



NOTICE OF AWARD OF PRICE CONTRACT

Darob Incorporated
1801 Research Drive
Louisville, KY 40269

REPRESENTATIVE: Robert Ford
FED. EMPLOYER ID NO.: 311517221

PHONE: 502-491-1535
FAX: 502-491-2264

PRICE CONTRACT NO.: UK-0492-5	TERMS: Net 30
CONTRACT TERM - FROM: April 1, 2006	DELIVERY: As Scheduled
TO: March 31, 2007	RFP / IFB NO.: UK-0492-5
RENEWAL OPTION THRU: 2011	DEPARTMENT(S): See Below
COMMODITY/SERVICES: Medical Waste Disposal	DATE: March 22, 2006

The Contractor is hereby awarded this Price Contract to furnish the products or services listed as required by the University of Kentucky during the contract term indicated above. SHIPMENTS ARE TO BE MADE ONLY UPON RECEIPT OF OFFICIAL NOTIFICATION. The Price Contract incorporates the University of Kentucky's General Terms and Conditions, and all Special Conditions identified in the bid/proposal referenced above.

DESCRIPTION

This Price Contract is for the pick-up and disposal of Medical Waste at the following locations located in Lexington, Kentucky:

- University Medical Center - 800 Rose Street
- Kentucky Clinic - 740 South Limestone Street
- Environmental Management -355 Cooper Drive
- Livestock Disease Diagnostic Center - 1490 Bull Lea Road

Pricing:

Medical Waste Pickup & Disposal	\$ 0.16 per pound
Packing and Shipping Containers with Bags	No Charge

The Contract period shall be from April 1, 2006 to March 31, 2007 with the option to renew for four (4) additional years in one (1) year increments upon mutual consent of the University and the Contractor.

OFFICIAL APPROVAL
UNIVERSITY OF KENTUCKY

OFFICIAL SIGNATURE

Barbara Riggs 859-257-5404

Signature _____ Date _____

Director/Associate Director _____ Date _____

Typed or Printed Name _____

University of Kentucky
Purchasing Division
322 Peterson Service Building
Lexington, KY 40506-0005
(859) 257-9100 Fax: (859) 257-1951

Title

SCOPE

This shall establish a Price Contract for the pick-up and disposal of contaminated, infectious, regulated bio-hazardous and or medical waste for the University of Kentucky. Specific pick-up locations are listed in the pick-up schedule section of this contract.

The Contractor agrees to provide the University of Kentucky, the service of removal and hauling of the described medical waste onto transportation vehicles, the transportation of the described regulated medical waste from the University of Kentucky to an authorized disposal facility, and the disposal of the described medical waste, in a manner permitted by law.

All medical waste must be disposed of in conjunction with current and existing EPA, OSHA, JCAH, DOT State of Kentucky, Local and Federal Regulations and Requirements.

SPECIFICATIONS

1. Contractor agrees to pick up and dispose of regulated bio-hazardous medical waste which includes sharps, pathologic waste, chemotherapeutic waste, research carcasses, suction canisters, body parts, blood products, bacteriology media plates, blood tubes, pipette tips, tissue culture flasks, fecal sample cups, and items contaminated with bio-hazardous medical waste.
2. Contractor agrees to furnish all packing and shipping containers and maintain an adequate number of packing and shipping containers on site for use. These packing and shipping containers are used for transporting the medical waste to an EPA approved disposal site, for proper destruction. All packing and shipping containers to include minimum 4 mil. polyethylene bags. All packing and shipping containers provided shall meet or exceed current DOT and Kentucky Administrative Regulations and Standards.
3. An EPA approved manifest shall be provided to each location when medical wastes are picked up by the Contractor.
4. Within twenty (20) days of pickup, Contractor shall submit a certificate of destruction of the medical waste destroyed in accordance with EPA regulations. The report should be prepared for each location and provided to each location.
5. Upon request by the University, the Contractor agrees to provide in-service training to University personnel involved in packing and handling the medical waste and do periodic medical waste stream analysis.
6. Should the Contractor ever detect radioactivity in any medical waste, or other hazardous chemicals, Contractor shall immediately report the finding to the University and work directly with the University regarding the security, holding or return of any packing and shipping container from which radioactivity or hazardous chemical waste is found.
7. The calculation of the weight shall not include the packing and shipping container weight.

SPECIAL CONDITIONS

PRICE CHANGES

Prices will remain firm for the initial period (see contract period) of the price contract. The University or contractor may request a change in prices to be in effect for the length of the extension period. Any request for price changes must be received in the Purchasing Division in writing 30 days prior to the end of the current contract period. Upon approval by the Purchasing Division, prices shall remain firm for the length of the contract period. Any price changes must be substantiated by firm proof that conditions have changed in the industry, which would warrant a change in price.

TERMINATION FOR CONVENIENCE

PRODUCTS

The University of Kentucky, Division of Purchasing, reserves the right to terminate all or part of the resulting contract without cause, with a 30 day written notice. Product orders may not be accepted (shipped and invoiced) by the contractor following the termination of the contract without approval from the Purchasing Division.

SERVICES

The University of Kentucky, Division of Purchasing, reserves the right to terminate this agreement without cause with a 30 day written notice. Upon receipt by the contractor of "Notice of Termination", the contractor shall discontinue all services with respect to the applicable agreement. The cost of any agreed upon services provided by the contractor will be calculated at the agreed upon rate prior to "Notice of Termination", and a fixed fee contract will be pro-rated (as appropriate).

CONFIDENTIALITY

- a) Unless an exception in accordance with (C) below, and until the Effective Date of an agreement pursuant to the Invitation for Bid, the IFB, any responses to the IFB, and other related documents, including but not limited to attachments, appendices, and exhibits, shall be marked and treated as CONFIDENTIAL, as provided for preliminary correspondence under KRS 61.878(1)(i).
- b) On and after the Effective Date of the agreement pursuant to this IFB, all documents associated with this IFB, unless an exception in accordance with (C) below, are NOT treated as CONFIDENTIAL documents and will be released upon receipt of a valid request under Kentucky Open Records law.

Any material or information, in whole or in part, that is submitted whether before or after the Effective Date and that the party believes is confidential or proprietary shall be submitted separately in a document/format clearly marked CONFIDENTIAL. If a party submitting a

ITEM ADDITIONS TO CONTRACT

The University of Kentucky reserves the right to add related items to this contract.

EXTENDED PRICING

Is the contractor willing to extend pricing to other state universities within the Commonwealth of Kentucky? YES

The University reserves the right to incorporate any awarded items into existing price contracts upon mutual consent of the contractor.

QUANTITIES

All monthly quantities referenced are ESTIMATES only and include all of the pick-up locations. The University makes no guarantee or promise as to the actual quantities.

PICK UP SCHEDULE

Contractor shall coordinate the medical waste pick-up for the following locations:

University of Kentucky Medical Center
Physical Plant Division
800 Rose Street
Lexington, KY 40506
Contact: John Cook - 859-323-6110

Kentucky Clinic
Facilities Management
740 South Limestone Street, RM C356
Lexington, KY 40506
Contact: Ron Loveless – 859-323-5124
Jack Wireman – 859-257-6780

Environmental Management
355 Cooper Drive
Lexington, KY 40506
Contact: Woody Bottom – 859-257-3285

Lexington Disease Diagnostic Center
1490 Bull Lea Road
Lexington, KY 40511
Contact: Karen Armstrong – 859-253-0571 x157

TRANSFER OF MEDICAL WASTE AND TITLE

The University's medical waste will be transferred to the contractor at the individual locations at the time of pick-up. At that time the contractor takes possession of the medical waste, title, risk of loss and all other incidents of ownership to the medical waste shall be transferred from the University and vested in the contractor.

CONTRACTOR WARRANTIES

The contractor warrants that it understands the currently known hazards which are presented to persons, property and environment in the transportation, storage and disposal of the described medical waste; it will transport, store and dispose of such materials in full compliance with all governmental laws, regulations and orders; the storage and disposal facilities are now licensed and permitted to store and dispose of medical waste, and, in the event the storage or disposal facility loses its permitted status hereafter during the term of the contract, the contractor will promptly notify the University.

UNIVERSITY WARRANTIES

The University warrants that the description of its medical waste is true and correct; medical waste to be transferred to the contractor will conform to such description; packing and shipping containers of medical waste transferred to the contractor will be marked, labeled and otherwise be in conformance with governmental laws, regulations and orders.

INSPECTIONS

The University shall have the right to inspect and obtain copies of all written licenses, permits or approvals, issued by any governmental entity or agency to the contractor or its subcontractors which are applicable to the performance of this contract; to inspect and test transportation vehicles or vessels, packing and shipping containers or disposal facilities provided by the contractor, and to inspect the handling, loading, transportation, storage or disposal operations conducted by the contractor in the performance of this contract.

INVOICING AND PAYMENT PROCEDURES

The contractor is to submit proper invoices to each pick-up location. Three of the four locations collect the medical waste from various departments on campus and store it for pick-up. The departments are then recharged for this service. Each location's packing and shipping containers shall be labeled accordingly to facilitate this process. The following items are to be included on each invoice:

- a. Date of Pick up
- b. Manifest Number
- c. Quantity of Packing and Shipping Containers
- d. Description of Packing and Shipping Containers
- e. Weight
- f. Price per pound
- g. Total Price

Payment will be made as each pick-up is completed and invoiced. The contractor will be required to include the contract number and/or purchase order number on each invoice issued to the University.

Failure to properly invoice will cause undue delay in payment and may be cause for cancellation of contract.

INSURANCE

The Contractor shall procure and maintain, at its expense, the following minimum insurance coverages insuring all services, work activities and contractual obligations undertaken in this contract. These insurance policies must be with insurers acceptable to the University.

COVERAGES

Workers' Compensation

Employer's Liability

Commercial General Liability, including operations/ completed operations, products, and contractual liability (including defense and investigation costs) including this contract.

Business Automobile Liability, covering owned, leased, or non-owned autos

Environmental Impairment Liability

LIMITS

Statutory Requirements (Kentucky)

\$500,000/\$500,000/\$500,000

**\$1,000,000 each occurrence
(BI & PD combined) \$2,000,000
Products and Completed Operations
Aggregate**

**\$1,000,000 each occurrence
(BI & PD combined)**

**\$2,000,000 each occurrence
\$2,000,000 Aggregate**

The Contractor agrees to furnish Certificates of Insurance for the above described coverages and limits to the University of Kentucky Division of Purchasing. The University, its trustees and employees must be added as Additional Insured on the Commercial General Liability policy with regards to the scope of this contract. Any deductibles or self-insured retention in the above-described policies must be paid and are the sole responsibility of the Contractor. Coverage is to be primary and non-contributory with other coverage, if any, purchased by the University. All of these required policies must include a Waiver of Subrogation, except Workers' Compensation, in favor of the University, its trustees and employees

BID NUMBER AND OPENING/CLOSING DATE MUST BE CLEARLY STATED ON ALL SEALED BIDS OR SHIPPING PARCELS.

Contractor's EPA Identification Number: 056-00208

PRICING

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>EST MNTHLY QTY</u>	<u>UNIT</u>	<u>UNIT COST</u>	<u>AMOUNT</u>
1.	Bio-Hazardous & Infectious Medical Waste Pick-up & Disposal.	29,000	Lb	\$ <u>0.16</u>	<u>\$4,640.00</u>
2.	DOT & Kentucky Administrative Regulation approved Packing and Shipping Containers, 32 Gallon Size (approx.)	1,300	Ea	No Charge	No Charge
				Monthly Total	<u>\$4,640.00</u>

REPRESENTATION INFORMATIONREPRESENTATIVE'S NAME: Robert G. FordADDRESS: 1801 Research DriveTELEPHONE NUMBER: 502-491-1535FAX NUMBER: 502-491-2264E-MAIL ADDRESS: robertf@darobinc.com**ORDER ENTRY INFORMATION**ORDER TO BE PLACED: Robert G. FordTELEPHONE NUMBER: 502-491-1535FAX NUMBER: 502-491-2264

March 22, 2006

Darob Incorporated
1801 Research Drive
Louisville, KY 40269

Dear Robert Ford,

The University of Kentucky is pleased to inform you that your company has been awarded a Price Contract for Medical Waste Disposal in accordance with the Terms and Conditions of Invitation for Bid UK-0492-5.

Enclosed with this letter are two copies of the contract which must be signed and dated by an authorized official of your firm before the contract can be finalized. Please execute and return both copies of the signed contract by **March 27, 2006**. One copy will be returned to you after execution by the University. Notify me of any errors as soon as possible. Modifications to the contract are not allowed unless authorized by the Purchasing Division.

Should you have any questions, please feel free to contact me at (859) 257-5404.

Sincerely,

Barbara Riggs
Contracting Officer

enclosure

UK-0492-5
Date

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Name
Vendor
Address
City, State

RE: PRICE CONTRACT NO.:
COMMODITY/SERVICE:

Dear :

In accordance with the Terms and Conditions of the above referenced Price Contract, our records indicate that an updated copy of your Certificate of Insurance needs to be provided. Please provide an insurance certificate in accordance with the attached requirement.

Please send or fax the Certificate no later than **(DATE)** to:

Buyer
UNIVERSITY OF KENTUCKY
Purchasing Division
322 Service Building
Lexington, KY 40506-0005

Fax No.: 859-257-1951

Thank you for your attention to this matter.

Sincerely,

Buyer
Contracting Officer