

Redwood Toxicology Laboratory, Inc. Service Agreement

Service Provider: Redwood Toxicology Laboratory, Inc. ("RTL")
Physical Address: 3650 Westwind Blvd.
 Santa Rosa, CA 95403
Mailing Address: P.O. Box 5680
 Santa Rosa, CA 95402
Phone: (800) 255-2159
Fax: (707) 676-9220
Email: contractadministration@redwoodtoxicology.com

Customer: Mendocino County Probation
Contact: Ms. Cathy White
Title: Administrative Services Manager II
Physical Address: 589 Low Gap Road
 Ukiah, CA 95482
Mailing Address: Same as physical
Phone: (707) 234-6913
Fax: (707) 463-5461
Email: whitec@mendocinocounty.org

Agreement Effective Date: September 1, 2018

This Redwood Toxicology Laboratory, Inc. (RTL) Service Agreement ("Agreement") is made by and between RTL and Customer as of the date first set forth above.

BACKGROUND

RTL offers drug and alcohol laboratory testing services ("Services"), and instant, on-site device products ("Products"), described on Attachment A. Customer and RTL desire for RTL to provide the Services and Products to the Customer.

AGREEMENT

RTL and Customer agree as follows:

1) DRUG TESTING SERVICES

- a. RTL will provide the Services, as described in this Agreement, in connection with Customer's drug and alcohol testing program. Drugs and panels to be tested by RTL are described in Attachment A.
- b. RTL will provide screening and confirmation Services for alcohol and drugs of abuse in urine and oral fluids. Screening and confirmation methodologies vary by drug or metabolite and are subject to change at RTL's discretion. The most current screening and confirmation methodologies by drug, metabolite and/or panel are provided on RTL's website. Costs for Services performed and supplemental fees are provided in Attachment A.
- c. RTL's standard service includes all urine collection and shipping supplies. Supplies include requisition forms, specimen collection bottles, security seals and pre-paid shipping labels or containers. All items shipped FOB Shipping Point. Shipping costs for outbound supplies and inbound specimens are provided in Attachment A.
- d. RTL will supply electronic reporting of laboratory results through our proprietary webpage at <https://toxaccess.redwoodtoxicology.com>. Fax summary and/or hard copy reports will be provided upon written request by Customer.
- e. Turnaround time for results varies by test and method. Timely receipt of the specimen at the lab may be impacted by weather or postal/courier service delays. Turnaround time may be delayed if RTL is in receipt of a specimen that shows signs of tampering or has illegible writing on the chain of custody or label. Below is an approximation of RTL's turnaround times:

Urine Drug Testing

- Negative results for basic *urine* tests (non-esoteric) are available within twenty-four (24) hours after receipt of specimen(s) at RTL.
- Confirmed positive results or esoteric testing requiring GC-MS, LC-MS/MS, or GC-FID will be reported to authorized Customer personnel within forty-eight (48) hours to seventy-two (72) hours after receipt of specimen(s), or after receiving request for GC-MS, LC-MS/MS, or GC-FID confirmation.

Oral Fluid Drug Testing

- Negative results for oral fluid drug screens are available within twenty-four (24) hours after receipt of specimen(s) at RTL.
- Confirmed positive results by GC-MS or LC-MS/MS will be reported to authorized Customer personnel within forty-eight (48) to seventy-two (72) hours after receipt of specimen(s), or after receiving request for GC-MS or LC-MS/MS confirmation.

- f. RTL will retain positive specimens for three (3) months.
- g. RTL will provide litigation packets and court representation/testimony at the prices outlined in Attachment A.

2) DRUG TESTING PRODUCTS

- a. RTL will provide Products, as described in this Agreement, in connection with Customer's drug and alcohol testing program. RTL may substitute a generic (unbranded) Product of an identical configuration, at the same price, when branded devices are not available.
- b. Collection and shipping supplies are available for Products. Supplies include requisition forms, specimen collection bottles or beakers, security seals and pre-paid shipping labels or containers. Costs for these collection and shipping supplies are described in Attachment A.

3) PRICE, PAYMENT and RETURNS

- a. **Price.** Customer agrees to pay RTL for Services and Products in accordance with the pricing provided in Attachment A. RTL may adjust the price for Services and Products by providing written notice to Customer at least thirty (30) days prior to adjustment.
- b. **Payment.**
 - i. Services: RTL will bill Customer for Services on a monthly basis. Customer agrees to make payments to RTL within thirty (30) days from the date of invoice.
 - ii. Products: RTL will bill Customer for Products upon shipment of order. Invoices for Products are sent separately from Services invoices. Customer agrees to make payments to RTL within thirty (30) days from the date of invoice.
 - iii. Overdue accounts bear interest at a rate of 1.5% a month or the maximum amount allowed by law.
 - iv. The compensation payable to RTL hereunder shall not exceed Two Hundred Thousand Dollars (\$200,000.00) for the term of this Agreement.
- c. **Returns**
 - i. Any order rejected by the Customer on the basis that the Product is either non-conforming or is defective may be returned to RTL for full credit or replacement as set forth below. All claims must be made within 30 days from date of invoice.
 - ii. Any Products returned for any other reason shall be subject to a restocking fee of equal to twenty percent (20%) of said order. All claims must be made within thirty (30) days from date of invoice. A finance charge of 1.5% a month will be assessed on all invoices that are past due.

4) WARRANTIES AND REMEDIES

- a. **Warranties:** RTL warrants to the Customer:
 - i. That the Products shall be free from defects in material and workmanship and shall be in conformity in all material respects with the product specifications throughout the duration of their stated shelf life.
 - ii. That RTL has and shall maintain general and products liability coverage, in the amount RTL customarily maintains for the activities contemplated by this Agreement. Upon request by the Customer, RTL will forward a certificate of insurance evidencing the coverage additions and amounts.
- b. **Remedies and Liability:**
 - i. In case that all or part of the delivered Products is found defective or otherwise in breach of any warranty given herein, RTL shall replace the Products and shall bear the relevant freight costs to the Customer, provided that the Customer shall promptly after discovery give notice of the defect or non-conformity to RTL. **THE PROVISIONS OF THIS CLAUSE SHALL BE THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO NON-CONFORMING PRODUCTS.**
 - ii. If a shipment is found to have non-conforming Products, Customer reserves the right to withhold payment until said non-conforming Products are replaced by RTL. In the alternative, Customer may pay the invoice for the non-conforming Product prior to replacement and receive a credit for the amount so paid toward a subsequent order. In the event that non-conforming Products are accepted by Customer at a discounted price, credit will be applied to future orders.
- c. **Limitation of Liability:**
 - i. RTL shall not be liable for any loss or damage resulting from the use, operation or performance of the Products or related in any way to their acquisition, regardless of the form of action, except for loss or damage caused by the sole negligence of RTL. **IN NO EVENT SHALL RTL BE LIABLE TO CUSTOMER FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES RESULTING FROM LOSS OF USE, INTERRUPTION OF BUSINESS, EVEN IF RTL HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING THE FOREGOING, IN NO EVENT SHALL RTL'S LIABILITY TO CUSTOMER EXCEED THE VALUE OF PRODUCTS PURCHASED, (E.G. CUSTOMER'S COST OF GOODS), UNDER THIS AGREEMENT DURING THE PREVIOUS SIX (6) MONTH PERIOD.**

5) TERM

- a. **Term.** The term of this Agreement is four (4) years beginning on the Effective Date, unless terminated as provided herein. This Agreement will expire on August 31, 2022 unless written notification is given by either party at least sixty (60) days prior to terminate agreement prior to the expiration date.
- b. **General Termination.** Either party (the "Non-breaching Party") may terminate this Agreement immediately by written notice to the other party (the "Breaching Party") following the occurrence of any of the following events:

IN WITNESS WHEREOF

DEPARTMENT FISCAL REVIEW:

J. Stille 7/11/18
DEPARTMENT HEAD DATE

Budgeted: ☒ Yes ☐ No

Budget Unit: 2560

Line Item: 862189

Grant: ☐ Yes ☒ No

Grant No.: _____

CONTRACTOR/COMPANY NAME

By: [Signature]

Date: 7/5/2018

NAME AND ADDRESS OF CONTRACTOR:

Redwood Toxicology Laboratory, Inc.

3650 Westwind Blvd.

Santa Rosa, CA 95403

COUNTY OF MENDOCINO

By: [Signature]
DAN HAMBURG, Chair
BOARD OF SUPERVISORS

Date: AUG 23 2018

ATTEST:

CARMEL J. ANGELO, Clerk of said Board

By: [Signature]

Deputy

AUG 23 2018

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By: [Signature]

Deputy

AUG 23 2018

INSURANCE REVIEW:

By: [Signature]
Risk Management

Date: 8-2-18

EXECUTIVE OFFICE/FISCAL REVIEW:

By: [Signature]
Deputy CEO

Date: 8-7-18

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

COUNTY COUNSEL REVIEW:

APPROVED AS TO FORM:

KATHARINE L. ELLIOTT,
County Counsel

By: [Signature]
Deputy

Date: 7/19/18

Signatory Authority: \$0-25,000 Department; \$25,001- 50,000 Purchasing Agent; \$50,001+ Board of Supervisors

Exception to Bid Process Required/Completed ☐

Mendocino County Business License: Valid ☐

Exempt Pursuant to MCC Section: _____

**Attachment A
Pricing Schedule
Mendocino County Probation**

Section I: Laboratory Drug & Alcohol Testing Services - Urine

Urine Lab Tests - Standard Drugs

Standard drugs include: Alcohol (Ethanol), Amphetamines/Methamphetamines, Barbiturates, Benzodiazepines, Cocaine, Ecstasy (MDMA), Marijuana (THC), Methadone, Opiates, PCP, Propoxyphene.

TEST CODE	DRUG(S)	DESCRIPTION	PRICE PER SPECIMEN
098	1	Oxycodone (Screen Only)	\$ 5.00
R90	8	Eight Drug Standard Urine Lab Panel - Screen Only	\$ 3.70
V175*	1	Amphetamine Rescreen	\$ 2.00
V176*	1	THC Rescreen	\$ 2.00
Various	1	GC-MS, LC-MS/MS or GC-FID Standard Urine Confirmation - cost per drug	\$ 15.00
5047	1	GC-FID Alcohol Confirmation	\$ 22.50
V138*	1	Opiate Qualitative Test	\$ 8.00

Initial screening of standard laboratory tests at RTL will be performed by enzyme immunoassay (EIA). Screening and confirmation methodologies, as well as cutoff levels, vary by drug or metabolite and are subject to change at RTL's discretion. Panel codes and testing equipment are also subject to change. Drugs available in the standard panels vary by panel code. Laboratory confirmation services on positive screens for the drugs included in the panel are available at the prices listed below.

When laboratory confirmation tests are requested following a screen, they will be performed on an independent portion of the original specimen using gas chromatography-mass spectrometry (GC-MS), liquid chromatography-tandem mass spectrometry (LC-MS/MS), or gas chromatography-gas flame ionization (GC-FID), depending on drug class. GC-FID is used only on samples requiring alcohol (EtOH) confirmation. Confirmation on positive screens for the drugs included in the panel are available at the prices listed above. Separate fees will be incurred for confirmations performed on drugs that are not part of a standard panel, and for designer or esoteric drugs. Confirmation methodologies, as well as cutoff levels, vary by drug or metabolite and are subject to change at RTL's discretion. Panel codes and testing equipment are also subject to change.

* V codes are for internal billing purposes ONLY and are not to be used as a test request

Urine Lab Tests - Specialty Drugs

TEST CODE	DRUG(S)	DESCRIPTION	PRICE PER SPECIMEN
092	1	Buprenorphine EIA Screen Only	\$ 11.00
5292	1	Buprenorphine LC/MS/MS Confirmation	\$ 25.00
050	1	Ethyl Glucuronide (EtG) Alcohol Metabolite - Stand-Alone Screen Only	\$ 4.50
647	1	Ethyl Glucuronide/Ethyl Sulfate (EtG/EtS) Alcohol metabolite - EtG Screen with Automatic Confirmation of Positives for both EtG & EtS	\$ 18.63
5747	1	Ethyl Glucuronide/Ethyl Sulfate (EtG/EtS) Alcohol metabolite - Confirmation Only	\$ 14.00
V30*	1	LC/MS/MS EtG Confirm	\$ 14.00

* V codes are for internal billing purposes ONLY and are not to be used as a test request

Urine Lab Tests - Specialty Drug Panels

TEST CODE	DRUG(S)	DESCRIPTION	PRICE PER SPECIMEN
P80	21	Designer Stimulants (Bath Salts) - Expanded Panel	\$ 35.00
P81	3	Designer Stimulants (Bath Salts) - Short Panel (MDPV, Mephedrone, Methylenone)	\$ 30.00
8474	37	Synthetic Marijuana (K2/Spice) - Premium Panel	\$ 40.00
5550	Multi	Steroid Testing	\$ 58.50

Section II: Laboratory Supplemental Services

Problematic Specimen Charges and Additional Service Charges

TEST CODE	DESCRIPTION	PRICE PER OCCURRENCE
QNS	Insufficient Volume	No Charge
PROB	Chain of Custody (COC) and/or Specimen Label Errors	No Charge
	Product and/or Supply Shipping Errors due to Incorrect Address Provided	No Charge
ADS	Accidental Delivery Specimen - Specimen Sent to RTL in Error	No Charge
PULL	Specimen Retrieval from Storage for Follow-Up Testing	No Charge
AFFD	Affidavits	No Charge
INTP	Interpretations	No Charge
STAT	STAT Testing Requests (Priority)	No Charge
CORT	Telephonic or Webinar Court Testimony	No Charge
	In-Person Court Testimony	\$700 per day + travel

Collection & Shipping Supplies

RTL provides all necessary urine specimen collection and shipping supplies to its clients at no additional cost. For urine testing, these supplies include:

- Urine specimen collection containers: 60 mL or 90mL bottles with lids and built-in temperature strips.
- Specimen baggies with absorbent material
- Preprinted Chain of Custody forms/labels & security seals
- Pre-paid FedEx or UPS lab packs or pre-paid U.S. mailer boxes.

Lab Supply Shipping and Handling: Outbound lab supply orders will be charged on an 'at cost' basis. FOB Shipping Point.

Specimen Shipment to RTL: Next day air service of inbound specimens sent to RTL for testing is provided at no charge when five (5) or more urine and/or oral fluids specimens are sent in each FedEx overnight shipment. Any combination of urine and/or oral fluids devices may be shipped together via FedEx overnight service. Fewer than five (5) specimens sent to the lab by next day air service will be assessed a seven dollar (\$7.00) charge per shipment.

Section III: Rapid Drug & Alcohol Screening Devices

iCUP A.D. SUBSTANCE ABUSE TEST DEVICE – with adulteration

PART NUMBER	DRUG(S)	CONFIGURATION	PRICE PER DEVICE	BOX PRICE (25/BOX)
01 102 2038	8	iCup A.D. 08 AMP1000/BAR/BZO/COC300/MAMP1000/OPI2000/PCP/THC w/adulteration (OX, SG, PH)	\$2.48	\$62.00

Device Order Shipping & Handling: Device orders will be charged on an 'at cost' basis. FOB Shipping Point.