olive
3rd Floor, William R Snodgrass, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243-1102
Phone: 6157416337
Fax: 615-741-0684

Line Information

Line 1

Item ID: 1000164650

Courier Service, Hospitals, Pick-up and Delivery, Delivery to DOH Laboratory Services, 7 days/week, 24 hours per day, Per Pick-up Trip

Unit of Measure: EA

Vendor Item/Part #: CS-HOSP-PU_DL

Manufacturer Item #:

Unit Price: \$ 15

Line 2

Item ID: 1000164649

Courier Service, Health Departments, Pick-up and Delivery, Delivery to One of Three DOH Laboratories, 5 days/week, 24 hours per day, Per Pick-up Trip

Unit of Measure: EA

Vendor Item/Part #: CS-HDEP-PU_DL
Manufacturer Item #:
Unit Price: \$ 25

Line 3

Item ID: 1000167259
Courier Service, Call-In, Hospitals, Pick-up and Delivery As Notified, Delivery to DOH Laboratory Services, 7 days/week, 24 hours per day, Per Pick-up Trip
Unit of Measure: EA
Vendor Item/Part #: CS-CALLIN-HOSP-PU_DL
Manufacturer Item #:
Unit Price: \$ 15

Line 4

Item ID: 1000167260
Courier Service, Call-In, Health Departments, Pick-up and Delivery As Notified, Delivery to One of Three DOH Laboratories, 5 days/week, 24 hours per day, Per Pick-up Trip
Unit of Measure: EA
Vendor Item/Part #: CS-CALLIN-HDEP-PU_DL
Manufacturer Item #:
Unit Price: \$ 25

Line 5

Item ID: 1000167261
Courier Service, Emergency, Same-Day Pick-up and Delivery, Per pick-up trip
Unit of Measure: EA
Vendor Item/Part #: CS-EMRG-SDPU_DL
Manufacturer Item #:
Unit Price: \$ 75

APPROVED: Mike F. Perry/
LO
CHIEF PROCUREMENT OFFICER

Digitally signed by Mike F. Perry/LO
DN: cn=Mike F. Perry/LO, o=DOS,
ou=CPD,
email=Lindsay.Oliveras@TN.gov, c=US
Date: 2016.03.08 09:09:15 -06'00'

BY: Brandon Silby
PURCHASING AGENT

Digitally signed by Brandon Silby
Date: 2016.03.08 08:49:45 -06'00'

DATE



Terms and Conditions

Event Number: 34301-000008566

Standard Terms and Conditions

Instructions to Bidders:

1. Read the entire bid, including all terms and conditions and specifications.
2. If submitting the bid by mail: All bid prices must be typed or written in ink on the Line Details portion of the Invitation to Bid (ITB); any corrections, erasures or other forms of alteration to unit prices must be initialed by the bidder.
3. If submitting the bid by mail, the bid must be manually signed in ink; failure to do so will cause rejection of your bid. If submitting the bid on-line, your electronic signature constitutes having signed the bid.
4. Bid prices shall include delivery of all items F.O.B. destination or as otherwise specified.
5. Address all inquiries and correspondence to the Purchasing Agent indicated in the Invitation to Bid.
6. I (we) agree to strictly abide by all the statutes and terms contained in the rules of the Department of General Services, Central Procurement Office which are by reference made a part hereof, in addition to the Standard and Special Terms & Conditions, and Specifications embodied in this Invitation to Bid.
7. IMPORTANT: By submitting the bid, the Bidder certifies compliance with the above and further certifies that this bid is made without collusion or fraud.
8. State statutes require that all bidders be registered prior to the issuance of a contract or a purchase order. Vendors/Bidders can register online at the State of Tennessee Supplier Portal:
<https://supplier.edison.tn.gov>.
9. I (We) propose to furnish and deliver any and all of the supplies, services, and/or other commodities named in the Invitation to Bid, and for which I (we) have set prices in my (our) offering.
10. It is understood and agreed that this bid, when certified by authorized signature, shall constitute an offer, which when accepted in writing by the Department of General Services, Central Procurement Office, and subject to the terms and conditions of such acceptance, will constitute a valid binding contract between the State of Tennessee and the Vendor/Contractor (bidder) submitting such offering.
11. By my (our) written signature on this bid I (we) guarantee and certify that all items included in the bid meet or exceed any and all State specifications covering such items. I (We) further agree, if awarded a contract or purchase order as a result of this bid, to deliver such commodities, service or merchandise which meet or exceed the specifications.

12. It is understood and agreed that no contract may be assigned, sublet, or transferred without the written consent of the Central Procurement Office.

13. The inclusion in any response of a limitation of remedies or liabilities clause may be cause for rejection, unless otherwise specified in this solicitation or in accordance with the provisions of *Tennessee Code Annotated* § 12-3-701 or Central Procurement Office Rules, policies or procedures.

14. All bidders have the right to inspect the bid file, prior to award, upon completion of the evaluation by the Central Procurement Office. Interested bidders should contact the Purchasing Agent following the bid opening date or once the file is open for the seven (7) day inspection period. A "File Open for Inspection" letter will be sent to all bidders detailing the bidder(s) recommended for award and the evaluated award amount(s). Upon request, a reasonable opportunity to inspect the bid file will be provided to the bidder. If there is no request to inspect the bid file by the end of the seven (7) day inspection period, the Purchasing Agent will proceed with the award.

15. Protest by Vendor: Pursuant to Tenn. Code Ann. § 4-56-103, any actual proposer may protest. Please refer to the Central Procurement Office's website to obtain a copy of the protest procedures and protest bond requirements or contact the sourcing analyst or category specialist at 615-741-1035. The website for the Central Procurement Office is as follows: http://tn.gov/generalserv/cpo/for_bidders.html

16. Bid Mailing Instructions: Each individual bid proposal must be returned in a separate envelope package or container and must be properly labeled on the outside referencing the applicable event number and the bid opening date. Bids should be mailed in a properly labeled sealed envelope to the following address:

Department of General Services, Central Procurement Office
Attn: Bidder Services
3rd Floor, William R Snodgrass, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243-1102

17. Subject to paragraph 13, the Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by Tennessee Code Annotated, Section 8-6-106

18. Contracts are entered into solely for the convenience of the State of Tennessee. The vendor/contractor understands and agrees that the State of Tennessee, as a signatory party to a contract, is solely responsible for its performance, and that the officers and employees of the Department of General Services, Central Procurement Office, act exclusively as agents of the State for the award, consummation, and administration of contracts and are not personally liable for any performance or nonperformance by the State.

19. A bid must be received in the Central Procurement Office on or before the date and hour designated for the bid opening or the bid will be rejected.
 20. The Central Procurement Office may reject any or all bids. Action to reject all bids shall be taken only for unreasonably high prices, errors in the Invitation to Bid (ITB), cessation of need, unavailability of funds, or any other reason approved by the Procurement Commission. The Procurement Commission has authorized rejection of all bids for failure to secure adequate competition. If an ITB is to be re-advertised, all prior bids shall remain closed to inspection until the evaluation of the re-advertisement is complete.
 21. All present and former employees or officials of the State are referred to Tennessee Code Annotated 12-4-103.
 22. Any individuals with disabilities who wish to participate in public meetings such as a scheduled pre-bid conference or other scheduled function should contact the Central Procurement Office to discuss any auxiliary aids or services needed to facilitate such participation. Such contact may be in person, by writing, telephonically, or otherwise, and should be made no less than ten (10) days prior to the scheduled event, to allow time for the Central Procurement Office to provide such aid or service.
 23. No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal and/or Tennessee State Constitutional and/or statutory law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in the performance of the Contract or in the employment practices of the vendor/contractor. The vendor/contractor shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and applicants, notices of non-discrimination.
 24. TAXES: Purchases of goods by the State of Tennessee are exempt from Tennessee sales and use tax pursuant to Tenn. Code Ann. 67-6-329(a) (4), and the state is generally exempt from Federal excise tax. Contractors are subject to Tennessee sales and use tax on all materials and supplies used in the performance of a contract, whether such materials and supplies are purchased by the contractor, produced by the contractor, or provided to the contractor by the State, pursuant to Tenn. Code Ann. 67-6-209. The contractor agrees to pay all taxes incurred in the performance of an awarded contract.
- State agencies which procure products for the purpose of resale shall register with the Department of Revenue. Upon registration the agency will issue resale certificates to the successful contractor(s) for products procured for resale. The agency is responsible for the collection of the appropriate sales or use tax when the product is sold.
25. Exceptions to terms and conditions and/or those proposed by the bidder which may vary from the invitation to bid may render the bid unresponsive and subject the bid to rejection.
 26. Unless otherwise stated, all goods called for by a purchase order must be tendered in a single delivery in compliance with the delivery time specified and payment is due only on such tender. Partial shipments and/or back orders will only be accepted with receiving agency's prior authorization.
 27. All products, materials, supplies and equipment offered and furnished must be new, of current manufacturer production, and must have been formally announced by the manufacturer as being commercially available as of the date of the bid opening, unless otherwise stated in this event.
 28. Manufacturers of chemical products which are the subject of purchase contracts for the State of Tennessee shall list and maintain a material safety data sheet (MSDS) for such chemical products on the national MSDS search repository or on the manufacturer's website so that such information can be accessed by means of the Internet. A site operated by or on behalf of the manufacturer or a relevant trade association is acceptable so long as the information is freely accessible to the public. In lieu of posting a MSDS on MSDSSEARCH, a bidder shall include the manufacturer's universal resource

locator (URL) for its MSDS in the event. For purposes of this MSDS requirement, the Department of General Services recognizes the following URL for national MSDS search repository:MSDS-SEARCH, which can be accessed on the internet at: <http://www.msdssearch.com>.

29. Conflict of Interest: The State may not consider a solicitation response from an individual who is, or within the past six (6) months has been, a state employee. For purposes of this solicitation, an individual shall be considered to be a "state employee" and prohibited from submitting a response to this solicitation for six (6) months after such time as all compensation for salary, termination pay, and annual leave has been paid to such state employee. A contract with or a solicitation response from a company, corporation, or any other contracting entity in which a controlling interest is held by a state employee shall be considered to be a contract with or a solicitation response from a state employee as though the state employee were submitting a response or entering a contract on his or her behalf. Notwithstanding the foregoing, a contract with or a solicitation response from a company, corporation, or any other contracting entity that employs an individual who does not own a controlling interest in such entity and who is, or within the past six months has been, a state employee shall not be considered a contract with or a solicitation response from a state employee and shall not constitute a prohibited conflict of interest.

30. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The contractor agrees that it will be subject to the exclusive jurisdiction of the courts of Tennessee in actions that may arise under this contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under Tennessee Code Annotated, Section 9-8-101 through 9-8-407.

31. State and Federal Compliance: The contractor shall comply with all applicable state and federal laws and regulations in the performance of this contract.

32. Professional Licensure and Department of Revenue Registration: All persons, agencies, firms, or other entities that provide legal or financial opinions, which a Proposer provides for consideration and evaluation by the State as a part of a proposal in response to this solicitation, shall be properly licensed to render such opinions. Before the Contract resulting from this solicitation is signed, the apparent successful Proposer (and Proposer employees and subcontractors, as applicable) must hold all necessary, appropriate business and professional licenses to provide service as required. The State may require any Proposer to submit evidence of proper licensure. Before the Contract resulting from this solicitation is signed, the apparent successful Proposer must be registered with the Department of Revenue for the collection of Tennessee sales and use tax. The State shall not award a contract unless the Proposer provides proof of such registration. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation. For purposes of this registration requirement, the Department of Revenue may be contacted at: TN.Revenue@tn.gov.

33. Prohibition of Illegal Immigrants: The requirements of State of Tennessee's Public Acts, 2006, Chapter Number 878 and Executive Order 41 addressing the use of Illegal Immigrants in the performance of any contract to supply goods or services to the State of Tennessee, shall be a material provision of this contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this contract.

As required by Public Acts, 2006, Chapter Number 878, no person may enter into a contract to supply goods or services to the State without first attesting in writing that the person will not knowingly utilize the services of Illegal Immigrants in the performance of this contract, and will not knowingly utilize the services of any subcontractor who will utilize the services of Illegal Immigrants in the performance of this contract. For purposes of this contract, "Illegal Immigrant" shall be defined as any person who is not either a United States citizen, a lawful permanent resident, or a person whose physical presence in the United States is authorized or allowed by the department of homeland security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the contract. The contractor hereby attests,

certifies, warrants, and assures that it shall comply with this term and condition for the entire contract period.

The contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Public Chapter 878 of 2006 for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this contract. The contractor may appeal the imposition of the one-year prohibition by utilizing an appeals process established by the Commissioner of Finance and Administration.

As per Executive Order 41, the contractor shall be required to submit semi-annual Attestation Forms and obtain a signed Attestation Form from any subcontractor prior to the use of the subcontractor and semi-annually thereafter during the contract period. The records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State. Records shall include but are not limited to the following:

Documentation on contractors' employees and subcontractor personnel working on this contract showing that they are legal to work in the United States and payroll records.
Signed and dated Attestation Forms for your company that have been submitted to the Central Procurement Office and Attestation Forms obtained from subcontractor(s).

Note: The contractor shall be required to obtain prior approval to subcontract from the Central Procurement Office.

By authorized signature on this Invitation to Bid the contractor constitutes signing the Attestation Form for the initial six (6) months of the contract period. The contractor shall be required to submit signed Attestation Forms on a semi-annual basis from the start date of the contract period through to its completion date to the Central Procurement Office. Such attestations shall be maintained by the contractor in a permanent file on the vendor premises and made available to State officials upon request. The State of Tennessee provides an "approved Attestation Form" to support the reaffirmation process. The form can be accessed and printed from the internet at http://tn.gov/generalserv/cpo/for_bidders.html

34. Modifications and Amendments: This Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Chief Procurement Officer, the Commissioner of Human Resources, and the Comptroller of the Treasury).

35. Records - Examination/Audit: The state may, at reasonable times, examine/audit the books and/or records of any vendor/ contractor where such books and/or records relate to the performance of any contract or subcontract with the state. Such books and records shall be kept in conformity with generally accepted accounting principles and maintained by the vendor/contractor or subcontractor for a period of three (3) years from the date of final payment under the prime contract or subcontract. Said examination/audit may be performed at any reasonable time by the Central Procurement Office, the Comptroller of the Treasury, or their duly appointed representative(s).

36. HIPAA Compliance: The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health (HITECH) Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules").

a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.

b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.

c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver such information without entering into a business associate agreement or signing another such document.

d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

Special Terms and Conditions

1. F.O.B. Destination (Agency Term Contract)

F.O.B. Point:

Agency Name: Department of Health
Address: 630 Hart Lane
Nashville, TN 37216-2006

2. Term of Contract, ATC, One Year

Term of Contract Start Date: February 18, 2015
End Date: February 17, 2016

The anticipated effective (start) date and expiration (end) date of the contract are shown above. If award has not been made by the anticipated effective date, then the contract shall become effective upon the date the bid is accepted and contract awarded by the state, as indicated by the purchasing agent's signature on the contract notice of award (note: the change of effective date may not result in a change of the anticipated expiration date.)

It is understood and agreed that the state reserves the right to extend the term contract period resulting from this solicitation an additional period of time, not to exceed 180 days beyond the normal expiration date of such contract, upon mutual written agreement by both parties, under the same terms, conditions and pricing.

3. Volume, Term Contract

The total purchase of any individual item on the contract is not known. The Central Procurement Office has attempted to give an accurate estimate of purchases for each line item from the current contract period and projected estimates for the new contract period. The Central Procurement Office does not guarantee that the state will buy any or all estimated amounts of any specified item or any total amount. Purchases Current Contract Period \$ 0 Dates: From To Estimated Funding New Contract Period \$ 0 The vendor/contractor will only be paid for services rendered hereunder pursuant to purchase order releases issued to contractor from the state. The vendor/contractor is not entitled to be paid the maximum liability for any one year under the contract or any extensions of the contract for product or service not requested by the state. Maximum liability represents available funds for payment to contractor and does not guarantee payment of any such funds to the vendor/contractor per year under this contract and the state may not request any product or service at all from contractor during any one year period.

4. Bids Requested on Standard State Specifications for Products and/or Services

Unit price bids are requested on products or services that equal or exceed (unless specifications limit the dimensions or brand(s)/model(s) of products to be bid). The absence of detailed specifications or the omission of detail description shall be recognized as meaning that only the best commercial practices are to prevail and that only first quality materials and workmanship are to be used. All interpretations of specifications shall be made from this statement. It is understood that the specifications or references to available specifications shall be sufficient to make the terms of such specifications binding on the vendor/contractor. Bidders must submit for bid evaluation applicable cuts, sketches, descriptive literature, and technical specifications covering the product offered, when applicable. Reference to literature submitted previously will not satisfy this requirement.

Bids requested on architect/engineer/designer specifications, if applicable. Bids are requested per architect/engineer/designer's specification attached. Bids are to be lump sum and/or unit prices as shown on the price sheet. Any errors or omissions in plans or specifications shall be resolved prior to

submission of a bid. Submission of a bid shall constitute agreement and compliance with such specifications and plans. All shop drawings and product sheets required by specifications shall be submitted to architect/engineer/designer prior to fabrication and/or installation.

5. Bid Offer Expiration

Enter the expiration date of your bid offer in the space provided on this Invitation to Bid. A minimum period of thirty (30) days from the bid closing date is requested. The state shall have sixty (60) days to accept the bid if a minimum period is not stated.

6. Debarment and Suspension

The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

7. Delivery Time (On-Time)

The contractor shall be required to maintain or to have available for their own use personnel, equipment, and products sufficient to perform "on-time" as specified in this Invitation to Bid.

8. Freight F.O.B. State Agency (In-House)

All quotations shall be F.O.B. destination. The term F.O.B. destination shall mean delivered and unloaded in-house or on-site service, with all charges for transportation and unloading prepaid by the vendor/contractor.

9. Fixed Bid Price for Contract Period (No Price Increase Allowed)

Bid prices must be fixed for the term of the contract, except the state shall be advised of and receive the benefit of any price decrease in excess of five (5) percent automatically. The vendor/contractor must provide written price reduction information within ten (10) days of its effective date.

10. Bidder's Qualification

Bidders must, upon request of the state, furnish satisfactory evidence of their ability to furnish products or services in accordance with the terms and conditions and specifications. The Assistant Commissioner, Department of General Services, Central Procurement Office, reserves the right to make the final determination as to a bidder's ability to perform.

11. Negotiations

The State may elect to negotiate by requesting revised Cost Proposals from apparently responsive and responsible respondents. However, the State reserves the right to award a contract on the basis of initial responses received. Therefore, each response should contain the respondent's best terms from a

price and technical standpoint. The State reserves the right to conduct multiple negotiation rounds. If the State exercises its right to enter into negotiations, it may identify areas of a response that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications and/or requirements. The State may seek to clarify those identified issues during negotiations. All responsive respondents will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, the State may conduct target pricing and other price or service level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other method that does not reveal individual respondent pricing. During target price negotiations respondents are not obligated to meet or beat target prices, but will not be allowed to increase prices. All communications, clarifications and negotiations shall be conducted in a manner that supports fairness in response improvement. Note that each clarification sought by the State may be unique to an individual respondent.

12. Department of Revenue Registration

The contractor shall be registered with the Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this Contract.

13. Inspection/Facilities

The Central Procurement Office may inspect the facilities of any bidder or may require additional information regarding a bidder's ability to perform the proposed contract. Bids may be rejected for lack of apparent ability to perform the proposed contract.

14. Inspection of Materials, Equipment and Products

All materials, equipment, and products are subject to inspection and testing. Items that do not meet specifications will be rejected. Failure to reject upon receipt does not relieve the vendor/contractor of liability. When subsequent tests after receipt are conducted and when such tests reveal damage or failure to meet specifications, the state may seek damages regardless of whether a part or all of the merchandise has been consumed.

15. Bid Rejection

The Central Procurement Office reserves the right to reject any bid that contains prices for individual items or services that are inconsistent or unrealistic when compared to other prices in the same or other bids, if such action would be in the best interest of the state.

Errors: Each correction made by the bidder on the bid response must be initialed in ink by each correction. No corrections will be made in pencil. No bid or line item shall be altered or amended after the bid opening. In the case of errors in the extension price, the unit price will govern. Failure to comply with the above may be cause for rejection of part or the entire bid.

16. Single Award

A single contract for all line items will be awarded to the lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the Invitation to Bid. Prices shall be calculated as follows: The bidders unit bid price shall be multiplied by the line item quantity to obtain the line item total. If more than one line item is included in the bid document, each line item total shall be added together for a total price for all line items bid. The bidder must bid all line items to be considered for an award.

17. Award Criteria

An award shall be made to the lowest responsive and responsible bidder considering the following:

- Ability to Perform
- Conformity to Specifications
- Lowest Composite Score

18. State Contract Administrator

Questions or problems arising from bid procedures or subsequent order and delivery procedures should be directed to:

State of Tennessee
Department of General Services, Central Procurement Office
3rd Floor, William R. Snodgrass, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243-1102
Attn:

19. Subcontracting

The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without obtaining the prior written approval of the Central Procurement Office. Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work provided.

20. Purchase Order Releases (Agency Term Contract)

Orders for products or services that are included on agency term contracts shall be prepared by agencies on Departmental Purchase Release Orders and forwarded to the vendor/contractor. These purchase orders, when received by the vendor/contractor, serve as authorization for shipment of product(s) or start of service.

Billing Instructions:

The vendor/contractor shall invoice the state only after product has been received by the user agency or upon completion of the service described in the purchase order/contract, unless otherwise authorized in writing by the user agency and as required below prior to any payment.

The contractor shall submit an invoice, with all necessary supporting documentation, to the state agency billing address. Such invoice shall clearly and accurately detail the following required information:

1. Invoice/reference number; (assigned by the contractor);
2. Invoice date;
3. Contract and/or purchase order number; (assigned by the state);
4. Account name;
5. Procuring state agency and division name;
6. Account/customer number (uniquely assigned by the vendor/contractor);
7. To the above-referenced account name;
8. Contractor name;
9. Contractor Identification Number; (as referenced in the contract);
10. Contractor contact (name, phone, and/or fax for the person to contact with billing questions);
11. Contractor remittance address;
12. Description of delivered product(s) or service; and
13. Total amount due for delivered product(s) or service.

The contractor understands and agrees that the invoice shall;

- Include only charges for service described in contract or Purchase Order and in accordance with payment terms and conditions set forth in the contract or purchase order;
- Not include any future work but will only be submitted for completed service, unless otherwise authorized in writing by the user agency; and
- not include sales tax or shipping charges (unless otherwise stipulated in the contract or purchase order).

Payment: The contractor agrees that timeframe for payment (and any discounts) begins when the state is in receipt of a correct invoice meeting the minimum requirements above. It shall be the responsibility of the "bill to" agency to make payment in accordance with the Prompt Payment Act of 1985. Any questions concerning payment should be addressed to the "bill to" agency and not to the Central Procurement Office.

21. Contract Cancellation

Termination for Convenience: The State may terminate this contract without cause. Said termination shall not be deemed a breach of contract by the State. The State shall give the vendor/contractor at least ninety (90) days written notice before the effective cancellation date.

The vendor/contractor shall be entitled to receive compensation for product(s) shipped or services satisfactorily completed as of the cancellation date, but in no event shall the state be liable to the vendor/contractor for compensation for any product(s) or services which have not been rendered.

Upon such termination, the vendor/contractor shall have no right to any actual general, special, incidental, consequential, or any other claims whatsoever of any description or amount.

Termination for Cause: If the vendor/contractor fails to fulfill its obligations under this contract in a timely or proper manner, or if the vendor/contractor violates any terms of this contract, the State shall have the right to immediately terminate the contract upon written notice of intent to cancel. The State shall have the right to withhold payment in excess of fair compensation for completed services. Notwithstanding the above, the contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this contract by the contractor.

At the end of any fiscal year any contract may be canceled by the state without notice, in the event that funds to support the contract become unavailable.

The vendor/contractor will be required to honor all purchase orders that were prepared and dated prior to the date of the termination, if received by the vendor/contractor within a period of thirty (30) days following the date of cancellation.

22. Service Contracts: Conflict of Interest

The contractor warrants that no part of the total contract amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the contractor in connection with any work contemplated or performed relative to this contract.

23. Clean-up

Clean up shall be the responsibility of vendor/contractor. The vendor/contractor shall ensure that the work area is clean of nails, debris, etc. at the end of each day to ensure safety. The vendor/contractor will clean up and haul away all debris when the work is completed.

24. Damages

If state property is damaged, stolen or lost as a result of vendor/contractor employees' negligence and that property has to be repaired or replaced by the state, the expense for such work or replacement will be deducted from the monies due the contractor. In addition to the foregoing, the State reserves the right to pursue claims for damages through any and all legal remedies available to the State.

25. On-Site Inspection

All bidders should visit the site to take exact measurements and examine the premises to become familiar with any problems or unusual circumstances which might exist. No allowances will be made by the State for errors in quotations due to any bidder not visiting the site prior to submitting their bid. Bidders shall be responsible for their own measurements.

26. Insurance Required

The successful bidder(s) shall procure and maintain for the duration of the contract, at their own cost and expense insurance against claims for injuries to persons or damages to property including contractual liability which, may arise in connection with the performance of the work performed by the contractor, his agents, representatives, employees or subcontractors under the contract.

The insurance carrier(s) must be licensed to conduct business in the State of Tennessee. The insurance will be evidenced by an original or .pdf format document certificate of insurance. The certificate shall list the State of Tennessee as the certificate holder and must list the company name and address on file with the State. Should any of the policy coverage(s) provided have a major change, expire, or be canceled before the expiration date the Contractor shall fax or email vendor.insurance@tn.gov, a copy of their insurer's cancellation notice within two (2) business days of receipt. The State of Tennessee shall be held harmless for any injuries, claims or judgments against the contractor.

Certificates for liability coverages shall name the State of Tennessee Central Procurement Office as an additional insured. The following Insurance Coverages are required:

Workers' Compensation Insurance: a certificate shall be provided which indicates the contractor provides workers' compensation coverage in compliance with the state laws of Tennessee., and Employer's Liability with the following limits:

E.L. Each Accident\$500,000
E.L. Disease- Each Employee\$500,000
E.L. Disease - Policy Limit\$500,000

General Liability and Property Damage Insurance: Comprehensive General Liability Insurance, including but not limited to, bodily injury, property damage, contractual liability, products liability, with combined single limits of \$500,000 per occurrence with a minimum aggregate of \$1,000,000.

Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property and collision damage combined single limit not less than one million dollars (\$1,000,000) per occurrence.

The successful bidder(s) shall provide the Central Procurement Office with an original certificate of insurance or .pdf format document as proof of insurance coverage, as stated above, naming the State of Tennessee, Central Procurement Office as additional insured, within ten (10) business days after request. If the certificate of insurance is in .pdf format, it must be received directly from the insurance company.

Upon award, failure to maintain insurance coverage for the duration of the contract period may result in cancellation of the contract. In the event that the insurance policy on file in the Central Procurement Office expires or is canceled, the contractor will be required to cease work until proof of insurance is presented.

27. Proof of Cost for Parts, Materials, Supplies and Equipment

All parts, materials, supplies and equipment will be billed at vendor/contractor's cost, minus any applicable sales or use tax pursuant to Tennessee Code Annotated, Section 67-6-209, plus fifteen percent (+15%). Reference Standard Term & Condition titled "Taxes".

The vendor shall submit as backup documentation a copy of the original purchase invoice(s) as proof of cost for parts, materials, supplies and equipment. This backup documentation must accompany the invoice in order for the agency to process payment. If the vendor/contractor cannot produce a copy of the original purchase invoice as proof of cost, the state may verify current market value and if necessary, adjust the invoice to reflect fair market price.

Discounts, including prompt payment discount offered by suppliers, must be credited to the state in determining the actual cost of the parts, materials, supplies and equipment used for this contract.

Estimated dollar volume for parts, materials, supplies and equipment based upon last fiscal year usage

\$

**STATE OF TENNESSEE
DEPARTMENT OF GENERAL SERVICES
CENTRAL PROCUREMENT OFFICE**

**INVITATION TO BID
EFFORTS TO ACHIEVE DIVERSITY BUSINESS ENTERPRISE PARTICIPATION**

The Governor's Office of Diversity Business Enterprise (Go-DBE) is the state's central point of contact to attract and assist minority-owned, woman-owned, Tennessee service-disabled veteran owned, and small business enterprises interested in competing in the State of Tennessee's procurement and contracting activities. These diversity business enterprises are defined as follows:

Minority Business Enterprise (MBE) and Woman Business Enterprise (WBE)

Businesses that are a continuing, independent, for profit business which performs a commercially useful function, and is at least fifty-one percent (51%) owned and controlled by one (1) or more individuals in the minority or woman category who were impeded from normal entry into the economic mainstream because of past practices of discrimination based on race, ethnic background, or gender.

Service-Disabled Veteran Business Enterprise (SDVBE)

"Tennessee service disabled veteran owned business" means a service-disabled veteran owned business that is a continuing, independent, for profit business located in the state of Tennessee that performs a commercially useful function with at least a twenty percent (20%) disability that is service-connected meaning that such disability was incurred or aggravated in the line of duty in the active military, naval or air service.

Small Business Enterprise (SBE)

"Tennessee small business" means a business that is a continuing, independent, for profit business which performs a commercially useful function with residence in Tennessee and has total gross receipts of no more than ten million dollars (\$10,000,000) averaged over a three-year period or employs no more than ninety-nine (99) persons on a full-time basis".

For additional program eligibility information visit,
http://www.tn.gov/businessopp/program_elig.html.

INVITATION TO BID INSTRUCTIONS

As part of this Invitation to Bid, the Respondent should complete the Diversity Utilization Plan, which begins on the following page. To assist in your effort to seek and solicit the participation of diversity businesses on this solicitation, a directory of certified Diversity Business Enterprise firms may be found on the State's website at: <http://www.tn.gov/businessopp/regdivcomp.html> or by calling Go-DBE toll free at 866-894-5026.

**RESPONDENT'S
DIVERSITY UTILAZATION PLAN**

Respondent's Company Name:		
Solicitation Event Name:	Event Number:	
Respondent's Contact Name:	Phone: ()	Email:
Does the Respondent qualify as the diversity business enterprise? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, which designation does the Respondent qualify? <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SDVBE <input type="checkbox"/> SBE		
Certifying Agency:		

Estimated level of participation by diversity businesses if awarded a contract pursuant to this ITB:

Diversity Business Information (List all subcontractors, joint-ventures, and suppliers)	% of Contract	Estimated Amount	MBE/ WBE/ SDVBE/ SBE Designation	Currently Certified (Yes or No)
Business Name:				
Contact Name:				
Contact Phone:				
Business Name:				
Contact Name:				
Contact Phone:				

If awarded a contract pursuant to this ITB, we confirm our commitment to make reasonable business efforts to meet or exceed the commitment to diversity as represented in our Diversity Utilization Plan. We shall assist the State in monitoring our performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and Tennessee service-disabled veterans. Such reports shall be provided to the State of Tennessee Governor's Office of Diversity Business Enterprise in form and substance as required by said office. We further agree to request in writing and receive prior approval from the Central Procurement Office for any changes to the use of the above listed diversity businesses.

Authorized Signature: _____ Date: _____
Printed Name and Title of Respondent Signatory (above) _____

SPECIFICATIONS FOR STATEWIDE COURIER SERVICE

A. CONTRACT SERVICES

1. **Courier Service, (Hospitals) pick-up and delivery 7 days a week, Sunday through Saturday, with delivery to DOH Laboratory Services, Sunday through Saturday, EA = charge per pick-up trip, and with services available 24 hours per day:** Contractor shall furnish all labor, equipment, transportation, as will be required to provide at a minimum, a once-a-day pick-up and delivery service from hospitals listed as "Daily" in **Attachment A** for delivery of specimens to the public health laboratory located in Nashville. Contractor will be required to arrive after 5:00 P.M. local time at each service location, Sunday through Saturday, including state recognized holidays (outlined below) to pick-up samples awaiting delivery to the Tennessee Department of Health, Laboratory Services (TDHLS) facility, 630 Hart Lane, Nashville, TN 37216. Each service location will provide a contact person for after-hours inquiries. Contractor will deliver samples picked-up the previous evening to the TDHLS facility no later than 7:30 A.M. CT the next morning (Monday through Sunday); including state recognized holidays. At that time, the Contractor will pick up any laboratory reports or specimen collection supplies from TDHLS and deliver them to the service locations, listed herein, the next day when picking up specimens.

Estimated trips = 46 hospitals x 7 days x 52 weeks = 16,744 trips

The State ordering entity reserves the right to add, change and/or delete Hospital "Daily – 7 day a week" locations as necessary during the (1) year contract term of the agreement.

2. **Courier Service, (Health Departments) pick-up and delivery Monday through Friday (5 days/week), with delivery to one of three DOH laboratories located in Nashville, Knoxville and Memphis, Monday through Saturday (6 days/week), EA = charge per pick-up trip, and with services available 24 hours per day:** Contractor shall furnish all labor, equipment, transportation, as will be required to provide at a minimum, a once-a-day pick-up and delivery service from health departments listed as "Daily" in **Attachment A** for delivery of specimens to the three public health laboratories located in Nashville, Knoxville, and Memphis (630 Hart Lane, Nashville, TN 37216; 2101 Medical Center Way, Knoxville, TN 37920; 814 Jefferson Avenue, Memphis, TN 38105). Contractor will be required to arrive after 5:00 P.M. local time at each service location, Monday through Friday, excluding state recognized holidays (outlined below) to pick-up samples awaiting delivery to a Tennessee Department of Health, Laboratory Services (TDHLS) facility, listed on **Attachment A**. Each service location will provide a contact person for after-hours inquiries. Contractor will deliver samples picked-up the previous evening to the specified TDHLS facility no later than 7:30 A.M. local time the next morning (Tuesday through

Saturday); **including state recognized holidays**. Note: Saturday delivery is not possible at the Memphis location and specimens would need to be held between 65° F and 75° F temperature at the courier facility for Monday delivery or next business day delivery. At that time, the Contractor will pick up any laboratory reports or specimen collection supplies from TDHLS and deliver them to the service locations, listed herein, at the next pickup of specimens. Under normal conditions, the majority of samples from a pick-up location will go to the closest TDHLS laboratory and/or to Nashville (i.e. samples in East of the Cumberland Plateau will go to Knoxville and/or Nashville, Samples in Middle Tennessee will only go to Nashville, and samples West of the Tennessee River will go to Shelby County and/or Nashville). **See Attachment B.**

Packages will be labeled to specify the TDHLS delivery location. The Nashville Central Laboratory performs testing that is not available at the Knoxville or Memphis laboratories. Counties in East and West Tennessee will have the majority of their packages delivered to the closest laboratory, but they may routinely have one package that will be transported to the Nashville laboratory. The vendor must be able to sort these packages based on the package label and transport the packages to the appropriate laboratory.

Estimated trips = 68 sites x 5 days x 52 weeks = 17,680

The State ordering entity reserves the right to add, change and/or delete Health Department "Daily – 5 day a week" locations as necessary during the (1) year contract term of the agreement.

3. Call-in Service, (Hospitals) pick-up and delivery only when notified, available 7 days a week, Sunday through Saturday, with delivery to DOH Laboratory Services, Sunday through Saturday, EA = charge per pick-up trip, and with services available 24 hours per day: Some Hospital service locations require less than daily service. Instead of the normal, daily service, the Contractor shall only make pickups or deliveries between TDHLS locations and any service locations listed on **Attachment A** as Hospital "Call-in" when notified. The Contractor will provide a telephone number, e-mail, or fax number to be established as the official notification process. Contractor shall furnish all labor, equipment, transportation, as will be required to provide at a minimum, a once-a-day pick-up and delivery service from hospitals listed as "Call-in" in **Attachment A** for delivery of specimens to the public health laboratory located in Nashville. Contractor will be required to arrive after 5:00 P.M. local time at each service location when requested, Sunday through Saturday, **including state recognized holidays** (outlined below) to pick-up samples awaiting delivery to the Tennessee Department of Health, Laboratory Services (TDHLS) facility, 630 Hart Lane, Nashville, TN 37216. Each service location will provide a contact person for after- hours inquiries. Contractor will deliver samples picked-up the previous evening to the TDHLS facility no later than 7:30 A.M. local time the next morning (Monday

through Sunday); including state recognized holidays. At that time, the Contractor will pick up any laboratory reports or specimen collection supplies from TDHLS and deliver them to the service locations, listed herein, the next day when picking up specimens.

Estimated trips = 35 hospitals x avg. 4 days x 52 weeks = 7,280 trips

The State ordering entity reserves the right to add, change and/or delete Hospital "Call-in" locations as necessary during the (1) year contract term of the agreement.

4. **Call-in Service, (Health Departments) pick-up and delivery only when notified, available Monday through Friday (5 days/week), with delivery to one of three DOH laboratories located in Nashville, Knoxville and Memphis, Monday through Saturday (6 days/week), EA = charge per pick-up trip, and with services available 24 hours per day:** Some Health Department service locations require less than daily service. Instead of the normal, daily service, the Contractor shall only make pickups or deliveries between TDHLS locations and any service locations listed on **Attachment A** as **Health Department "Call-in"** when notified. The Contractor will provide a telephone number, e-mail, or fax number to be established as the official notification process. Contractor shall furnish all labor, equipment, transportation, as will be required to provide at a minimum, a once-a-day pick-up and delivery service from Health Departments listed as "Call-in" in **Attachment A** for delivery of specimens to the three public health laboratories located in Nashville, Knoxville, and Memphis (630 Hart Lane, Nashville, TN 37216; 2101 Medical Center Way, Knoxville, TN 37920; 814 Jefferson Avenue, Memphis, TN 38105). Contractor will be required to arrive after 5:00 P.M. local time at each service location, Monday through Friday, excluding state recognized holidays (outlined below) to pick-up samples awaiting delivery to a Tennessee Department of Health, Laboratory Services (TDHLS) facility, listed in **Attachment A**. Each service location will provide a contact person for after-hours inquiries. Contractor will deliver samples picked up the previous evening to the specified TDHLS facility no later than 7:30 A.M. local time the next morning (Tuesday through Saturday); **including state recognized holidays**. Note: Saturday and Holiday delivery is not possible at the Memphis location and specimens would need to be held between 65° F and 75° F temperature at the courier facility for Monday delivery or next business day delivery. At that time, the Contractor will pick up any laboratory reports or specimen collection supplies from TDHLS and deliver them to the service locations, listed herein, at the next pickup of specimens. Under normal conditions, the majority of samples from a pick up location will go to the closest TDHLS laboratory and/or to Nashville (i.e. samples in East of the Cumberland Plateau will go to Knoxville and/or Nashville, Samples in Middle Tennessee will only go to Nashville, and samples West of the Tennessee River will go to Shelby County and/or Nashville). **See Attachment B.**

Packages will be labeled to specify the TDHLS delivery location. The Nashville Central Laboratory performs testing that is not available at the Knoxville or Memphis laboratories. Counties in East and West Tennessee will have the majority of their packages delivered to the closest laboratory, but they may routinely have one package that will be transported to the Nashville laboratory. The vendor must be able to sort these packages based on the package label and transport the packages to the appropriate laboratory.

Estimated trips to 49 sites = 6,396 (see Attachment A, Column J, Rows 154 through 202)

The State ordering entity reserves the right to add, change and/or delete Health Department "Call-in – 5 day a week" locations as necessary during the (1) year contract term of the agreement.

5. **Emergency Service, same day pick-up and delivery, 20 emergency service runs will be provided at No Charge, Any additional Emergency Service runs will be billed at Unit Cost, EA = charge per pick-up trip:** Service locations occasionally require emergency daily service. Instead of the normal service, the Contractor shall only make emergency pickups or deliveries when notified by the TDHLS agency. Contractor shall have the capability, if requested, of providing courier services twenty-four (24) hours per day, seven (7) days a week and on holidays. The Contractor will provide a telephone number, e-mail, or fax number to be established as the official notification process. Contractor shall furnish all labor, equipment, transportation, as will be required to provide an emergency same day pick-up and delivery service from hospitals and/or health departments and delivery of specimens to the three public health laboratories located in Nashville, Knoxville, and Memphis. Pick-up of specimens shall be completed within 2 hours of notification and delivery from any service location to the specified TDHLS facility shall be no later than 8 hours from time of notification until time of delivery.

Estimated trips = 10 – 30 per year

6. **Service start date,** the courier must have sufficient infrastructure to begin providing full service **no later than 30 days** after the approved contract is awarded and signed by all parties.

B. **ADDITIONS, DELETIONS, AND CHANGES:** The State ordering entity reserves the right to add, change and/or delete locations as necessary during the (1) year contract term of the agreement.

Normal business hours for TDHLS locations are:

Nashville, 630 Hart Lane, Nashville, TN 37216;
7:00 A.M. to 4:30 P.M., local time Monday through Friday

Knoxville, 2101 Medical Center Way, Knoxville, TN 37920;
7:00 A.M. to 4:30 P.M., local time Monday through Friday

Shelby County, 814 Jefferson Avenue, Memphis, TN 38105
7:30 A.M. to 4:30 P.M., local time Monday through Friday,

excluding state recognized holidays, unless a written notice of change is provided to the Contractor by the Purchasing Agency a minimum of five (5) calendar days prior to the effective change date. Limited staff will be available at each facility for sample receipt on Saturdays, Sundays, and Holidays.

State recognized holidays are as follows:

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|----|------------------------|-----|--|
| 1. | New Year's Day | 8. | Veteran's Day |
| 2. | Martin Luther King Day | 9. | Thanksgiving Day |
| 3. | President's Day | 10. | Day after Thanksgiving |
| 4. | Good Friday | | <i>(At the Governor's discretion, Columbus Day may be observed the Friday after Thanksgiving.)</i> |
| 5. | Memorial Day | 11. | Christmas Day |
| 6. | Independence Day | | |
| 7. | Labor Day | | |

In the event that these holidays fall on a Saturday or Sunday, the locations will be closed on the Friday before or the Monday after, respectively.

Contractor shall be required to make delivery to TDHLS, on the above listed holidays to meet the pick-up/delivery time requirements described above.

C. EXPERIENCE: The courier vendor must have a minimum of 5 years of experience in providing statewide courier services. This experience must include a minimum of 2 years of transport of biological specimens. The courier must have sufficient existing infrastructure (locations, staff, vehicles, routes, etc.) to provide emergency pickup services within 2 hours

of notification and delivery of specimens within 8 hours and provide full service within 30 days of signing the approved contract.

D. CONFIDENTIALITY: All envelopes, packages, boxes, and containers turned over to the Contractor for delivery shall be treated as if it contains confidential information. The Contractor shall guarantee that the confidentiality is preserved. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential Information shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

E. HIPAA COMPLIANCE: The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health (HITECH) Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules").

1. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.

2. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.

3. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver such information without entering into a business associate agreement or signing another such document.

4. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

F. **CHAIN OF CUSTODY:** Contractor shall process and expedite chain of custody samples from any listed statewide location. Contractor shall abide by all state and federal protocols for the chain of custody process as defined by TDHLS in writing.

G. **TRACKING:**

1. **Tracking Mechanisms:** Contractor will provide a tracking system capable of providing current updates as to the location of any package picked up from TDHLS or any service location. The system will be maintained by the Contractor and allow tracking of each individual package provided by the service location or TDHLS staff. Contractor shall have the capability of tracking all package shipments upon receiving a tracking request by providing a system for marking all packages that are being shipped by the TDHLS and all service locations.

The Contractor's driver shall have a method or carry a device to record:

- a. the location, date, and time upon arrival at each site
- b. the tracking numbers of all items being delivered to each site, and
- c. The tracking numbers of all items being picked up from each site.

Contractor shall provide a sufficient number of recording media labels to each site to facilitate the marking of all outgoing packages.

2. **Pick-Up and Delivery Tickets:** Contractor shall provide an electronic package pick-up/delivery ticket/line listing in a form approved in writing by the State. Contractor will furnish a ticket for each package. These pick-up/delivery tickets will be signed by the driver and the States' representative, noting any overages, shortages, or damages at the time of delivery. Contractor shall notify TDHLS of any overages, shortages, or damages while at the point of delivery.

3. **Tracking Reports for Pick-ups and Deliveries:** Contractor shall provide the TDHLS Contract Administrator or designee, upon request, a tracking report for the status of materials that have been picked up by a courier driver(s) from one (1) or more of the various pickup and delivery locations, but have not been delivered to the designated destination(s) within the required timelines. The report will be due within one business day of the request.

H. LOCK BOXES: The Contractor, at no cost to the State, will provide insulated lock boxes for holding specimens for pick up at all locations. Lock boxes installed at service locations shall be insulated, waterproof, and secured by a locking device that can be accessed by both the Contractor and the site's staff. Each lock box shall be no smaller than 14 inches x 10.5 inches x 7 inches. Lock boxes shall be anchored securely to prevent removal except by extraordinary means. Depending on the amount of work delivered to any given location during normal or peak periods of the month, more than one (1) lock box or one larger lock box may be required to be installed at a given locality. Lock boxes shall be installed in a location that is not subjected to extreme temperature fluctuations. The final decision as to the location of the lock boxes shall be a matter of ongoing discussions between the Contractor and the service location.

Service locations may, at their option, provide keys to the Contractor for building access to allow inside pick-ups and deliveries during non-business hours. Contractor shall not duplicate any building access keys without advance written permission from the agency controlling access to the premises. The Contractor must immediately notify the service location of any lost keys and replacement of the keys, rekeying of locks, or reasonable changing of locks will be at the expense of the Contractor.

I. CONTACT NAMES: The Contractor shall provide in writing, the names of a primary and secondary contact to include telephone numbers, cell phone numbers, emergency phone numbers and email addresses for use on weekends and nights to TDHLS. These contacts shall be individuals designated by the Contractor as authorized to handle complaint calls and inquiries about other problems as they may occur. Contact personnel shall be capable of authorizing immediate action when warranted. The names and information for the primary and/or secondary contacts may be changed at any time with prior written notification to the TDHLS Contract Administrator or designee.

J. REGULATORY COMPLIANCE: The Contractor shall comply with all applicable Federal and State of Tennessee rules and regulations pertaining to the handling, loading, and transportation of biohazard samples, environmental samples, and chain of custody samples. In the event of spillage, leakage, or accident involving transported materials, the Contractor shall notify TDHLS immediately.

K. PACKAGING: Service locations shall comply with all applicable Federal and State of Tennessee rules and regulations pertaining to packaging of biohazard, environmental, and chain of custody samples as well as other materials, reagents or media submitted for transport. **Packages will be labeled to specify the TDHLS delivery location.** Most items will be classified as Category B, Biological Substances and must be handled using DOT and

other applicable regulations. Occasionally, samples could be sent in coolers or frozen and be packaged with wet ice or dry ice. Some items could be classified as Category A, Infectious Substances and will be packaged and labeled accordingly, and must be handled using DOT and other applicable regulations. All packages will be handled in the manner mandated for transportation by Federal and State of Tennessee regulations. The Contractor shall not pick up any samples that are not contained in sturdy sealed and properly addressed containers. The Contractor shall not pick-up any packages with damaged or leaking fluids.

L. NON-COMPLIANCE WITH SCHEDULED PICK-UP AND DELIVERY REQUIREMENTS: In cases where pickups/deliveries are not made, due to Contractor error, the Contractor will dispatch a vehicle to complete the pick-up/delivery within two (2) hours and notify TDHLS of the inconsistency immediately.

M. VEHICLE REQUIREMENTS: Vehicles shall be suitable for transport of confidential samples and documents. The vehicle must provide for closed, secure transport of these sensitive samples and documents. A convertible-type vehicle shall not be allowed to transport any sample(s) and/or document(s). The vehicles must be air-conditioned and the courier shall not expose packages to any temperature higher than 75°F or lower than 34°F. All Contractor vehicles shall have current inspection and registration from the State where the vehicle is registered and must be properly insured. Contractor's equipment and operators shall be in compliance with all applicable Department of Motor Vehicles and State and Federal regulations regarding the condition and operation of the requested vehicles. Contractor vehicles and drivers must be distinguishable as such by uniform, vehicle markings, or other appropriate designations.

N. SAFETY: The Contractor is responsible for outfitting vehicles with supplies and/or equipment required by any federal, state, or local regulatory entity requirements applicable to the performance of services requested by the purchasing agency while performing under the contract.

O. APPEARANCE OF DRIVERS AND EMPLOYEE CONDUCT: The following list describes expectations of Contractor staff.

1. Contractor's employees shall at all times exhibit a high standard of professional conduct and perform all services in a businesslike manner so as not to discredit or reflect poorly on the Contractor or the State.
2. Contractor employees shall demonstrate a high level of customer service.

3. Contractor's employees shall be dressed in proper attire for making deliveries to state and business facilities. Any uniforms worn by the Contractor's employees should bear the Contractor's name.

4. Contractor shall be responsible for controlling employee conduct, assuring that its employees and representatives are not boisterous or rude and assuring that they are not engaging in any destructive or criminal activity.

5. Contractor's employees shall be capable of communicating and comprehending the English language (verbally and in writing). English spoken by employees must be easily and readily understood by the end-user, in order to avoid miscommunication.

6. In the event of a question about a courier's professional conduct, appearance, or behavior that does not comport with the expectations of the State of Tennessee, then at the request of the State or Authorized User, Contractor agrees that the employee shall be removed and/or reassigned.

P. LOSS: The Contractor agrees to protect the State from any loss because of late pickups and/or deliveries and theft, breakage or damage of any kind to samples or packages while in transit or during delivery under the contract. The Contractor accepts sole responsibility and risk for all samples or packages while in transit or the safe transportation and delivery thereof. For the purpose of this contract, samples or packages will be deemed to be "in transit" from the time they are loaded into the Contractor's vehicle at the point of origin of the shipment until accepted at destination and signed for by the authorized representative. Penalties include, but are not limited to, the Contractor reimbursing TDHLS for the cost of testing kits. Penalties stated below related to late deliveries may also apply for lost packages.

Q. LATE DELIVERY NOTIFICATION: Any unforeseen events which result in late pickups and/or deliveries must be communicated to the Contract Administrator for TDHLS no later than 10:00 a.m. on the next working day. Penalties for late deliveries include, but are not limited to the cost of medical bills related to instances where specimens or packages were not received within the required delivery time; in order to complete diagnostic testing that would diagnosis a need for a patient's medical treatment.