

STATE OF MONTANA TERM CONTRACT

Department of Administration
State Procurement Bureau
165 Mitchell Building
PO Box 200135
Helena, MT 59620-0135
Phone: (406) 444-2575 Fax: (406) 444-2529
TTY Users-Dial 711
<http://gsd.mt.gov/>

T.C. #: SPB12-2262P
Title: Drug and Alcohol Testing Program
This is a non-exclusive contract.

CONTRACT TERM	FROM	May 1, 2013	CONTRACT STATUS	NEW (x)
	TO	June 30, 2015		RENEW ()
VENDOR ADDRESS	Advanced Safety Solutions, Inc. D.B.A. Chemnet Consortium, Inc. 491 Tabriz Drive Billings, MT 59105		ORDER ADDRESS	
ATTN:	Stanley C. Morris		ATTN:	
PHONE:	(406) 256-2037		PHONE:	
FAX:	(888) 765-8677		FAX:	
E-MAIL:	stan@mtchemnet.com		E-MAIL:	

PRICES: Per rates presented in Attachment A, Fee Schedule

DELIVERY: Per Contract

F.O.B.: Per Contract

TERMS: Per Contract

REMARKS: Amendment #1

IFB/RFP No.: RFP12-2262P

Penny Moon, CONTRACTS OFFICER

DATE: May 7, 2013

AUTHORIZED SIGNATURE

**DRUG AND ALCOHOL TESTING PROGRAM
SPB12-2262P**

1. PARTIES

THIS CONTRACT is entered into by and between the State of Montana, Department of Administration, **State Procurement Bureau**, (hereinafter referred to as "the State"), whose address and phone number are Room 165 Mitchell Building, 125 North Roberts, PO Box 200135, Helena MT 59620-0135, (406) 444-2575, and **Advanced Safety Solutions, Inc. D.B.A. The Chemnet Consortium, Inc.**, (hereinafter referred to as the "Contractor"), whose address and phone number are 491 Tabriz Drive, Billings MT 59105 and (406) 256-2037.

THE PARTIES AGREE AS FOLLOWS:

2. EFFECTIVE DATE, DURATION, AND RENEWAL

2.1 Contract Term. This contract shall take effect on May 1, 2013, and terminate on June 30, 2015, inclusive, unless terminated earlier in accordance with the terms of this contract.

2.2 Contract Renewal. This contract may, upon mutual agreement between the parties and according to the terms of the existing contract, be renewed in two-year intervals, or any interval that is advantageous to the State. This contract, including any renewals, shall not exceed a total of seven years.

3. COOPERATIVE PURCHASING

Under Montana law, public procurement units, as defined in 18-4-401, MCA, have the option of cooperatively purchasing with the State of Montana. Public procurement units are defined as local or state public procurement units of this or any other state, including an agency of the United States, or a tribal procurement unit. Unless the bidder/offeror objects, in writing, to the State Procurement Bureau prior to the award of this contract, the prices, terms, and conditions of this contract will be offered to these public procurement units. However, the State Procurement Bureau makes no guarantee of any public procurement unit participation in this contract.

4. NON-EXCLUSIVE CONTRACT

The intent of this contract is to provide state agencies with an expedited means of procuring supplies and/or services. This contract is for the convenience of state agencies and is considered by the State Procurement Bureau to be a "Non-exclusive" use contract. Therefore, agencies may obtain this product/service from sources other than the contract holder(s) as long as they comply with Title 18, MCA, and their delegation agreement. The State Procurement Bureau does not guarantee any usage.

5. COST ADJUSTMENTS

Cost Adjustments Negotiated Based on Changes in Contractor's Costs. The parties may negotiate cost adjustments at the time of contract renewal. Any cost increases must be based on demonstrated industrywide or regional increases in the Contractor's costs. Publications such as the Federal Bureau of Labor Statistics and the Consumer Price Index (CPI) for all Urban Consumers may be used to determine the increased value.

6. SERVICES AND/OR SUPPLIES

Contractor shall provide to the State drug and alcohol testing as specified in Attachment B, Contractor's response to RFP12-2262P. The primary user will be the Department of Transportation. However, the contract will also be available for use by other State agencies and political subdivisions of the State.

7. CONSIDERATION/PAYMENT

7.1 Payment Schedule. In consideration for the drug and alcohol testing program services to be provided, the State shall pay according to the rates presented in Attachment A, Fee Schedule.

7.2 Withholding of Payment. The State may withhold payments to the Contractor if Contractor has not performed in accordance with this contract. Such withholding cannot be greater than the additional costs to the State caused by the lack of performance.

7.3 Purchasing Card. The State of Montana has a Purchasing Card Program in place that gives agencies the ability to charge purchases made from these contracts. The State prefers this method of payment.

8. PREVAILING WAGE REQUIREMENTS

8.1 Montana Resident Preference. The nature of the work performed, or services provided, under this contract meets the statutory definition of a "public works contract" in 18-2-401, MCA. Unless superseded by federal law, Montana law requires that contractors and subcontractors give preference to the employment of Montana residents for any public works contract in excess of \$25,000 for construction or nonconstruction services in accordance with 18-2-401 through 18-2-432, MCA, and all administrative rules adopted under these statutes.

Unless superseded by federal law, the Contractor shall ensure that at least 50% of the workers performing labor on this project are bona fide Montana residents.

The Commissioner of the Montana Department of Labor and Industry has established the resident requirements in accordance with 18-2-403 and 18-2-409, MCA. Any and all questions concerning prevailing wage and Montana resident issues should be directed to the Montana Department of Labor and Industry.

8.2 Standard Prevailing Rate of Wages. In addition, unless superseded by federal law, all employees working on a public works contract must be paid prevailing wage rates in accordance with 18-2-401 through 18-2-432, MCA, and all associated administrative rules. Montana law requires that all public works contracts, as defined in 18-2-401, MCA, in which the total cost of the contract is in excess of \$25,000, contain a provision stating for each job classification the standard prevailing wage rate, including fringe benefits, travel, per diem, and zone pay that the contractors, subcontractors, and employers shall pay during the public works contract.

Because this contract has an initial term of 30 months or longer, the standard prevailing rate of wages paid to workers under this contract must be adjusted 12 months after the date of the award of the public works contract per 18-2-417, MCA. The amount of the adjustment must be a 3% increase. The adjustment must be made and applied every 12 months for the term of the contract. This adjustment is the sole responsibility of the Contractor and no cost adjustment in this contract will be allowed to fulfill this requirement.

8.3 Notice of Wages and Benefits. Furthermore, 18-2-406, MCA, requires that all contractors, subcontractors, and employers who are performing work or providing services under a public works contract post in a prominent and accessible site on the project staging area or work area, no later than the first day of work and continuing for the entire duration of the contract, a legible statement of all wages and fringe benefits to be paid to the employees in compliance with 18-2-423, MCA.

8.4 Wage Rates, Pay Schedule, and Records. Section 18-2-423, MCA, requires that employees receiving an hourly wage must be paid on a weekly basis. Each contractor, subcontractor, and employer shall maintain payroll records in a manner readily capable of being certified for submission under 18-2-423, MCA, for not less than three years after the contractor's, subcontractor's, or employer's completion of work on the public works contract.

All contractors and employers shall classify each employee who performs labor on a public works project according to the applicable standard prevailing rate of wages for such craft, classification, or type of employee established by the Commissioner of the Montana Department of Labor and Industry, and shall pay each such employee a rate of wages not less than the standard prevailing rate as specified in the Montana Prevailing Wages Rates for Nonconstruction Services 2012.

9. TERM CONTRACT REPORTING

Contractor shall furnish annual reports of term contract usage. Each report shall contain the product description, total quantity sold of each item, total dollars expended, and the name of the agency purchasing the item. The first report for this term contract will be due July 2013.

Reported volumes and dollar totals may be checked by the State Procurement Bureau against State records for verification. Failure to provide timely or accurate reports is justification for cancellation of the contract and/or justification for removal from consideration for award of contracts by the State.

10. ACCESS AND RETENTION OF RECORDS

10.1 Access to Records. Contractor shall provide the State, Legislative Auditor or their authorized agents access to any records necessary to determine contract compliance. (Section 18-1-118, MCA)

10.2 Retention Period. Contractor shall create and retain all records supporting the drug and alcohol testing program for a period of eight years after either the completion date of this contract or the conclusion of any claim, litigation, or exception relating to this contract taken by the State or a third party.

11. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

Contractor shall not assign, transfer, or subcontract any portion of this contract without the express written consent of the State. (Section 18-4-141, MCA) Contractor shall be responsible to the State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Contractor. No contractual relationships exist between any subcontractor and the State.

12. HOLD HARMLESS/INDEMNIFICATION

The Contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this agreement.

13. REQUIRED INSURANCE

13.1 General Requirements. Contractor shall maintain for the duration of the contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

13.2 Primary Insurance. Contractor's insurance coverage shall be primary insurance with respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or

location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

13.3 Specific Requirements for Commercial General Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds; for liability arising out of activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor; products, and completed operations; premises owned, leased, occupied, or used.

13.4 Specific Requirements for Automobile Liability. Contractor shall purchase and maintain coverage with split limits of \$500,000 per person (personal injury), \$1,000,000 per accident occurrence (personal injury), and \$100,000 per accident occurrence (property damage); OR combined single limits of \$1,000,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for automobiles leased, hired, or borrowed by Contractor.

13.5 Specific Requirements for Professional Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for each wrongful act of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors. Note: if "occurrence" coverage is unavailable or cost prohibitive, Contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of the contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three-year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

13.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by the state agency. At the request of the agency either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the State, its officers, officials, employees, or volunteers; or (2) at the expense of Contractor, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

13.7 Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages, has been received by the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. Contractor must notify the State immediately, of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. The State reserves the right to require complete copies of insurance policies at all times.

14. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Contractors are required to comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with sections 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither the contractor nor its employees are employees of the State. This insurance/exemption must be valid for the entire term of the contract. A renewal document must be sent to the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135, upon expiration.

15. COMPLIANCE WITH LAWS

Contractor must, in performance of work under this contract, fully comply with all applicable federal, state, or local laws, rules, and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by Contractor subjects subcontractors to the same provision. In accordance with section 49-3-207, MCA, Contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

16. INTELLECTUAL PROPERTY

All patent and other legal rights in or to inventions created in whole or in part under this contract must be available to the State for royalty-free and nonexclusive licensing. Both parties shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use and authorize others to use, copyrightable property created under this contract.

17. PATENT AND COPYRIGHT PROTECTION

17.1 Third-Party Claim. In the event of any claim by any third party against the State that the products furnished under this contract infringe upon or violate any patent or copyright, the State shall promptly notify Contractor. Contractor shall defend such claim, in the State's name or its own name, as appropriate, but at Contractor's expense. Contractor will indemnify the State against all costs, damages, and attorney's fees that accrue as a result of such claim. If the State reasonably concludes that its interests are not being properly protected, or if principles of governmental or public law are involved, it may enter any action.

17.2 Product Subject of Claim. If any product furnished is likely to or does become the subject of a claim of infringement of a patent or copyright, then Contractor may, at its option, procure for the State the right to continue using the alleged infringing product, or modify the product so that it becomes noninfringing. If none of the above options can be accomplished, or if the use of such product by the State shall be prevented by injunction, the State will determine if the Contract has been breached.

18. CONTRACT TERMINATION

18.1 Termination for Cause with Notice to Cure Requirement. The State may terminate this contract for failure of Contractor to perform any of the services, duties, or conditions contained in this contract after giving Contractor written notice of the stated failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 30 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

18.2 Reduction of Funding. The State must terminate this contract if funds are not appropriated or otherwise made available to support the State's continuation of performance of this contract in a subsequent fiscal period. (See section 18-4-313(4), MCA.)

19. STATE PERSONNEL

19.1 State Contract Manager. The State Contract Manager identified below is the State's single point of contact and will perform all contract management on behalf of the State. Written notices, requests, complaints or any other issues regarding the contract should be directed to the State Contract Manager.

The State Contract Manager for this contract is:

Penny Moon, Senior Contracts Officer

PO Box 200135

Helena MT 59620-0135

Telephone #: (406) 444-3313

Fax #: (406) 444-2529

E-mail: pmoon@mt.gov

19.2 State Project Managers. Each using State agency or Cooperative Purchaser will identify a Project Manager. The Project Manager will manage the day-to-day project activities on behalf of the State/Cooperative Purchaser.

20. CONTRACTOR PERSONNEL

20.1 Contractor's Contract Manager. Contractor's Contract Manager identified below will be the single point of contact to the State Contract Manager and will assume responsibility for the coordination of all contract issues under this contract. Contractor's Contract Manager will meet with the State Contract Manager and/or others necessary to resolve any conflicts, disagreements, or other contract issues.

Contractor's Contract Manager for this contract is:

Stanley C. Morris, President

491 Tabriz Drive

Telephone #: (406) 256-2037

Fax #: (888) 765-8677

E-mail: stan@mtchemnet.com

21. MEETINGS

Contractor shall meet with the State's personnel, or designated representatives, to resolve technical or contractual problems that may occur during the term of the contract or to discuss the progress made by Contractor and the State in the performance of their respective obligations, at no additional cost to the State. Meetings will occur as problems arise and will be coordinated by the State. Contractor will be given a minimum of three full working days notice of meeting date, time, and location. Face-to-face meetings are desired. However, at Contractor's option and expense, a conference call meeting may be substituted. Consistent failure to participate in problem resolution meetings two consecutive missed or rescheduled meetings, or to make a good faith effort to resolve problems, may result in termination of the contract.

22. CONTRACTOR PERFORMANCE ASSESSMENTS

The State may do assessments of Contractor's performance. This contract may be terminated for one or more poor performance assessments. Contractor will have the opportunity to respond to poor performance assessments. The State will make any final decision to terminate this contract based on the assessment and any related information, Contractor's response and the severity of any negative performance assessment. Contractor will be notified with a justification of contract termination. Performance assessments may be considered in future solicitations.

23. TRANSITION ASSISTANCE

If this contract is not renewed at the end of this term, or is terminated prior to the completion of a project, or if the work on a project is terminated, for any reason, Contractor must provide for a reasonable period of time after the expiration or termination of this project or contract, all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this contract,

except for those terms or conditions that do not reasonably apply to such transition assistance. The State shall pay Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the contract. If there are no established contract rates, then the rate shall be mutually agreed upon. If the State terminates a project or this contract for cause, then the State will be entitled to offset the cost of paying Contractor for the additional resources Contractor utilized in providing transition assistance with any damages the State may have otherwise accrued as a result of said termination.

24. CHOICE OF LAW AND VENUE

This contract is governed by the laws of Montana. The parties agree that any litigation concerning this bid, proposal or subsequent contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana and each party shall pay its own costs and attorney fees. (See section 18-1-401, MCA.)

25. SCOPE, AMENDMENT, AND INTERPRETATION

25.1 Contract. This contract consists of seven numbered pages, any Attachments as required, RFP12-2262P, as amended and Contractor's RFP response as amended. In the case of dispute or ambiguity about the minimum levels of performance by Contractor the order of precedence of document interpretation is in the same order.

25.2 Entire Agreement. These documents contain the entire agreement of the parties. Any enlargement, alteration or modification requires a written amendment signed by both parties.

26. EXECUTION

The parties through their authorized agents have executed this contract on the dates set out below.


STATE OF MONTANA
STATE PROCUREMENT BUREAU
PO BOX 200135
HELENA MT 59620-0135

THE CHEMNET CONSORTIUM INC.
1302 AVENUE D, SUITE 103
BILLINGS MT 59102
FEDERAL ID # 20-3151752

BY: Penny Moon, Senior Contracts Officer
(Name/Title)

BY: Laurie Starr-Jones, President
(Name/Title)



(Signature)


(Signature)

DATE: 11 July 2012

DATE: 7/5/12

Approved as to Legal Content:


Legal Counsel

6/28/12
(Date)

ATTACHMENT A

FEE SCHEDULE

Initial Drug Tests

All drug testing fees are for initial 5-panel tests (with confirmation) to include all clerical, reporting, testing, MRO service, supplies, kits, forms, record keeping, collection, transporting, reporting and other costs surrounding the completion of a drug or alcohol screen. A 5-panel test includes testing for Marijuana metabolites/THC, Cocaine metabolites, Opiates (including codeine, heroin (6-AM)), morphine, Phencyclidine (PCP), and Amphetamines (including methamphetamine, MDMA).

The fees in 5.2 Cost Proposal will apply to all tests listed in RFP Section 3.3.2. These include pre-employment, reasonable suspicion, post accident, random, follow-up testing and other tests that may be required by changes in the DOT regulations 49 CFR Part 40 and 382.

I.	<u>COLLECTION SITE SERVICE</u>	Regular Business Hours	After Hours,
		Monday – Friday	Weekends or Holidays*
A.	<u>DRUG TEST</u>	\$ <u>40.00</u>	\$ <u>50.00</u>
B.	<u>BREATH ALCOHOL TEST (EBT)</u>	\$ <u>30.00</u>	\$ <u>40.00</u>

* The rates listed for After Hours, Weekends or Holidays will be the rates charged for emergency services.

II. **SPLIT SAMPLE TESTING**

A.	All	\$ <u>125.00</u>
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The MRO office may require the donor to pre-pay for this service unless otherwise requested by the participating employer, in which case the contractor will bill the participating employer directly.

III. **MOBILE**

A.	<u>DRUG TEST</u>	Regular Business Hours	After Hours,
		Monday – Friday	Weekends or Holidays*
	Initial Collection	\$ <u>40.00</u>	\$ <u>50.00</u>
	Additional Collections	\$ <u>40.00</u>	\$ <u>50.00</u>

* The rates listed for After Hours, Weekends or Holidays will be the rates charged for emergency services.

B.	<u>EBT TEST</u>	Regular Business Hours	After Hours,
		Monday – Friday	Weekends or Holidays*
	Initial Collection	\$ <u>30.00</u>	\$ <u>40.00</u>
	Additional Collections	\$ <u>30.00</u>	\$ <u>40.00</u>

* The rates listed for After Hours, Weekends or Holidays will be the rates charged for emergency services.

IV. NO-SHOW CHARGES \$ No Charge

A "no-show" is defined as one of the following.

- A. A donor who appears at the Contractor's location without appropriate ID, causing service to not take place.
- B. A donor who fails to appear for a scheduled service without a cancellation notice.

V. SUPERVISOR AND EMPLOYEE TRAINING

Per Participant \$ 25.00

Minimum Group Charge \$ N/A

ATTACHMENT B

THE CHEMNET CONSORTIUM INC PROPOSAL

Points of Discussion

Item #1 3.3.1 Required Functions

There are instances where a "pending" notation on the website is the only indication MDT has that a test result may have been positive. MDT would like to receive a phone call notification.

RESPONSE: Although I understand what MDT is trying to accomplish a "pending" status on the MRO reporting option website does not necessarily mean a test is positive or that it will report as one. The employer should not treat a "pending" status as if it is a positive test or pull the employee off the job prematurely. According to DOT regulations the MRO cannot call the DER when a test goes under review. The MRO can only get the DER involved when they cannot reach the client within 24 hours.

If MDT would like a phone call once a positive test is verified we would be more than happy to accommodate.

RESOLUTION: The MRO (US) reports results within one hour of being verified. (positive or negative) Currently MDT is receiving their drug test results via website. Linda McKinney and Laurie Edwards both receive an email notification once a result has reported to the website. This way they are prompted that it is available.

CC has discussed with the MRO that MDT would like a phone call notification on positive tests. This can be done. CC will need one phone number that can be used. This phone number should also be okay for the MRO to leave a message should nobody answer. Linda McKinney was notified of this on 06/15/12 at 11.02am. CC is currently waiting for a response and a phone number that MDT would like to utilize.

MDT RESPONSE: MDT would like a phone call notification from the MRO, on positive drug tests just as we receive for positive alcohol tests. The contact number is 406/444-9253 and a message may be left on the phone if there is no answer.

✓ **FINAL RESOLUTION:** *This number has been provided to the MRO and the account set up so MDT receives phone calls on all positive drug tests.*

Item #2 3.3.1 Required Functions

The proposal states that the Chemnet Consortium (CC) collection sites will provide 24 hour access. This has not been our experience in the current contract.

The State would like to add the following language:

"If the CC site is not available or CC directs the employee to another provider (local hospital or other provider), CC shall pay the additional costs for having the sample drawn and time lost if the employee has to wait longer than 30 minutes. These charges will be documented and subtracted from the next CC invoice."

RESPONSE: Throughout the duration of the contract CC has never been made aware of any difficulties with 24 hour access to a particular collections site. CC highly encourages a phone call to our main office in Billings as soon as possible in these situations to ensure they are resolved immediately. CC has also not been made aware by the State of any situations where an employee is redirected to another provider. These statements are very concerning as CC wants to make certain any and all problems are resolved.

With regards to CC paying the additional costs, the after hours, weekend or Holiday fees are as outlined in 5.2 Fee Schedule. If the State goes into a local hospital CC is already paying the additional costs from these facilities. CC has also waived their \$155 emergency "call out fee" which is typically charged on top of the collection fee cost, mileage (\$.50 per mile) and wait time at \$44.50 per hour should the collector have to wait for the donor to arrive or provide a sample.

Due to the fact that CC is already paying additional costs for the State above the rates outlined in 5.2 Fee Schedule, offering discounted fees for the State, waiving emergency "call out" fees, mileage, wait time, alcohol

confirmation fees, the annual fee which is charged to administer the random selection on a monthly basis and no show charges, CC *does not* agree to pay for time lost by a State employee. This statement also has many loop holes which CC feels impossible to accurately monitor and document the exact amount of real "wait-time".

SUGGESTED RESOLUTION: All after hour, emergency service requests should be directed to CC's main phone number 406-256-2037 as indicated on the collection site list. All CC clients then speak with our 24 hour emergency contact representative who contacts the collection facility for the customer and arranges for the employee to be tested at the nearest location. This process has been in place for many years and is highly effective to ensure clients are utilizing proper locations, the entire process is expedited and then fulfilled as quickly as possible in after hour emergency situations.

CC agrees to continue paying any additional costs only for drug and alcohol tests, should an employee have to report to a local hospital, and the State has followed the CC after hour emergency protocol outlined above.

MDT RESPONSE: We were unaware of using the main phone number as the emergency contact. The redirection was in response to our inquiry for a possible reasonable suspicion alcohol test that could occur in the early morning hours. Linda McKinney was told to send the employee to the hospital because that is where the test kit is located. We never needed the service, it was only a "just in case" inquiry.

The emergency number is listed with most clinics on the Collection Site list, is it intended to be used for all clinics on the list?

✓ **FINAL RESOLUTION:** Please use our main emergency phone number as indicated on the collection site list. If the State goes into a local hospital CC agrees they will continue to pay the additional costs from these facilities. CC stands by our comment that we will not pay for a State employee's wage.

Item #3 3.3.1 Required Functions

There are several places within the proposal that CC has said they will "strive to" or "try to". We would like these to be replaced with "will". We understand that there are times when extenuating circumstances may prevent CC from meeting the ideal, but we prefer these instances to be the documented exception rather than the normal as implied by "strive to" or "try to".

RESPONSE: CC used the language "strive to" and "try to" simply because there are circumstances completely out of CC's control. (e.g. weather, illness, delays with courier transport, donor contract by MRO, additional testing etc.)

RESOLUTION: CC agrees to replace "strive to" or "try to" with "will" with the understanding that the State realizes there are some circumstances that occur which prevent CC from meeting the ideal.

✓ **MDT RESPONSE:** Noted, with the understanding that there are times when extenuating circumstances may prevent CC from meeting the ideal, but these instances are to be the documented exception rather than the normal.

Item #4 3.3.2 Required Functions

Same issue as noted in Item #1 above.

RESPONSE: See response in Item 1.

RESOLUTION: See resolution in Item 1.

✓ **MDT RESPONSE:** Noted. MDT would like a phone call notification from the MRO, on positive drug tests just as we receive for positive alcohol tests.

Item #5 3.3.2 Required Tests

There was nothing noted in the proposal about non-negative pre-employment tests. Concerning.

RESPONSE: All non-negative results are handled the same for each test outlined in 3.3.2 Required Tests. This was my error and not included in the explanation under 3.3.2 Response (Pre-employment).

The word "typically" was used in this response due to the fact that there are circumstances out of CC's control where a negative test may not report within 24 hours.

RESOLUTION: All pre-employment non-negative tests will require additional or confirmation testing from the lab. The contact ability of the donor, will dictate the speed with which a non-negative test can be reported back to the DER.

CC agrees to strike the word "typically" from the response with the understanding that the State realizes there are circumstances that occur which prevent CC from meeting the ideal.

✓ **MDT RESPONSE:** Noted with the understanding that there are times when extenuating circumstances may prevent CC from meeting the ideal, but these instances are to be the documented exception rather than the normal.

Item #6 3.3.3 Specimen Collection

For privacy and confidentiality reasons, MDT facilities may not be used as collection sites. Likewise, CC cannot use MDT sites as mobile collection sites.

The proposal states that the contractor may use mobile or on-site facilities. We need to clarify that on-site facilities apply only to CC's facilities and not State facilities.

"Participating agency site" will have to be removed from Attachment N (price sheet)

RESPONSE: CC understands that MDT facilities may not be used as collection sites. One instance has been brought to my attention in the outer Great Falls area. The collector received a request to do a mobile collection and was going to use a MDT facility. The collection site manager was immediately contacted and reminded of the contractual obligation to MDT as well as privacy and confidentiality reasons.

RESOLUTION: CC confirms that on-site facilities refer to CC collection sites and not State facilities.

✓ **MDT RESPONSE:** Noted.

Item #7 3.3.3 Specimen Collection

The proposal states that State employees will not have to wait longer than 30 minutes from check in for the scheduled test to begin and that post accident and reasonable suspicion tests shall begin within 15 minutes of the employee's arrival.

The State would like to add the following language:

"If a State employee was to wait longer than 30 minutes from check in until the scheduled test begins, or longer than 15 minutes for post accident and reasonable suspicion tests, CC shall pay the employee's hourly wage for the additional wait time. These charges will be documented and subtracted from the next CC invoice".

RESPONSE: CC understands the States goal getting employee's tested as quickly as possible with the least amount of time "off the job". However, the request for CC to pay the employee's hourly wage has many loop holes. CC feels it is impossible to accurately monitor and document the exact amount of real "wait-time". Below are examples of CC' concerns:

- Who tracks the actual "wait time" and what steps are taken to ensure the amount subtracted from CC's invoice is accurate?
- CC has several instances where a group of State employees are scheduled to come into the collection site for testing. Each individual is given a specific appointment time for arrival. Rather than coming at their appointed time the majority of the State employees will all come together at the same time causing most to wait while each person is quickly tested one at a time. For example, 5 MDT employees may be

scheduled 15 minutes apart starting at 10am. If all five show up at the same time the person with the 11am appointment will be waiting for 1 hour while the other MDT employees scheduled before him get tested. This happens every time a "group" of MDT employees are scheduled. Although CC handles these situations very professionally and enjoys visiting with these folks, this "wait time" is no fault of CC's.

- There are some instances where a MDT employee is scheduled for a drug test but arrives late for their appointment. Some arrive early. If the State expects CC to pay an employee's hourly wage who is tracking when an employee actually arrives to the collection?
- What happens when a State employee arrives for their scheduled test but refuses to begin the testing process because they cannot provide a urine sample? The State employee claims they want to wait because they just urinated prior to being told to report to the site and needs to drink fluids.
- What happens in the instance where a State employee comments to the collector that they are in no hurry and take their time giving the sample because "I'm still getting paid by the State for being here?" Unfortunately, CC has heard this discussion in the waiting room many times.

On another note, there are a few locations such as Wolf Point, Shelby and Glasgow where CC utilizes the local hospital for collection services. These areas have been very difficult finding good quality collectors so options are limited. Although these hospitals provide a trained collector for drug testing their main practice is medical services. CC can only make requests and suggestions to hospitals about policies, scheduling, customer service etc. CC does not have control over their waiting room and how quickly they process patients through appointment times.

With all of the concerns listed above CC *will not* pay the State employee's hourly wage for wait time.

SUGGESTED RESOLUTION: CC has never been contacted by the State regarding any concerns about wait time at a given collection site. If there is a problem CC would like to be made aware of the situation and given the opportunity to resolve the issue.

CC would also like the State to consider the fact that CC has waived our wait time fees which is charged if an employee cannot provide a sample or a collector is waiting for an employee who has arrived late for their scheduled appointment. This rate is charged at \$44.50 per hour and billed in 15 minute increments. CC has also waived our "no show" fee which is paid to a collector who is called out for an appointment but the employee fails to appear.

MDT RESPONSE: MDT understands that employees are scheduled in groups and the wait time may vary because of the group size. We agree to contact CC when concerns arise regarding wait times at any collection site.

Question regarding the following:

- What happens when a State employee arrives for their scheduled test but refuses to begin the testing process because they cannot provide a urine sample? The State employee claims they want to wait because they just urinated prior to being told to report to the site and needs to drink fluids.

According to Federal regulations, the employee does not have an option to "wait" nor refuse to begin testing. The employee should be given up to three hours after the 1st attempt of giving a sample. We expect the collection site to require the employee to test then determine if he/she is unable to give a sufficient sample. An employee's refusal to test is considered a "positive" test.

- What happens in the instance where a State employee comments to the collector that they are in no hurry and take their time giving the sample because "I'm still getting paid by the State for being here?" Unfortunately, CC has heard this discussion in the waiting room many times.

CC has heard the discussion, but does CC comply if it is a request? We expect the collection site to maintain their schedule regardless of an employee's off-the-cuff remark. We are running a business of serving the state and expect an efficient collection process, complying with Federal regulations.

✓ **FINAL RESOLUTION:** CC understands the States comments in this section. CC follows all Federal guidelines with regards to the collection process and works hard to ensure everyone is tested and out the door immediately, regardless of "off the cuff" comments. CC welcomes all feedback regarding our collection sites

and will correct any wait time issues should they arise. Again, CC stands by our comment that we will not pay for a State employee's wage.

Item #8 3.3.3 Specimen Collection

How will CC ensure 24 hour sample delivery if the sample is collected Friday afternoon or on a weekend?

RESPONSE: RFP Section 3.3.3 Specimen Collection states that collection facilities should provide scheduled services Monday-Friday, five days a week. CC's response regarding 24 hour sample delivery was based on that time period.

SUGGESTED RESOLUTION: CC should have been clear in our response. As long as the drug test is completed Monday – Friday prior to the courier arriving for daily scheduled pick up, the sample will go out the same day for 24 hour delivery. Samples shipped on Friday will be scheduled for Saturday delivery. Unfortunately, if a test is completed on a Saturday or Sunday the sample will ship on a Monday. Please keep in mind that CC marks all courier shipping labels for next day delivery however CC does not have control once the sample is in the couriers care.

✓ **MDT RESPONSE:** noted.

Item #9 3.3.4 Collection Sites

CC is offering additional collection sites beyond what was requested in the RFP. Will these sites be permanent or mobile? Will these be routine collection sites or "last resort"? If "last resort" how is that defined?

RESPONSE: CC has been servicing customers within the State of Montana for over 17 years. During this time CC has established many relationships and set up several collection sites in some of the most remote locations. This has been done for the convenience of CC clients and will grow as the demand for other areas increases.

SUGGESTED RESOLUTION: The additional collection sites listed are permanent locations that clients can go into for testing. CC listed these locations so the State could see there are additional options other than what is outlined in the RFP.

✓ **MDT RESPONSE:** MDT appreciates the additional collection sites available throughout the state. The question arose because the sites listed in the current contract under "Chemnet Consortium Collection Affiliations" are only available if CC is unavailable. We will likely use the additional permanent locations listed in the proposed contract.

Item #10 3.3.5 Laboratory Services

This response didn't seem to directly answer or fully explain the issues in this RFP section.

The semi-annual reports are a requirement (they are not consistently submitted now). The on-request reports are in addition to the semi-annual reports.

RESPONSE: CC responded to this request following the 3.3.5 Response Guidelines in the RFP. All semi-annual reports are mailed out according to 49 CFR Subpart F, 40.111 by the laboratory (PAML). If for some reason MDT has not received these documents CC has not been contacted or made aware of this situation.

SUGGESTED RESOLUTION: PAML mails out semi-annual reports as outlined. If MDT does not receive these documents CC requests a communication so they can look into the situation. CC keeps copies of all semi-annual reports on file should an additional copy need to be faxed or emailed immediately.

PAML tests and stores specimens (primary and split specimens) and have in place equipment that meets DOT regulations 49 CFR Parts 40 and 382. PAML maintains pertinent records for the appropriate period of time to comply with DOT regulations 49 CFR Parts 40 and 382. PAML will supply such records to the State upon written request.

Within a two-year period, the State may also request in writing that PAML retain records for an additional period of time. (e.g. preserving for litigation or safety investigation)

In addition, PAML does have a quality control program in place that meets DOT regulations 49 CFR Parts 40 and 382

✓ **MDT RESPONSE:** noted.

Item #11 3.3.6 MRO Services

Strike "strive to" and replace with "will". See Item 3 above.

RESPONSE: CC has read through 3.3.6 Response and does not see where "strive to" has been used.

SUGGESTED RESOLUTION: See CC's response to Item #3

✓ **MDT RESPONSE:** strike the word "typically" in the Negative test result sentence.

Item #12 3.3.8 Consultation Services

Couldn't find where "answer questions and resolve problems" is addressed in the proposal.

MDT will be requiring Reasonable Suspicion Training to be done quarterly in each District. As these trainings will be scheduled under this State contract, MDT employees shall be given preference over other entities. The training space shall be adequate to comfortably seat the attendees. If the space is too crowded, non-MDT attendees will be asked to leave.

RESPONSE: CC responded to this request based on 3.3.8 Response Guidelines and does not see where "answer questions and resolve problems" is addressed. However, CC is available 24 hours a day for any questions or concerns that come up.

With regards to Reasonable Suspicion Training nowhere in the RFP does it indicate that the State will be requiring "training quarterly in each district". CC already gives MDT priority on seating to ensure MDT is able to reserve all seats necessary to complete their training needs. As indicated in 3.3.8 Response CC tries to keep attendance around 25-30 people so there is adequate space for training and everyone is able to participate. CC reserves a conference room at a local hotel providing coffee, water, muffins, cookies etc. Each room size and seating arrangement is confirmed with the hotel staff to ensure all students are seated comfortably.

CC has never been contacted or received a complaint about classroom set up or employee's being uncomfortable. CC *will not* ask any client who has arrived for training to leave the classroom.

SUGGESTED RESOLUTION: CC has provided the State with phone numbers, email addresses and fax numbers that are available should CC be needed for situational issues. Currently, CC receives an email or phone call if there is a question or problem. CC responds immediately or within the same day depending on the request. The lab and MRO are also available for any problem solving concerns.

With regards to Reasonable Suspicion Training, CC will not ask any client who has arrived for training to leave the classroom because a MDT employee feels "crowded". The CC instructor will ask everyone attending the class if they are comfortable, if there is a problem CC will immediately work towards fixing the situation, whether that include adding another table, turn the air conditioning on/off or get more chairs. CC asks that any discomfort be communicated as it has not been in the past.

If this suggestion does not work for MDT then CC recommends conducting training classes for just MDT employees only. CC can accommodate this, however, since MDT would now like training quarterly in each District (20 classes per year) verses the 6-10 we typically hold, there will be additional requests.

- Each class in each district must have a minimum of 20 people attending.
- Mileage will be charged for the instructor to travel to each district 4 times a year. This is billed at \$.50 per mile round trip, less the first 40 miles and will be added to MDT's invoice.

- CC will still incur the cost of a conference room
- CC will leave the "charge per participant" at \$25

MDT RESPONSE: MDT hires supervisors in each district at various times in the year and we agree, CC provides quality training. To date, in our five districts, CC has provided training at two sites which included MDT employees. Although MDT has been given priority seating, we have been told that the classroom is full and our option was to reschedule.

We cannot guarantee a minimum of 20 attendees at each site however, reasonable suspicion training must be available in each district quarterly. We would like the option that if the district does not need the training it would not have to be provided. To be fair to CC if we would not need the training, we would have to give ample notice to allow changes to their schedules.

FINAL RESOLUTION: *MDT has been notified in one instance that a classroom was full. This was after MDT had already provided their number for reserved seats. Regardless, CC was able to accommodate the State in that situation. "Rescheduling" in any instance would simply mean offering another class the next day in the same location. CC is currently setting dates for our next round of training locations. CC is flexible with our training schedule and set up classes based on demand from clients or response to our class schedule. Unfortunately, CC has found that offering more than 6 classes a year throughout the state does not support the expense. But please keep in mind that MDT is also free to contact us anytime if there are training needs in a specific location that we have not covered.*

If MDT would be more comfortable conducting training classes for just MDT employees CC is willing to work with the State. If the State chooses to go this route CC does request that the State take into consideration the number of attendees etc. Again, it does not support the expense for CC to incur the cost of an entire conference room for only a couple attendees. CC would request that mileage is paid as outlined in our initial response.

✓ MDT agrees to schedule our employees according to CC's training schedule with the option of MDT only training when requested, no guarantee of number of attendees but will take the numbers into consideration and we agree to pay for mileage as outlined in the initial response. If an MDT facility is available and room size sufficient we would request to use our facility for training purposes.

Item #13 5.2 Cost Proposal

We need to clarify which specific tests listed in Section 3.3.2 will be charged at which specific rates stated in the cost proposal.

RESPONSE: The fees in 5.2 Cost Proposal will apply to all tests listed in Section 3.3.2.

RESOLUTION: The fees in 5.2 Cost Proposal will apply to all tests listed in Section 3.3.2. These include pre-employment, reasonable suspicion, post accident, random, follow-up testing and other tests that may be required by changes in the DOT regulations 49 CFR Part 40 and 382.

✓ **MDT RESPONSE:** noted.

Item #14 5.2 Cost Proposal

The rates listed for After Hours, Weekends or Holidays will be the rates charged for emergency services.

RESPONSE: The rates listed for After Hours, Weekends or Holidays will be the rates charged for emergency services.

RESOLUTION: CC confirms this statement.

✓ **MDT RESPONSE:** noted.

Item #15 5.2 Cost Proposal

"Participating Agency's Site" will be deleted from Mobile testing subsection. See item #6 above.

RESOLUTION: CC confirms that "Participating Agency's Site" will be deleted from Mobile testing subsection.
Item #6 noted.

✓ **MDT RESPONSE:** noted.

Items #16 5.2 Cost Proposal

The State accepts CC's proposed "No Charge" for No-Shows. Therefore "The Contractor will be paid for all "no-shows" will be struck. The definition of no-show will remain.

RESPONSE: CC notes acceptance.

✓ **MDT RESPONSE:** noted.

SECTION 3: SCOPE OF SERVICES

3.3 DRUG AND ALCOHOL TESTING

The contractor shall provide services that are compliant with the current and as amended Federal Department of Transportation requirements listed in 49 CFR Part 40 and Part 382.

RESPONSE: The Chemnet Consortium Inc. (CC) agrees to provide services that are compliant with the current and as amended Federal Department of Transportation requirements listed in 49 CFR Part 40 and Part 382.

3.3.1 Required Functions – *The following services shall be provided by the contractor.*

<i>Drug and Alcohol Testing</i>	<i>MRO Services</i>
<i>Specimen Collection</i>	<i>Blind Performance Test</i>
<i>Management Information System</i>	<i>Reasonable Suspicion Training</i>
<i>Result Posting</i>	<i>Expert Testimony</i>
<i>Forum to Address Contractual Issues</i>	<i>Billing Services</i>
<i>Quality Courier Services</i>	<i>Laboratory Services</i>
<i>Quality Collection Sites (including Walk-In and Mobile Services)</i>	
<i>Random Pool Selection – that meets the requirements of this part.</i>	

3.3.1 RESPONSE: CC agrees to provide the following services.

Drug and Alcohol Testing - CC has been performing drug and alcohol testing according to 49 CFR Part 40 since 1995. Our main focus has always been to provide a one stop shop for clients in the State of Montana and to include stellar service at affordable prices. During our 17 years in business we have formed many solid relationships that allow us to provide options to clients who need services at a national level as well. All of our collectors are properly trained and meet all requirements outlined in 49 CFR Part 40 and 382.

Specimen Collection - CC and all of their collectors follow full chain of custody requirements as well as all guidelines set forth in 49 CFR Part 40. All of CC collectors have completed a qualification training program and a monitored proficiency demonstration as required per DOT regulations 49 CFR Part 40.33 (b-c). Each CC collector is also required to go through refresher training every 5 years in order to remain eligible to collect DOT specimens.

Management Information System – The majority of CC clients complete their own Management Information System reports online. However, if requested, CC can easily complete or assist in completing an MIS report per the guidelines set forth in 49 CFR Part 382.403.

Result Posting – CC offers our clients a wide variety of options for reporting both negative and positive results to the state agency contract or DER. Secure fax and website reporting are the two most requested reporting options. See ***Attachment A*** for reporting options and a sample of a reportable test result. CC strives to ensure all negative test results are posted within 24-48 hours from the time the sample reaches the laboratory. However, additional testing and donor contractibility will conduct the speed with which confirmed and non-confirmed positive test results are reported back to the state agency and/or DER.

Forum to Address Contractual Issues – CC is always available to address questions or concerns with their clients. One of the attributes that CC prides themselves in is the fact that we are “hands on” with our customers. Problems are resolved immediately. CC clients *never* have to deal with automated phone systems. Our response time to emails and phone messages is immediate as well as on-site customer visits. CC is here for their

customers and we truly believe the “one on one” contact and customer service is imperative in this industry.

Quality Courier Services – CC provides overnight shipment of all collected specimens via Federal Express.

Quality Collection Sites (including Walk-In and Mobile services)- All collection facilities contracted or working in association with CC are required to be trained and certified in compliance with 49 CFR Part 40 & 382. All collection facilities’ primary service centers provide temperature-controlled environments and maintain an adequate waiting room for customer use. CC offers scheduled services, welcomes walk-in service and mobile services Monday through Friday, five days per week, for eight consecutive hours per day. CC also provides 24-hour specimen collection services outside of normal business hours, Holidays and weekends.

Legal Defensible Records Management and Retention – All CC records are maintained in a secure location under controlled access at CC’s home office in Billings, MT. These documents include Chain of Custody forms, alcohol forms, invoices, random selection documents, employee updates, contract agreements and semi-annual reports. With regards to FMCSA all documents are kept through the duration as indicated in 49 CFR Part 382.401. CC maintains a very well respected relationship with all FMCSA auditors in the State of Montana. When CC is contacted for information we make certain it is received by the requestor with 24-48 hours, if not sooner.

Random Pool Selection – CC’s selection of drivers for random alcohol and controlled substance testing follows the guidelines set forth in 49 CFR Part 382.305 and Best Practices. CC uses a scientifically valid method and computer number generator program called DrugPak. See **Attachment B** for DrugPak information and sample reports. CC has the ability to combine similar testing companies into one selection pool and perform selections from that pool. CC also understands companies’ individual needs, and can provide a selection pool for each company individually. CC currently has MDT established within its own selection pool, per their request. Within this pool, the five districts are included. Random lists are generated and selected participants are listed per the district they belong to. CC has the ability to maintain this current set-up, or upon mutual agreement, change to a more fitting pool. Current quotas are 50% drug and 10% alcohol selected and tested annually.

MRO Services – CC has had a superb working relationship with University Services for over 10 years. University Services (US) is a licensed, certified reporting service with appropriate certifications and training to interpret and evaluate controlled substance testing results. CC’s partnership with University Services allows us to provide multiple reporting options to our clients in order to receive drug test results. These include, but are not limited to, online web reporting, secure fax, secure email. Again, CC brands its service with “one on one” customer contact. No automated phone systems or multiple contacts that cause clients to get “lost in the shuffle”. US assigned CC a specific representative to manage our account which ensures that CC can provide high quality service to our customers. (See **Attachment C** for MRO all Qualifications and Licenses)

Blind Performance Test – CC follows all guidelines set forth according to 49 CFR Part 40.103 for blind specimen submissions. CC currently purchases their blind quality control urine samples from RTI International (see **Attachment D**). CC is then responsible for sealing the bottles and completing the chain of custody forms for shipment to the laboratory (Pathology Associates Medical Laboratory).

Reasonable Suspicion Training – CC offers multiple training options for our customers with regards to Reasonable Suspicion Training. All meet or exceed the guidelines set forth in 49 CFR Part 382.603. The most popular option requested by our customers is our “in person” training classes which have been designed and structured based on customer demand and needs. Several times per year CC travels throughout Montana conducting training classes and meeting with its cliental. Each class is 4 hours typically running

from 8am-12pm either on-site or at a mutual meeting location paid for by CC. CC classes include an informative DVD with follow along training booklets, lecture time from our trained instructors, ancillary handouts and time for a question and answer session. CC strives to ensure all of our clients are highly educated in Reasonable Suspicion. CC has always received **high** marks and positive feedback. Our main instructor, Jeffrey D. Jones is truly respected by customers that have enrolled in his classes. CC also has a selection of training videos to assist individual training needs. These videos are available for rent.

Expert Testimony – CC maintains over 45 combined years of experience relating to Federal and State drug and alcohol testing regulations, collection services, training and education services, compliance and consultation services. CC has qualified staff available should any customer need expert testimony services. On an as-needed basis, PAML and US are also available to provide testimony for litigation and/or arbitration purposes. Fortunately, through our years in business there has not been a situation where a customer had to utilize this service.

Billing Services – CC provides detailed invoices for all clients, to include tests performed, employee name and date of service. CC currently handles all invoices for MTDOT testing and has customized the format to fit their needs. All MTDOT invoices are required to include the type of test performed, date of service and the barcode which is located on the top of the chain of custody form. Due to confidentiality reason the employee name has been omitted from the invoice per the request of MTDOT DER. (See **Attachment E** for invoice sample). The invoices are also being emailed to the MTDOT DER rather than mailed. If any customer wishes to change or customize their billing statement, CC will happily accommodate.

Laboratory Services – CC has maintained a solid working relationship with Pathology Associates Medical Laboratories (PAML), a DHHS/SAMHSA certified testing laboratory, for over 10 years. PAML, US and CC have partnered together to offer state-of-the-art drug testing service and support to our customers. PAML's expert staff provides a level of accessibility unmatched by most toxicology laboratories. They are staffed 24 hours a day, 365 days a year. Again, PAML has assigned CC a specific representative to manage our account which ensures that CC can provide quick, efficient, quality service to our customers. (See **Attachment F** for all Qualifications and Licenses)

3.3.2 Required Tests. *The drug and alcohol testing program shall include, but is not limited to the following tests and procedures:*

Pre-Employment

Reasonable Suspicion

Post Accident

Random Testing

Follow-Up Testing

Other tests that may be required by changes in the DOT regulations 49 CFR Parts 40 and 382, or by mutual agreement of the State and contractor.

3.3.2 RESPONSE: CC agrees and will provide the following tests and procedures:

Pre-Employment – CC has been doing pre-employment testing for over 17 years on an "in-office or mobile basis". CC ensures that all specimens collected are done by trained urine specimen collectors that follow 49 CFR Part 40 and 382. Samples collected will be shipped Fed Ex to ensure overnight delivery to contracted lab, PAML. All negative results are typically reported within 24 hours or less and released directly to the company DER via the reporting option requested by the customer. (Internet access, secure fax, secure email) This testing can be done at a CC collection facility or on-site.

Reasonable Suspicion - CC has been doing reasonable suspicion testing for over 17 years on an "in-office or mobile basis". CC recognizes the importance of having these

tests conducted immediately, and provides this expedited service where and when possible. CC ensures that all specimens collected are done by trained urine specimen collectors that follow 49 CFR Part 40 and 382. Samples collected will be shipped Fed Ex to ensure overnight delivery to contracted lab, PAML. CC provides 24 hour emergency services and each customer DER is provided with an emergency contact name and phone number to call. This person will assist the DER with the logistics and information needed to complete testing on a statewide basis. Again, all negative results are typically reported within 24 hours or less and released directly to the company DER. Non-negative tests will require additional or confirmation testing from the lab. The contact ability of the donor, will dictate the speed with which a non-negative test can be reported back to the DER. However, a positive alcohol test is immediately reported to the company DER via phone call and secure fax.

Post Accident – CC has been doing post accident testing for over 17 years on an “in-office or mobile basis”. CC is staffed with enough qualified specimen collectors that we can respond immediately to our customers’ emergency needs. CC provides 24 hour emergency services, 365 days out of the year. Please keep in mind that CC does respond immediately to emergency requests, however, road conditions, remote locations, weather, and other unforeseeable conditions may cause delays in this process. CC strives to do their best. CC ensures that all specimens collected are done by trained urine specimen collectors that follow 49 CFR Part 40 and 382. Samples collected will be shipped Fed Ex to ensure overnight delivery to contracted lab, PAML. All negative results are typically reported within 24 hours or less and released directly to the company DER. Non-negative tests will require additional or confirmation testing from the lab. The contact ability of the donor, will dictate the speed with which a non-negative test can be reported back to the DER. However, a positive alcohol test is immediately reported to the company DER via phone call.

Random Testing – CC has been doing random testing for over 17 years on an “in-office or mobile basis”. CC ensures that all specimens collected are done by trained urine specimen collectors that follow 49 CFR Part 40 and 382. Samples collected will be shipped Fed Ex to ensure overnight delivery to contracted lab, PAML. All negative results are typically reported within 24 hours or less and released directly to the company DER. Non-negative tests will require additional or confirmation testing from the lab. The contact ability of the donor, will dictate the speed with which a non-negative test can be reported back to the DER. However, a positive alcohol test is immediately reported to the company DER via phone call and secure fax. CC also performs random selection services for the majority of our clients. All random drug and alcohol tests completed are tracked accordingly to ensure all random quotas are met on an annual basis, semi-annual reports are accurate as well as MIS information. CC works one on one with each of their clients to ensure they are compliant and meet all standards regarding random testing.

Follow-Up Testing – CC has been doing follow-up for over 17 years on an “in-office or mobile basis”. CC ensures that all specimens collected are done by trained urine specimen collectors that follow 49 CFR Part 40 and 382. Samples collected will be shipped Fed Ex to ensure overnight delivery to contracted lab, PAML. All negative results are typically reported within 24 hours or less and released directly to the company DER. Non-negative tests will require additional or confirmation testing from the lab. The contact ability of the donor, will dictate the speed with which a non-negative test can be reported back to the DER. However, a positive alcohol test is immediately reported to the company DER via phone call. All follow-up testing is done as an “observed collection” per DOT’s 49 CFR Part 40. CC ensures that all observed collections are done by a “same gender” collector. When completing a follow-up observed collection CC makes certain that the observer requests the employee to raise his or her shirt, blouse or dress / skirt, as appropriate, above the waist, just above the navel; and lower clothing and

underpants to mid-thigh and show the observer, by turning around, that the employee does not have a prosthetic or other device designed to carry "clean urine".

Other tests that may be required by changes in the DOT regulations 49 CFR Part 40 and 382 or by mutual agreement of the State and contractor – CC's knowledge and expertise in the federal drug and alcohol testing regulations allows us to remain flexible to changes as they occur. CC takes pride in their existing relationships and feels it is important to work one on one with each DER. Customizing a plan that works best for our customers yet remains within the boundaries and rules of the federal regulations is all part of CC's business model. CC will have no problems conducting other testing that may either be required by DOT or requested by the customer.

3.3.3 Specimen Collection. *The contractor shall provide primary collection sites that meet the requirements in 49 CFR Part 40 for collecting and storing urine specimens and testing for drugs and alcohol off-site from participating state agency work sites, and ensure confidentiality. The contractor may not use the state restroom facilities for urine specimen collections. Collection sites should be located within 30 minutes of the work sites listed in Section 3.3.4. In remote areas where collection facilities are not within 30 minutes, or when performing collections after regular work hours for reasonable suspicion or post-accident testing, the contractor may use a mobile collection vehicle or on-site collection facilities if all conditions of the facilities and privacy, confidentiality, and chain of custody are met.*

Collection and testing sites must be acceptable to the State and be mutually agreed upon by the State and the contractor before the collection site can become a permanent site for this contract.

Collection facilities shall provide scheduled service Monday through Friday, five days per week, for a minimum of eight consecutive hours per day with hours between 7:00 AM through 7:00 PM. The contractor shall also provide a 24-hour specimen collection for post-accident and reasonable suspicion testing on an as-needed basis. The contractor shall supply an emergency telephone number for each collection facility to provide specimen collection services after regular office hours.

Collection site personnel shall be trained in compliance with 49 CFR Parts 40 and 382 and shall be regularly engaged in the business of providing the required controlled substances and alcohol testing. The facilities engaged in the testing shall have a temperature-controlled environment and provide an adequate waiting room for State employees.

State employees shall not be required to wait more than 30 minutes from check in for the scheduled test to begin. Post accident and reasonable suspicion tests shall begin within 15 minutes of the employee's arrival at the collection site. The contractor shall provide adequate parking near the facility.

The contractor shall provide over night transportation for all specimens to the appropriate testing laboratory.

The contractor shall submit blind performance test specimens to the laboratory in accordance with Federal regulations.

Sites for alcohol testing shall have trained Breath Alcohol Technicians (BAT) meeting DOT regulations 49 CFR Parts 40 and 382. Evidential Breath Testing (EBT) and

calibration devices and procedures must meet the specifications cited in 49 CFR Parts 40 and Part 382.

3.3.3 RESPONSE: All of CC's primary collection sites meet the requirements in 49 CFR Part 40 for collecting and storing urine specimens and testing for drugs and alcohol off-site from participating state agency work sites, and to ensure confidentiality. All collection facilities contracted or working in association with CC are trained and certified in compliance with 49 CFR Part 40 & 382. All collection facilities provide temperature-controlled environments and maintain an adequate waiting room for customer use. CC offers scheduled services, welcomes walk-in service and mobile services Monday through Friday, five days per week, for eight consecutive hours per day. CC also provides 24-hour specimen collection services outside of normal business hours, Holidays and weekends.

All CC collection sites follow the specimen collection procedures as outlined in 49 CFR Part 40.61 – 40.73 Subpart E. These procedures are followed for all testing conducted at CC. (Pre-employment, Reasonable Suspicion, Post Accident, Random, Follow-up etc) *Prior* to performing a specimen collection at CC testing sites each of the following is completed:

- All water sources are secured and made unavailable to employees;
- Toilet water is colored blue
- Soap, cleaning agents and other possible adulterants are removed from area;
- All sites are cleared of foreign or unauthorized substances;
- Security tape is used to seal the toilet tank as well as bluing in the tank;
- All areas are secured that are suitable for concealing adulterants (shelves, trash cans)
- *This list is followed and completed after each specimen collection.*

When a client arrives for his test they are taken to a private exam room to ensure confidentiality throughout the collection process. Below is a list of procedures that are followed during the specimen collection process. *(Please note these are highlights of the actual collection process, the actual event is very detailed and again, CC ensures all processes are followed according to the federal regulations)*

- Employee is asked to provide a photo ID or be identified by an employer representative.
- Collector provides their ID if requested by the donor
- The collection process is explained to the employee, in addition to showing them the instructions on the back of the CCF.
- Each employee is instructed to remove their outer clothing (coats, hats etc), they are also asked to leave purses and personal belongings. These items are left in a secured location. (employee is allowed to keep their wallet)
- CC does provide a receipt for the belongings if asked
- Employee is asked to empty their pockets to display items to the collector to ensure no adulterants are present.
- Employee is instructed not to list medications on the CCF however they are allowed to list them on the employee copy for their own reference.
- Prior to providing a urine sample the employee is asked to complete Step 1 of the CCF
- The employee is then instructed to wash their hands with soap and water
- The employee is then asked to select an individually sealed collection container. The *container* is unwrapped and seals broken in presence of the employee.

- The employee is instructed to go into the restroom with the collection container and provide a urine specimen of at least 45 mL, do not flush the toilet and return to the collector with the specimen immediately after the employee has voided.
- Each collector sets a reasonable time for voiding and pays careful attention to the employee throughout the entire process. Making special note to any attempt to tampering with the specimen.
- Once the specimen is received by the collector they ensure the employee has provided at least 45 mL of urine. Any excess is discarded
- The temperature is immediately checked to make certain it is acceptable range and then marked accordingly on Step 2 of the CCF
- The collector also inspects the specimen for unusual color, order or signs of tampering
- Once all is approved the collector breaks the seals on the specimen bottles in the presence of the employee. 30 mL is poured into the first bottle and 15 mL is poured into the second bottle, securing the lids and placing temper-evident tape over the caps and down the sides
- The collector then dates the seals and the employee initials the tamper-evident bottle seals
- The employee is asked to read and sign Copy 2 (Step 5) of the CCF
- The collector completes Step 4 of the CCF and ensures all copies are legible
- Copy 5 of the CCF is given to the employee
- Copy 1 of the CCF and the bottles are placed in the plastic pouch provided in the sealed collection container and secured
- At this point the employee is instructed that they can leave the collection site

CC is very strict about following full chain of custody. Once the above process is completed the specimen is immediately sealed in a Fed Ex shipping container and placed in a secured location until the courier arrives to pick up the package. All samples are shipped the same day to ensure 24 hour delivery.

All CC locations have policies and procedures to prevent unauthorized personnel from entering any part of the collection site where testing is taking place or samples are stored.

CC uses only DOT Federal Testing Custody and Control Forms as outlined in 49 CFR Part 40 (Subpart D 40.45) for DOT testing. (See *Attachment G* for samples, as well as FDA approved urine collection kit provided in RFP package)

In addition to in-office collections CC offers mobile services in any location throughout Montana. All clients are instructed to contact our main office in Billings, MT to arrange these services. 406-256-2037

CC provides 24-hour specimen collection services for post-accident and reasonable suspicion testing, as needed. CC provides an emergency telephone number for available personnel to assist in coordinating collection needs.

CC completes all reasonable suspicion testing immediately upon arrival at the collection site. Post accident testing is also treated with the same urgency and CC fully understands the importance of time frame as outlined in 49 CFR Part 382.303.

3.3.4 Collection Sites. *The contractor must maintain collections sites in the following cities:*

- *District One – Missoula, Phillipsburg, Hamilton, Superior, Plains and Kalispell*
- *District Two – Butte, Bozeman, Helena, and Livingston*

- *District Three- Great Falls, Havre and Shelby*
- *District Four- Glasgow, Malta, Baker, Broadus and Wolf Point*
- *District Five- Billings and Lewistown*

Mobile services must be available to the following minimum locations:

- *District One- Libby, Polson, Ronan, Whitefish, Thompson Falls and Eureka*
- *District Two – Dillon, Ennis, and White Sulphur Springs*
- *District Three – Chester and Browning*
- *District Four – Scobey, Miles City and Malta*
- *District Five – Bridger and Hardin*

3.3.4 RESPONSE: CC maintains either through contractual services or association, collection sites in the following cities:

- District One – Missoula, Phillipsburg, Hamilton, Superior, Plains and Kalispell
- District Two – Butte, Bozeman, Helena, and Livingston
- District Three- Great Falls, Havre and Shelby
- District Four- Glasgow, Malta, Baker, Broadus and Wolf Point
- District Five- Billings and Lewistown

Attachment H lists specifics for each location

CC has the ability to conduct mobile services in the following locations however CC also has established clinical services in the majority of these sites for convenience of our clients:

- District One- Libby, Polson, Ronan, Whitefish, Thompson Falls and Eureka
- District Two – Dillon, Ennis, and White Sulphur Springs
- District Three – Chester and Browning
- District Four – Scobey, Miles City and Malta
- District Five – Bridger and Hardin

Attachment H lists specifics for each location

3.3.5 Laboratory Services. *The laboratory utilized by contractor shall be currently certified by DHHS/SAMHSA (Department of Health and Human Services). The laboratory shall test and store specimens (primary and split specimens) and have in place equipment that meets DOT regulations 49 CFR Parts 40 and 382. The laboratory shall maintain pertinent records for the appropriate period of time to comply with DOT regulations 49 CFR Parts 40 and 382, and shall supply such records to the participating state agency contact upon written request. The contact information is required to be filled out at the time the sample is taken and must be legible.*

The laboratory shall prepare and provide to each participating state agency contact, semi-annual reports within 20 days of the period end, summarizing the testing and prepare a detailed calendar year ending summary of all test results for employer drug testing programs, according to DOT regulations 49 CFR Parts 40 and 382.

The laboratory shall have a quality control program in accordance with DOT regulations 49 CFR Parts 40 and 382.

It is the contractor's responsibility to ensure that the laboratories they use comply with all contract requirements.

3.3.5 RESPONSE: CC maintains a working relationship with Pathology Associates Medical Laboratory (PAML). PAML is a licensed laboratory certified by the College of American Pathology and all sciences as well as forensic certification for urine drug testing for substance abuse testing. (See *Attachment F*)

PAML is directed by a pathologist and staffs several professionals that include Ph.D. and M.D. toxicologist licensures. (See *Attachment F*)

PAML is a DHHS/SAMHSA (Department of Health and Human Services) certified testing laboratory. PAML complies with DOT regulations 49 CFR Part 40 SubPart F including specimen storage, record retention, testing and reporting methods. (See *Attachment F*)

3.3.6 Medical Review Officer (MRO) Services. *The contractor shall provide, as part of their services, a Certified Medical Review Officer. The MRO shall be a licensed physician with knowledge of substance abuse disorders and have appropriate medical training necessary to interpret and evaluate controlled substances test results. The MRO shall be certified in accordance with DOT regulations 49 CFR Parts 40 and 382.*

Confirmed test results shall be provided to the State program administrator or designee immediately upon confirmation by the MRO, but not later than 72 hours after receipt of the specimen by the laboratory. The contractor must inform the state agency if turnaround time for positive test result confirmation will exceed 72 hours.

3.3.6 RESPONSE: CC has been in partnership with University Services (US) for over 10 years. US is certified in accordance with DOT regulations 49 CFR Parts 40 and 382 through MROCC (Medical Review Officer Certification Counsel). MROCC's Physician Board was founded in 1992 with representation from a variety of medical specialties and associations including:

- The American College of Occupational and Environmental Medicine
- The American Society of Addiction Medicine
- The American College of Medical Toxicology
- The American Academy of Clinical Toxicology
- The College of American Pathologists
- The American Medical Association

See *Attachment C* for certification documentation and resumes.

Through CC's partnership with US and PAML we all work closely together to ensure clients get their test results as quickly as possible. *Negative* test results are typically reported back to the DER in 24-48 hours, given the odd exception of weather delays, or other unforeseeable complication. *Confirmed Positive* test result reporting is done as per a timetable attributable directly to the donor. A donor has a 72 hour window to contact the MRO once the MRO receives the laboratory results and the DER has contacted the donor to inform that person of the MRO's need to discuss the results. (49 CFR Part 40.133(a)(2)). CC will also step in and assist when needed to expedite this process as quickly as possible. *Split Samples* are also handled according 49 CFR Part 40.153. US will inform the employee that he/she has 72 hours from the time they are notified of a positive test and request a split specimen. US are fully staffed around the clock, 365 days a year to accept all communications with regards to positive and split sample requests.

3.3.7 Reports. *All drug and alcohol test results shall be forwarded to the state agency contact or designee on a daily basis via confidential means. The contractor shall ensure*

that all drug and alcohol tests have a maximum of 72 hours turn-around time for test results.

3.3.7 RESPONSE. CC has a variety of options for reporting both negative and positive test results to the state agency contact or DER. Secure fax and website reporting are the two most requested reporting options. See *Attachment A* for reporting options and a sample of reportable test result.

CC shall ensure all tests are reported back to state agency contact or DER as soon as the test results are available. (CC strives to report *negative* results within 24-48 hours).

Again, additional testing, and donor contractibility will conduct the speed with which a confirmed and non-confirmed positive test results are reported back to state agency contact and/or DER.

CC currently holds the MTDOT contract and works one on one with Linda McKinney and Laurie Edwards. Per their request test results are being received via website reporting. Both ladies are assigned a username/password and can retrieve MTDOT test results at any time. If for some reason there is a question on a result etc. they contact Laurie Starr-Jones either by email or phone. Response and resolution, if needed, is typically done within minutes.

3.3.8 Consultation Services. *The contractor shall be required to provide training and consultation services on an as-needed basis in the following areas:*

- The laboratory's corporate account manger (or designee) must be available to the participating state agencies on a daily basis, to answer questions and resolve problems. The contractor shall bill each participating state agency separately for testing and record keeping services rendered.*
- Provide expert testimony on all matters related to Reasonable Suspicion training and Drug and Alcohol Testing on an as-needed basis by participating state agencies.*
- Upon request, prepare a litigation package to include copies of all chain of custody documents, batch specimen review sheets, GC/MS data review file (graphic charts), resumes and credentials of all technicians involved in testing of specimens, laboratory testing reports to include the initial immunoassay screen and conformation gas chromatography/mass spectrometry test.*
- Reasonable Suspicion training must be provided.*

Consultation services shall be provided by the contractor only on a pre-approved basis at the request of the participating state agency contact or designee. Upon receipt of an acceptable invoice with supporting documentation, the State will reimburse the contractor for authorized travel costs based upon established State lodging and per diem rates. Detailed rate information can be found at <http://doa.mt.gov/doatravel/default.mcp>.

The participating state agency has the option to review all training materials prior to use.

3.3.8 RESPONSE. Consultation services to state agency contact or DER is available (see *Attachment I* for contact information) as follows:

- CC – 24 hour contact number for emergency call-out, result tracking and/or consultation on situational issues.

- Lab Services – 24 hour contact number for all result tracking and/or consultation on situational issues. (PAML is available 24 hours a day, 365 days a year)
- MRO Services – 24 hour contact number for all result tracking and/or consultation on situational issues. (US is available 24 hours a day, 365 days a year)

On an as-needed basis PAML, US and CC are available to provide testimony for litigation and/or arbitration purposes. Fees and associated costs vary depending on situation and extent of legal needs. PAML and US are able to provide litigation packages consisting of all pertinent and necessary documents, specimen review sheets and charts, resumes and credentials. Packages will be provided in a timely manner once request has been received.

CC also offers the following:

Reasonable Suspicion Training – CC offers multiple training options for our customers with regards to Reasonable Suspicion Training. All meet or exceed the guidelines set forth in 49 CFR Part 382.603. The most popular option requested by our customers is our “in person” training classes which have been designed and structured around our customer needs. (See *Attachment J* “What DOT Supervisors Need to Know About Reasonable Suspicion Testing”) At a minimum of 6 times per year CC travels throughout Montana conducting training classes and meeting with its cliental. Each CC customer is notified, in writing, at least one month in advance so they can plan accordingly. CC is already servicing MTDOT training needs and will email Linda McKinney or Laurie Edwards immediately upon schedule completion to ensure MTDOT is able to reserve all the seats necessary to complete their training needs. CC tries to keep class attendance around 25-30 people to ensure everyone is able to participate and ask questions without running out of time. Although the minimum requirement is 60 minutes of training for Controlled Substances and 60 minutes of training for Alcohol Supplement, CC runs each class for 4 hours. Through our years of training we have found that clients want more information, have questions, and want to feel comfortable leaving a class fully informed. Per the request of our customers we have extended our class to 4 hours to ensure nobody feels rushed or bombarded with information in a short period of time. This plan has been in place for 8 years and has been very successful.

CC typically runs class from 8am-12pm either on-site or at a mutual meeting location paid for by CC. CC classes include an informative DVD with follow along training booklets, lecture time from our trained instructors, ancillary handouts and time for a question and answer session. Each participant receives a certificate of completion once they have completed the course. CC strives to ensure all of our clients are highly educated in Reasonable Suspicion. CC has always received *high* marks and positive feed-back. Our instructor Jeff D. Jones is truly respected by customers that have enrolled in his classes. CC also has a selection of training videos to assist individual training needs. These videos are available for rent. (See *Attachment K* for additional training curriculum and materials)

Employee Orientation – As needed CC is available to attend employee orientation or employee education meetings. CC does not have a curriculum for this particular service as our staff is well educated and knowledgeable with all federal and state regulations. In addition, our clients have typically requested us to provide educational hand outs, discuss the collections process, our role as a consortium and handle question and answer sessions. CC does not charge for this service.

Policy Review – CC has been writing company Alcohol and Controlled Substance Abuse Policies for 17 years. As-needed CC is also available to meet with company DER's or contacts to review any existing policies they have in place to ensure it fulfills all of the policy components required by the controlled substances and alcohol rule 382.601.

CC is very flexible and encourages one on one contact and communication with our customers. CC is available to meet, educate, interact or just mingle at local safety conventions. CC is very pro-active and always makes time should one of our clients request our services.

3.3.9 Record Retention. *The contractor shall maintain records, documents, and other files directly related to the performance of work under this agreement in accordance with DOT regulations 49 CFR Part 40 and 382 and accepted professional practice and appropriate accounting procedures.*

The contractor shall provide any and all records produced or held in execution of this agreement within 10 days of written notice by a participating state agency.

3.3.9 RESPONSE. All CC records are maintained in a secure location under controlled access at CC's home office in Billings, MT. These documents include Chain of Custody forms, alcohol forms, invoices, random selection documents, employee updates, contract agreements and semi-annual reports. With regards to FMCSA all documents are kept through the duration as indicated in 49 CFR Part 382.401. CC maintains a very well respected relationship with all FMCSA auditors in the State of Montana. When CC is contacted for information we make certain it is received by the requestor within 24-48 hours, if not sooner. No information relating to this contract or employee testing will be released to any person aside from the contracting agency contact or DER without written consent from the state agency. CC will provide any and all requested records and material to the requester within ten days of written notice by participating state agency contact or DER.

SECTION 4: OFFEROR QUALIFICATIONS

4.2.1 Client Reference Form. *Offeror shall provide complete and separate Appendix C, Client Reference Form, for five references that are using or have used services of the type proposed in this RFP. The references may include state governments or universities for whom the offeror, preferably within the last three years, has successfully administered a drug and alcohol testing program. A responsible party of the organization for which the services were provided to the client (the offeror's customer) must provide the reference information and must sign and date the form. It is the offeror's responsibility to ensure that the completed forms are submitted with the proposal by the submission date, for inclusion in the evaluation process. Any Client Reference Forms that are not received or are not completed, may adversely affect the offeror's score in the evaluation process. Client Reference Forms exceeding the specified number will not be considered. The State may contact the client references for validation of the information provided in the Client Reference Forms. If the State finds erroneous information, evaluation points may be deducted or the proposal may be rejected.*

4.2.1 RESPONSE: Please see *Attached Envelope Labeled References for RFP12-2262P*

4.2.2 Company Profile and Experience. *Offeror shall provide documentation establishing the individual or company submitting the proposal has the qualifications and experience to provide the services specified in this RFP, including, at a minimum:*

- *A general description of the firm including its primary source of business, organizational structure and size, number of employees, years of experience performing services similar to those described within this RFP.*
- *A detailed description of any similar past projects, including the service type and dates the services were provided.*
- *The client for whom the services were provided*

4.2.2 RESPONSE: CC is a private Montana owned business that has been performing drug and alcohol testing according to 49 CFR Part 40 since 1995. Our main focus has always been to provide a one stop shop for clients in the State of Montana and to include stellar service at affordable prices. During our 17 years in business we have formed many solid relationships that allow us to provide options to clients who need services at a national level as well. All of our collectors are properly trained and meet all requirements outlined in 49 CFR Part 40 and 382.

CC has a corporate staff that includes:

- Laurie Starr-Jones, Owner/President
- Deanna Schwehr, VP of Operations
- Jeffrey D. Jones, VP of Training & Education

Business Location:

THE CHEMNET CONSORTIUM INC
1302 Avenue D, Suite 103
Billings, MT 59102
Phone: 406-256-2037
Fax: 888-765-8677
Contact: Laurie Starr-Jones

Email: laurie@mtchemnet.com

CC currently manages full service Drug and Alcohol testing programs for over 1700+ companies. These companies vary in size from single owner/operator businesses to larger business organizations including county road departments, mine sites and state contracts such as the Montana Department of Transportation.

CC has been a member of the Drug & Alcohol Testing Industry Association (DATIA) for a number of years and is also Nationally Accredited for Administration of Drug and Alcohol Testing Programs. (See *Attachment L*)

CC has the unique position of currently maintaining the contract with the State to provide drug and alcohol collections. CC's relationship with the State has been ongoing for over 13 years. Essentially, CC is capable of providing a complete testing program per this RFP immediately. The process to begin this RFP will have zero impact on day-to-day business of companies associated with this RFP. CC has already in place:

- A random selection program management system with MDT employees already included; CC maintains a separate random selection pool for MDT employees and can readily begin pool selection immediately.
- Each of our contracted offices currently maintains in stock all supplies necessary to conduct testing, including pre-printed CCF's, collection containers, Fed Ex packets and labels. All of our offices are fully versed with the procedures for collecting and processing test specimens required by this RFP.
- Accounts are currently in place with the lab (PAML) and MRO (University Services). Reporting options are already established and set up, minimizing the turnaround time for test results once the program begins.
- CC currently has a Reasonable Suspicion Training curriculum that has been approved by the State management personnel.
- All of the associated clinic locations have previously done testing for participants of this RFP. Therefore, they too are familiar with how to process samples and paperwork for collections pertinent to this RFP.

CC has a very tight relationship with all of their clients as well as the FMCSA State auditors. As a Montana based company we feel it is very important to take care of the folks within our State, do business with the folks in our State and maintain a business to be proud of.

4.2.3 Resumes: *A resume or summary of qualifications, work experience, education, and skills must be provided for all key personnel, including any subcontractors, who will be performing any aspects of the contract. Include years of experience providing services similar to those required; education and certifications where applicable. Identify what role each person would fulfill in performing work identified in this RFP. Provide an organizational chart showing the staffing and lines of authority for key personnel within your organization.*

4.2.3 RESPONSE: CC requires all staff personnel and contracted service providers to maintain current qualifications to obtain urine specimen collections (49 CFR Part 40.33) and for alcohol breath testing (49 CFR Part 40.213). Urine specimen collection qualification training is done through in-person or on-line training courses and evaluated mock collection training. Alcohol breath testing also consists of in-person or on-line courses as well.

Key Personnel

- **Laurie Starr-Jones** – Laurie started the CC business from the ground up in 1995 with then partner, Kim Anderson. Laurie took over full ownership in 2005 and now oversees all aspects of CC's business. This includes program management, accounting, quality control, marketing and training. Laurie has been in the business for over 20 years and is also a qualified Urine Specimen Collector, Breath Alcohol Technician and Trainer for all aspects of the business.
- **DeAnna Schwehr** – DeAnna has been working with CC for over 14 years as a qualified drug and alcohol collector. She does mobile, in office, weekend and Holiday collections for all CC customers. Over the past 2 years DeAnna has also focused a lot of time working in our office as VP of Operations, overseeing all other CC collection sites, troubleshooting, handling customer requests etc. DeAnna is very loyal and dedicated to doing her best to ensure CC customers are happy.
- **Jeff D. Jones** – Jeff has been VP of Training & Education since 2007. Prior to joining CC Jeff was a Survival Instructor for the United States Air Force as well as a trainer for the Transportation Security Administration. Jeff is a very well respected educator within our industry and has received countless positive reviews about the Supervisor Training Course he offers through CC. Jeff is also a qualified Urine Specimen Collector, Breath Alcohol Technician and Trainer for all aspects of the business.
- **Joey Starr** – Joey has been with CC since 2009. Joey is responsible for all record upkeep, customer announcements, assisting corporate staff, maintaining testing logs and ensuring all company communications are received by staff, contractors and customers. Joey has been a great asset to CC.

Subcontractors

- **Bernice Mellem** – Bernice has been working with CC from inception in 1995. Bernice covers all CC drug and alcohol testing in the Kalispell and surrounding areas. Bernice owns her own company, Valley Medical Services, which specializes in a variety of medical services. (clinical blood draws, drug & alcohol testing, insurance physicals etc) Bernice has two other qualified collectors that work for her at Valley Medical. Bernice is a qualified urine specimen collector, breath alcohol technician and received her nursing degree in 1971. Bernice is an exceptional partner in this business and strives to always provide the best service possible.
- **Veronica Price** – Veronica (Ronnie) has been working with CC from inception in 1995. Ronnie covers all CC drug and alcohol testing in the Butte and surrounding areas. Ronnie is Owner/President of, Pro-Med Services, which specializes in drug and alcohol testing services. Ronnie is a qualified urine specimen collector, breath alcohol technician, certified phlebotomist and certified trainer. In addition to Ronnie, Pro-Med Services has three additional qualified collectors. Ronnie goes above and beyond to ensure all CC customers are well taken care of and all their testing needs satisfied. Ronnie has been very loyal and is a true asset to the CC team. Together through the years we have formed a great friendship on top of a superior business relationship.
- **Kamai Verworn** – Kamia has been working with CC for almost 8 years. Kamai initially started as an office manager for Missoula Medical which

has been with CC from inception in 1995. Kamai had the opportunity about 2 years ago to purchase Missoula Medical. Now Kamai is currently the owner/president of Missoula Medical Services which continues to work in partnership with CC to cover drug and alcohol testing in Missoula and surrounding areas. Kamai is a qualified urine specimen collector, breath alcohol technician and certified phlebotomist. Kamai has two other collectors that work with her in Missoula.

- **Dr. Sheridan Jones** – Dr. Jones has worked with CC for a little over 1 year. Dr. Jones has a doctorate in chiropractic medicine and is partnered with Montana Workcare to perform drug and alcohol collections. Dr. Jones/Montana Workcare currently provides testing services for CC in Helena and surrounding areas. Dr. Jones and his team have been a great addition to the CC team and offer professional, quality service to all CC customers.
- **Theresa Rogers** – Theresa has been working with CC for over 4 years and currently owns Great Falls Medical Services. Theresa is a qualified urine specimen collector, breath alcohol technician, certified phlebotomist as well as a certified message therapist. Theresa also owned a very successful consulting firm from 1999-2008. Theresa and her team at Great Falls Medical cover all CC collection services in the Great Falls and surrounding areas. Theresa brings to the table an enormous amount of knowledge in the drug testing industry as well as superior service to CC clients.
- **Amy Cline** – Amy has been working with CC for over 6 years. Amy is the owner/president of Tri-Med Services in Bozeman. Amy and her staff cover all CC drug and alcohol testing in the Bozeman and surrounding areas. Amy is a qualified urine specimen collector, breath alcohol technician and certified phlebotomist. She works hard to ensure all guidelines are followed according to the DOT regulations and is a great asset to the CC team.
- **Debbie Pratt** – Debbie has been working with CC from inception in 1995. Debbie is owner/president of Lewistown Paramedical and performs testing services for all of CC customers in Lewistown and surrounding areas. Debbie is a qualified urine specimen collector, breath alcohol technician and a certified lab technician. Debbie provides outstanding service to all CC clients and goes above and beyond to get the job done.
- **Rema Schelm** – Rema has been working with CC for over 9 years. Rema currently works out of our Billings office and is a qualified urine specimen collector, breath alcohol technician and certified phlebotomist. Rema is an outstanding member of our CC team and works around the clock to ensure all clients get their testing done. Her flexible schedule and positive attitude is a perfect fit to our CC team.
- **Yvonne DeTienne** – Yvonne has been working with CC for over 7 years and currently handles all CC testing in the Sidney and surrounding area. Yvonne is a qualified urine specimen collector and breath alcohol technician. Yvonne dedicates the majority of her time performing mobile testing services to CC clients, although she does do in office testing as well. She maintains a very flexible schedule and continues to offer outstanding service to CC clients.
- **Dr. Danny Stanley** – Dr. Stanley is a new member of the CC team and will be taking over all CC drug and alcohol testing in the Miles City area.

Dr. Stanley has a doctorate in chiropractic medicine and is also part of Montana Workcare. Dr. Stanley and his team will be providing and full service walk in facility where CC clients can go to complete testing. Dr. Stanley is a qualified urine specimen collector and is in the process of completing his breath alcohol technician training.

- **Tom Frank** – Tom has been working with CC for over 8 years. Tom currently handles all drug and alcohol testing in the Miles City area however he is planning on moving to the Kalispell area, where we plan to continue utilizing his services. Currently Tom is assisting in the transition to Dr. Stanley's office to ensure all CC customers feel little or no impact of the transition. Tom is a qualified urine specimen collector and breath alcohol technician and a wonderful asset to the CC team.

As you can see from the information listed above all of CC subcontractors and key personnel have worked with CC for many years. These are all solid, respected professional relationships and folks we consider friends and family. CC has the same long lasting relationships with their customers and is proud to say the majority of our clients have been with us many years. (See *Attachment M* for drug and alcohol certificates and organizational chart)

SECTION 5: COST PROPOSAL

5.1.1 Initial Drug Tests (including all those referenced in Section 3.3.2). *Total cost per test must include all of the following services.*

Ongoing Administrative Services including but not limited to:

- Database management forms
- Data Entry
- Drug Testing plan and policy
- Random Selection
- Quarterly Statistical Reporting
- Laboratory Services
- Record keeping
- Collection fees

Medical Review Officer (MRO) Services including but not limited to:

Quality assurance review of the drug testing process for the specimens, determining legitimate medical explanations for laboratory confirmed positive, adulterated, substituted and invalid drug test results, ensuring the timely flow of test results and other information and protecting the confidentiality of the drug testing information.

5.1.1 RESPONSE: CC concurs that all per test fees indicated in **5.2 Fee Schedule** include the following:

Ongoing Administrative Services including but not limited to:

- Database management forms
- Data Entry
- Drug Testing plan and policy
- Random Selection
- Quarterly Statistical Reporting
- Laboratory Services
- Record keeping
- Collection fees

Medical Review Officer (MRO) Services including but not limited to:

Quality assurance review of the drug testing process for the specimens, determining legitimate medical explanations for laboratory confirmed positive, adulterated, substituted and invalid drug test results, ensuring the timely flow of test results and other information and protecting the confidentiality of the drug testing information.

5.1.2 Supervisor and Employee Training (On-Site). *Written/visual (must specify)*

5.1.2 RESPONSE: Fees for on-site training include an individual participant fee which is given on the **5.2 Fee Schedule**. Fees include:

- Classroom set up and tear down
- All electronic equipment including laptop, PowerPoint projector, overhead projector, video recording equipment, television monitor/screen, DVD player

- All participant books, handouts, including slide presentation material, ancillary handouts, contact forms, business cards and certifications.

5.1.3 Confirmation Drug Tests. *Including all those referenced in Section 3.3*

5.1.3 RESPONSE: All fees for drug confirmation testing, including those referenced in Section 3.3, are in the per drug test fee listed on the **5.2 Fee Schedule**.

5.1.4 Alcohol Tests. *Referenced in Section 3.3*

5.1.4 RESPONSE: All fees for alcohol testing, including those referenced in Section 3.3, are listed on the **5.2 Fee Schedule** as individual fees. Each fee will include:

- Data Entry
- Technician Services
- Record Keeping
- Testing fees
- Reporting to DER test results

5.1.5 Reasonable Suspicion Training. *Provide a per capita or per class estimate for this service. Travel expenses for instructors would be reimbursed if classroom training is proposed. If written or video or other medium is proposed, include the cost for materials. Price this item separately. This service may or may not be used by any or all of the participating employers.*

5.1.5 RESPONSE: Fees for on-site training include an individual participant fee which is given on the **5.2 Fee Schedule**. Fees include:

- Classroom set up and tear down
- All electronic equipment including laptop, PowerPoint projector, overhead projector, video recording equipment, television monitor/screen, DVD player
- All participant books, handouts, including slide presentation material, ancillary handouts, contact forms, business cards and certifications.

CC also has available to customers a training DVD that meets all minimum requirements set forth in the regulations. This DVD can be rented for week blocks at a cost of **\$50.00 per week**. This cost includes any and all participants who view the video. Certificates are available from CC provided the DER supplies CC with an attendance list with participants printed name, and signature indicating attendance or participation in the viewing of the video. These certificates are included in the rental fee.

5.1.6 Travel Expenses. *Upon receipt of an acceptable invoice with supporting documentation, the State will reimburse the contractor for authorized travel costs based upon established State lodging and per diem rates. Detailed rate information can be found at <http://doa.mt.gov/doatravel/default.mcp.x>.*

5.1.6 RESPONSE: CC understands and agrees to the given travel expense rates explained in this RFP and outlined at <http://doa.mt.gov/doatravel/default.mcp.x>.

THE CHEMNET CONSORTIUM INC. COLLECTION SITES

DISTRICT ONE

MISSOULA

Kamai Verworn – Owner
Missoula Medical Services
1805 Bancroft
Missoula, MT 59801
406-543-6850
406-543-6970 fax
24 Hour Services

HAMILTON

Dr. Golie - Owner
Hamilton Family Chiropractic
120 South 5th Street, Ste 102
Hamilton, MT 59805
406-375-0800 (Monday-Friday)
406-256-2037 **24 Hour Services**

PLAINS

Clinical Lab
Clark Fork Valley Clinic
Kruger Road
Plains, MT 59859
406-826-4812 (Monday-Friday)
406-256-2037 **24 Hour Services**

KALISPELL

Bernice Mellem - Owner
Valley Medical Services
2425 Hwy 2E
Kalispell, MT 59901
406-257-1680
406-257-3264 fax
24 Hour Services

PHILLIPSBURG

Stephanie Bowers - Lab
Granite Co. Hospital
310 Sansome
Phillipsburg, MT 59858
406-859-3271 (Monday-Friday)
406-256-2037 **24 Hour Services**

SUPERIOR

Clinical Lab
Mineral Community Hospital
1208 6th Avenue E
Superior, MT 59872
406-722-4841 (Monday-Friday)
406-256-2037 **24 Hour Services**

DISTRICT TWO

BUTTE

Ronnie Price – Owner
Pro-Med Service
505 West Park
Butte, MT 59701
406-723-8238
406-782-6243 fax
24 Hour Services

HELENA

Dr. Sheridan Jones
Montana Workcare
3180 Dredge Dr., Ste C
Helena, MT 59602
406-449-2116
406-513-1027 fax
24 Hour Services

BOZEMAN

Amy Cline - Owner
Tri-Med Services
2075 Charlotte St, Ste 1
Bozeman, MT 59718
406-585-3301
406-585-3304 fax
24 Hour Services

LIVINGSTON

Roberta Gehrke
Independent Collector
2464 E. River Road
Livingston, MT 59047
406-222-6800
24 Hour Services

THE CHEMNET CONSORTIUM INC. COLLECTION SITES

DISTRICT THREE

GREAT FALLS

Teresa Rogers – Owner
Great Falls Medical Services
1201 Central Avenue
Great Falls, MT 59404
406-454-3247
406-454-0718 fax
24 Hour Services

HAVRE

Clinical Lab
Northern Montana Hospital
30 13th Street
Havre, MT 59501
406-265-2211 (Monday – Friday)
406-256-2037 **24 Hour Services**

SHELBY

Clinical Lab
Marias Health Care
50 Sheridan Avenue
Shelby, MT 59474
406-434-3100 (Monday-Friday)
406-256-2037 **24 Hour Services**

DISTRICT FOUR

MALTA

Clinical Lab
Phillips County Family Clinic
311 S. 8th Avenue E
Malta, MT 59537
406-654-1800 (Monday-Friday)
406-256-2037 **24 Hour Services**

BROADUS

Clinical Lab
Powder River Medical Center
507 N Lincoln
Broadus, MT 59317
406-436-2651 (Monday-Friday)
406-256-2037 **24 Hour Services**

WOLF POINT

Clinical Lab
NE Montana Health Services
315 Knapp Street
Wolf Point, MT 59201
406-653-2100 (Monday-Friday)
406-256-2037 **24 Hour Services**

BAKER

Clinical Lab
Fallon Medical Center
205 S 4th Street
Baker, MT 59313
406-778-2833 (Monday-Friday)
406-256-2037 **24 Hour Services**

GLASGOW

Clinical Lab
Francis Mahon Deac. Hospital
621 3rd Street South
Glasgow, MT 59230
406-228-4351 (Monday-Friday)
406-256-2037 **24 Hour Services**

THE CHEMNET CONSORTIUM INC. COLLECTION SITES

DISTRICT FIVE

BILLINGS

Laurie Starr- Jones - Owner
The Chemnet Consortium Inc.
1302 Avenue D, Suite 103
Billings, MT 59102
406-256-2037
888-765-8677 fax
24 Hour Services

LEWISTOWN

Debbie Pratt - Owner
Lewistown Paramedical
224 W Main Street, Ste 206
Lewistown, MT 59457
406-538-4110
406-538-4110 fax
24 Hour Services

***The Chemnet Consortium Inc. is responsible for the administration of this contract and ensures all collection sites are trained and stocked with correct chain of custody forms, kits etc to perform collections. Administrator: Laurie Starr-Jones 406-256-2037**

THE CHEMNET CONSORTIUM INC. COLLECTION SITES

ADDITIONAL LOCATIONS

LIBBY

Clinical Lab
Libby Clinic
211 E. 2nd Street
Libby, MT 59923
406-293-8711 (Monday-Friday)
406-256-2037 **24 Hour Services**

RONAN

Clinical Lab
Mission Mountain Medicine
126 6th Avenue SW
Ronan, MT 59864
406-676-3600 (Monday-Friday)
406-256-2037 **24 Hour Services**

EUREKA

Clinical Lab
Prompt Care
450 Osloski Road
Eureka, MT 59917
406-297-3145 (Monday-Friday)
406-256-2037 **24 Hour Services**

ENNIS

Clinical Lab
Madison Valley Clinic
219 N Main
Ennis, MT 59729
406-682-4223 (Monday-Friday)
406-256-2037 **24 Hour Services**

CHESTER

Clinical Lab
Triangle Health Clinic
418 W Monroe
Chester, MT 59522
406-759-5194 (Monday-Friday)
406-256-2037 **24 Hour Services**

POLSON

Clinical Lab
St. Joseph Hospital
#6 13th Avenue E
Polson, MT 59860
406-883-8473 (Monday-Friday)
406-256-2037 **24 Hour Services**

THOMPSON FALLS

Clinical Lab
Thompson Falls Family Medicine
120 Pond
Thompson Falls, MT 59873
406-827-4442 (Monday-Friday)
406-256-2037 **24 Hour Services**

DILLON

Clinical Lab
Barrett Hospital
90 Hwy 91 S.
Dillon, MT 59725
406-683-3064 (Monday-Friday)
406-256-2037 **24 Hour Services**

WHITE SULPHUR SPRINGS

Clinical Lab
Mountain View Memorial Hospital
15 W. Main
White Sulphur Springs, MT 59645
406-547-3321 (Monday-Friday)
406-256-2037 **24 Hour Services**

FAIRFIELD

Clinical Lab
Fairfield Medical Clinic
324 Central
Fairfield, MT 59436
406-467-2600 (Monday-Friday)
406-256-2037 **24 Hour Services**

THE CHEMNET CONSORTIUM INC. COLLECTION SITES

BRIDGER

Clinical Lab
Clark Fork Medical Center
410 S 2nd Street
Bridger, MT 59014
406-662-3740 (Monday-Friday)
406-256-2037 **24 Hour Services**

MILES CITY

Dr. Danny Stanley
Montana WorkCare
103 North 8th Street
Miles City, MT 59301
(406) 234-2634
24 Hour Services

GLENDIVE

Clinical Lab
Glendive Medical Center
202 Prospect Drive
Glendive, MT 59330
406-345-3306 (Monday-Friday)
406-256-2037 **24 Hour Services**

SIDNEY

Yvonne DeTienne
Independent Collector
905 8th Avenue SE
Sidney, MT 59270
406-480-3348 (Monday-Friday)
24 Hour Services

FORSYTH

Clinical Lab
Forsyth Family Medicine
281 N 17th Avenue
Forsyth, MT 59327
406-346-2161 (Monday-Friday)
406-256-2037 **24 Hour Services**

***Please note that CC can also provide mobile collection services to any of the locations listed above.
CC offers 24 hour services, 7 days a week and Holidays.**

Contact List

President/Owner -

Laurie Starr-Jones
The Chemnet Consortium Inc. aka Montana Chemnet
1302 Avenue D, Suite 103
Billings, MT 59102
P 406-256-2037
F 888-765-8677
Laurie@mtchemnet.com

Program Manager -

Deanna (Dee Dee) Schwehr
The Chemnet Consortium Inc. aka Montana Chemnet
1302 Avenue D Suite 103
Billings, MT 59102
P 406-256-2037
F 406-255-0834
jeff@mtchemnet.com

Training and Education -

Jeffrey D. Jones
The Chemnet Consortium Inc. aka Montana Chemnet
1302 Avenue D, Suite 103
Billings, MT 59102
P 406-256-2037
F 406-255-0834
jeff@mtchemnet.com

Pathology Associates Medical - Laboratory

Jauna Bastine
PAML
110 West Cliff Avenue
Spokane, WA 99204
800-541-8941
Jbastine@paml.com

University Services

Brandie Potts
10551 Decatur Road Ste 200
Philadelphia PA 19137
Phone 215-637-6800
Fax 215-637-7944
bpotts@userservices.com

EMERGENCY CHEMNET CONTACT

Available 24 hrs per day, seven days per week

406-256-2037 Office Phone
800-597-7103 Toll Free

CONTRACT AMENDMENT NO. 1
CONTRACT FOR DRUG AND ALCOHOL TESTING PROGRAM
CONTRACT # SPB12-2262P

This CONTRACT AMENDMENT, effective May 1, 2013, is to amend the above-referenced contract between the State of Montana, Department of Administration, State Procurement Bureau (STATE), located at 125 N Roberts, PO Box 200135, Helena MT 59620-0135, and **Advanced Safety Solutions, Inc.** (CONTRACTOR), located at 491 Tabriz Drive, Billings MT 59105, telephone number (406) 698-7297. This Contract is amended for the following purpose(s):

As of May 1, 2013, **Chemnet Consortium, Inc.** (Transferor) transferred to the Contractor all rights and obligations of this contract.

The Contractor has assumed all obligations and liabilities of the Transferor under the contract by virtue of the above transfer. The Contractor shall fully perform all obligations under the contract.

Evidence of the above transfer has been received by the State in the form of a Novation Agreement dated May 1, 2013, signed by duly appointed officers of the Transferor and Contractor, signed by the State, and filed with the State Procurement Bureau.

Following the effective date of this Amendment, the term "Contractor," as used in this contract, shall refer to the Transferee.

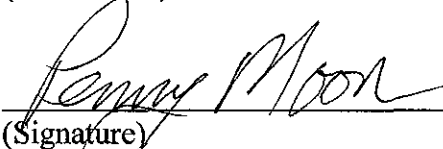
Except as modified by this and any prior amendments, the terms and conditions of the contract remain unchanged. Each party has executed this Amendment as of the day and year written below.

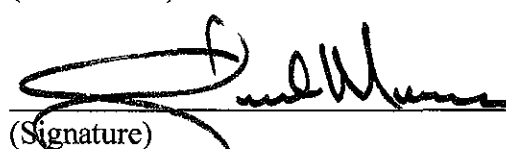
STATE OF MONTANA
STATE PROCUREMENT BUREAU
PO BOX 200135
HELENA MT 59620-0135

ADVANCED SAFETY SOLUTIONS, INC.
491 TABRIZ DRIVE
BILLINGS, MT 59105
FEDERAL ID # _____

BY: Penny Moon, Senior Contracts Officer
(Name/Title)

BY: STANLEY C. MORRIS - PRESIDENT
(Name/Title)

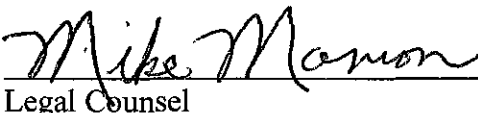

(Signature)


(Signature)

DATE: 7 May 2013

DATE: 5-1-2013

Approved as to Legal Content:

 5-6-2013
Legal Counsel (Date)

NOVATION AGREEMENT

The **Chemnet Consortium, Inc.** (Transferor), a corporation duly organized and existing under the laws of Montana with its principal office in Billings; the **Advanced Safety Solutions, Inc.** (Transferee), a corporation duly organized and existing under the laws of Montana with its principal office in Billings; and State of Montana, Department of Administration, **State Procurement Bureau** (State), enter into this Agreement as of May 1, 2013.

THE PARTIES AGREE TO THE FOLLOWING FACTS:

(1) The State has entered into certain contracts with the Transferor, namely: Drug and Alcohol Testing Program, SPB12-2262P. The term "the contracts," as used in this Agreement, means the above contracts and purchase orders and all other contracts and purchase orders, including all modifications, made between the State and the Transferor on or before the effective date of this Agreement (whether or not performance and payment have been completed and releases executed if the State or the Transferor has any remaining rights, duties, or obligations under these contracts and purchase orders).

(2) As of May 1, 2013 (the "Effective Date"), the Transferor has transferred to the Transferee all rights and obligations of the Transferor to the contracts listed above by virtue of a sale of substantially all assets between the Transferor and the Transferee.

(3) The Transferee has assumed all obligations and liabilities of the Transferor under the contracts by virtue of the above transfer.

(4) The Transferee is in a position to fully perform all obligations that may exist under the contracts.

(5) It is consistent with the State's interest to recognize the Transferee as the successor party to the contracts.

IN CONSIDERATION OF THESE FACTS, THE PARTIES AGREE THAT BY THIS AGREEMENT:

(1) The Transferor confirms the transfer to the Transferee, and waives any claims and rights against the State that it now has or may have in the future in connection with the contracts.

(2) The Transferee agrees to be bound by and to perform each contract in accordance with the conditions contained in the contracts. The Transferee also assumes all obligations and liabilities of the Transferor under the contracts from and after the Effective Date (the "Assumed Obligations").

(3) The State recognizes the Transferee as the Transferor's successor in interest in and to the contracts. The Transferee by this Agreement becomes entitled to all rights, titles, and interests of the Transferor in and to the contracts as if the Transferee were the original party to the contracts.

(4) The State hereby consents, in accordance with the terms of the contracts, to the assignment of the contracts by Transferor to Transferee, and hereby releases the Transferor from the Assumed Obligations or liabilities under the contracts arising from and after the Effective Date.

(5) All payments and reimbursements previously made by the State to the Transferor, and all other previous actions taken by the State under the contracts, shall be considered to have discharged those parts of the State's obligations under the contracts. All payments and reimbursements made by the State after the date of this Agreement in the name of or to the Transferor shall have the same force and effect as if made to the

Transferee, and shall constitute a complete discharge of the State's obligations under the contracts, to the extent of the amounts paid or reimbursed.

(6) The Transferor and the Transferee agree that the State is not obligated to pay or reimburse either of them for, or otherwise give effect to, any costs, taxes, or other expenses, or any related increases, directly or indirectly arising out of or resulting from the transfer or this Agreement, other than those that the State in the absence of this transfer or Agreement would have been obligated to pay or reimburse under the terms of the contracts.

(7) The contracts shall remain in full force and effect except as modified by this Agreement. Each party has executed this Agreement as of the day and year first above written.

STATE OF MONTANA
Department of Administration
State Procurement Bureau
PO Box 200135
Helena MT 59620-0135

BY: Penny Moon
Penny Moon, Senior Contracts Officer

DATE: 7 May 2013

CHEMNET CONSORTIUM, INC.
1302 Avenue D
Billings, MT 59102
FEDERAL ID # 20-3151752

BY: [Signature]
(Name, Title)

DATE: 5/1/13

ADVANCED SAFETY SOLUTIONS, INC.
491 Tabriz Drive
Billings, MT 59105
FEDERAL ID # 46-2289578

BY: [Signature] **PRESIDENT**
(Name, Title)

DATE: 5/1/2013

CERTIFICATE

I, Laurie Starr-Jones, certify that I am the Secretary of **Chemnet Consortium, Inc.**; that Laurie Starr-Jones, who signed this Agreement for this corporation, was then President of this corporation; and that this Agreement was duly signed for and on behalf of this corporation by authority of its governing body and within the scope of its corporate powers. Witness my hand and the seal of this corporation this 7 day of May, 2013.

By: _____

[CORPORATE SEAL]

CERTIFICATE

I, Stanley C. Morris, certify that I am the Secretary of **Advanced Safety Solutions, Inc.**; that Stanley C. Morris, who signed this Agreement for this corporation, was then President of this corporation; and that this Agreement was duly signed for and on behalf of this corporation by authority of its governing body and within the scope of its corporate powers. Witness my hand and the seal of this corporation this 7 day of May, 2013.

By: _____

[CORPORATE SEAL]