

Tracking No. 15030225

CONTRACT DOCUMENTS

**CITY OF LINCOLN
NEBRASKA**

**NEBRASKA MEDS DISPOSAL CONTRACT -
PROTECTING NEBRASKA'S WATER AND PEOPLE
RFP NO. 15-014**

**Sharps Compliance, Inc.
9220 Kirby Drive #550
Houston, TX 77054
800.772.5657 X 140**

**CITY OF LINCOLN
CONTRACT TERMS**

THIS CONTRACT, made and entered into by and between Sharps Compliance, Inc., 9220 Kirby Drive #550, Houston, TX 77054, hereinafter called "Contractor", and the City of Lincoln, Nebraska, a municipal corporation, hereinafter called "City".

WHEREAS, the City has caused to be prepared, in accordance with law, Specifications, Plans, and other Contract Documents for the Work herein described, and has approved and adopted said documents and has caused to be published an advertisement for and in connection with said Work, to-wit:

**Nebraska MEDS Disposal Contract - Protecting Nebraska's Water and People,
RFP No. 15-014**

and,

WHEREAS, the Contractor, in response to such advertisement, has submitted to the City, in the manner and at the time specified, a sealed Proposal/Supplier Response in accordance with the terms of said advertisement; and,

WHEREAS, the City, in the manner prescribed by law has publicly opened, read aloud, examined, and canvassed the Proposals/Supplier Responses submitted in response to such advertisement, and as a result of such canvass has determined and declared the Contractor to be the lowest responsible bidder for the said Work for the sum or sums named in the Contractor's Proposal/Supplier Responses, a copy thereof being attached to and made a part of this Contract;

NOW, THEREFORE, in consideration of the sums to be paid to the Contractor and the mutual covenants herein contained, the Contractor and the City has agreed and hereby agree as follows:

1. The Contractor agrees to (a) furnish all tools, equipment, supplies, superintendence, transportation, and other accessories, services, and facilities; (b) furnish all materials, supplies, and equipment specified to be incorporated into and form a permanent part of the complete work; (c) provide and perform all necessary labor in a substantial and workmanlike manner and in accordance with the provisions of the Contract Documents; and (d) execute and complete all Work included in and covered by the City's award of this Contract to the Contractor, such award being based on the acceptance by the City of the Contractor's Proposal, or part thereof, as follows:

Agreement to Revision No. 2, March 13, 2015 of Contractor's Proposal:

Line Item No. 2 - MS18003, MS18004, MS18006

Line Item No. 3 - 17200, 17100

Line Item No. 4

Line Item No. 5 - 17619

2. The City agrees to pay to the Contractor for the performance of the Work embraced in this Contract, the Contractor agrees to accept as full compensation therefore, the following sums and prices for all Work covered by and included in the Contract award and designated above, payment thereof to be made in the manner provided by the City:

The City will pay for products/service, according to the Line Item pricing as listed in Contractors Proposal/Supplier Response, a copy thereof being attached to and made a part of this Contract. The City shall order on an as needed basis for the duration of the contract. The estimated cost of products or services for City departments shall not exceed \$26,000.00 during the contract term without approval.

3. Equal Employment Opportunity. In connection with the carrying out of this project, the contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, disability, age or marital status. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, ancestry, disability, age or marital status. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other compensation; and selection for training, including apprenticeship.
4. E-Verify. In accordance with Neb. Rev. Stat. 4-108 through 4-114, the contractor agrees to register with and use a federal immigration verification system, to determine the work eligibility status of new employees performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324 a, otherwise known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee pursuant to the Immigration Reform and Control Act of 1986. The Contractor shall not discriminate against any employee or applicant for employment to be employed in the performance of this section pursuant to the requirements of state law and 8 U.S.C.A 1324b. The contractor shall require any subcontractor to comply with the provisions of this section.
5. Termination. This Contract may be terminated by the following:
 - 5.1) Termination for Convenience. Either party may terminate this Contract upon thirty (30) days written notice to the other party for any reason without penalty.
 - 5.2) Termination for Cause. The City may terminate the Contract for cause if the Contractor:
 - 5.2.1) Refuses or fails to supply the proper labor, materials and equipment necessary to provide services and/or commodities.
 - 5.2.2) Disregards Federal, State or local laws, ordinances, regulations, resolutions or orders.
 - 5.2.3) Otherwise commits a substantial breach or default of any provision of the Contract Document. In the event of a substantial breach or default the City will provide the Contractor written notice of said breach or default and allow the Contractor ten (10) days from the date of the written notice to cure such breach or default. If said breach or default is not cured within ten (10) days from the date of notice, then the contract shall terminate.

6. Independent Contractor. It is the express intent of the parties that this contract shall not create an employer-employee relationship. Employees of the Contractor shall not be deemed to be employees of the City and employees of the City shall not be deemed to be employees of the Contractor. The Contractor and the City shall be responsible to their respective employees for all salary and benefits. Neither the Contractor's employees nor the City's employees shall be entitled to any salary, wages, or benefits from the other party, including but not limited to overtime, vacation, retirement benefits, workers' compensation, sick leave or injury leave. Contractor shall also be responsible for maintaining workers' compensation insurance, unemployment insurance for its employees, and for payment of all federal, state, local and any other payroll taxes with respect to its employees' compensation.
7. Period of Performance. This Contract shall be effective upon execution by both parties. The term of the Contract shall be from May 1, 2015 through April 30, 2016.
8. The Contract Documents comprise the Contract, and consist of the following:
 1. Contract Terms
 2. Accepted Proposal/Supplier Response
 3. Specifications
 4. Cost Proposal
 5. Insurance Requirements
 6. Instructions to Proposers
 7. Sales Tax Exemption Form 13

The herein above mentioned Contract Documents form this Contract and are a part of the Contract as if hereto attached. Said documents which are not attached to this document may be viewed at lincoln.ne.gov - Keyword: Bid - Awarded or Closed bids

The Contractor and the City hereby agree that all the terms and conditions of this Contract shall be binding upon themselves, and their heirs, administrators, executors, legal and personal representatives, successors, and assigns.

IN WITNESS WHEREOF, the Contractor and the City do hereby execute this contract upon completion of signatures on:

Vendor Signature Page
City of Lincoln Signature Page

City of Lincoln Signature Page

NEBRASKA MEDS DISPOSAL CONTRACT -
PROTECTING NEBRASKA'S WATER AND PEOPLE
RFP NO. 15-014

EXECUTION BY THE CITY OF LINCOLN, NEBRASKA

ATTEST:

Teresa J. Meunier
City Clerk



CITY OF LINCOLN, NEBRASKA

Chris Beutler
Chris Beutler, Mayor

Approved by Executive Order No. 088170

dated 4-23-15

dw



Cost Proposal – Revision 2 – March 13, 2015

Proposal: Controlled and Non-Controlled Medication Disposal
Prepared by the Lincoln-Lancaster County Health Department
Environmental Public Health Division
3140 N Street
Lincoln, NE 68510

Proposer: Sharps Compliance, Inc.
9220 Kirby Drive, Suite 500
Houston, TX 77054
Diana P. Diaz, VP and CFO
ddiaz@sharpsinc.com

The undersigned signatory, having full knowledge of the requirements of the City of Lincoln for the below listed services, agrees to enter into a contract with the City for the below listed item/s for the performance of this Specification, complete in every respect, in strict accordance with contract documents and for the fees listed below.

Sharps Compliance, Inc.

By: 

Name: Diana P. Diaz

Title: Vice President and Chief Financial Officer

Date: 3/13/2015

Sharps Compliance, Inc.'s Response to the Lincoln-Lancaster County Health Department (LLCHD) Nebraska MEDS Disposal Contract – Bid #15-014

In January 2015, Sharps Compliance, Inc. submitted a formal Response to Nebraska MEDS Disposal Contract – Protecting Nebraska’s Water and People – Bid #15-014. Representatives of Lincoln/Lancaster County have asked us to revise our cost proposal to include the following line items:

1. One-year agreement WITH purchasing the 18 gallon MEDSafe unit plus the liner costs associated to one year of disposal.
2. One-year agreement WITHOUT purchasing the 18 gallon MEDSafe unit plus the liner costs associated to one year of disposal.
3. One-year contract costs associated to the TakeAway container for non-controlled medication disposal
4. One-year contract costs associated to a mail-back program for controlled medications
5. Costs associated to additional MEDSafe liners that may be needed throughout the one-year contract

Note: All prices are FOB Destination (the cost of outbound freight is included in the price).

Proposal Item #	Sharps Item #	Sharps Item Description	One-Time or Monthly Price
MedSafe Program under a one year agreement with up front purchase of receptacle:			
1	17385	38 Gallon Receptacle for MedSafe Program. Receptacle can be purchased with signed 1 year service agreement.	\$1,206.03
1	17185	18 Gallon Receptacle for MedSafe Program. Receptacle can be purchased with signed 1 year service agreement.	\$1,080.40
1	MS38031	MedSafe Monthly Fee, 38-Gallon 3 Liners per year, for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 3 times per year.	\$70.34
1	MS38041	MedSafe Monthly Fee, 38-Gallon 4 Liners per year, for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 4 times per year.	\$87.12
1	MS38061	MedSafe Monthly Fee, 38-Gallon 6 Liners per year, for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 6 times per year.	\$120.68

Sharps Compliance, Inc.'s Response to the Lincoln-Lancaster County Health Department (LLCHD) Nebraska MEDS Disposal
Contract – Bid #15-014

1	MS38121	MedSafe Monthly Fee, 38-Gallon 12 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 12 times per year.	\$221.36
1	MS38241	MedSafe Monthly Fee, 38-Gallon 24 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 24 times per year.	\$422.71
1	MS18031	MedSafe Monthly Fee, 18-Gallon 3 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 3 times per year.	\$50.91
1	MS18041	MedSafe Monthly Fee, 18-Gallon 4 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 4 times per year.	\$61.22
1	MS18061	MedSafe Monthly Fee, 18-Gallon 6 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 6 times per year.	\$81.83
1	MS18121	MedSafe Monthly Fee, 18-Gallon 12 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 12 times per year.	\$143.66
1	MS18241	MedSafe Monthly Fee, 18-Gallon 24 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 24 times per year.	\$267.32
MedSafe Program under a one year agreement with no purchase of the collection receptacle:			
2	MS38003	MedSafe Monthly Fee, 38-Gallon 3 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 3 times per year. \$500 Collection Receptacle removal fee applies at the term of the agreement.	\$226.14
2	MS38004	MedSafe Monthly Fee, 38-Gallon 4 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 4 times per year. \$500	\$265.32

Sharps Compliance, Inc.'s Response to the Lincoln-Lancaster County Health Department (LLCHD) Nebraska MEDS Disposal Contract – Bid #15-014

		Collection Receptacle removal fee applies at the term of the agreement.	
2	MS38006	MedSafe Monthly Fee, 38-Gallon 6 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 6 times per year. \$500 Collection Receptacle removal fee applies at the term of the agreement.	\$346.74
2	MS38012	MedSafe Monthly Fee, 38-Gallon 12 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 12 times per year. \$500 Collection Receptacle removal fee applies at the term of the agreement.	\$587.94
2	MS38024	MedSafe Monthly Fee, 38-Gallon 24 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 24 times per year. \$500 Collection Receptacle removal fee applies at the term of the agreement.	\$1,085.43
2	MS18003	MedSafe Monthly Fee, 18-Gallon 3 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 3 times per year. \$500 Collection Receptacle removal fee applies at the term of the agreement.	\$135.69
2	MS18004	MedSafe Monthly Fee, 18-Gallon 4 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 4 times per year. \$500 Collection Receptacle removal fee applies at the term of the agreement.	\$159.81
2	MS18006	MedSafe Monthly Fee, 18-Gallon 6 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 6 times per year. \$500 Collection Receptacle removal fee applies at the term of the agreement.	\$198.99
2	MS18012	MedSafe Monthly Fee, 18-Gallon 12 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 12 times per year. \$500 Collection Receptacle removal fee applies at the term of the agreement.	\$328.65
2	MS18024	MedSafe Monthly Fee, 18-Gallon 24 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. Replacement liners are auto-shipped to location 24 times per year. \$500 Collection Receptacle removal fee applies at the term of the agreement.	\$600.00
NON-CONTROLLED Solutions:			
3	17200	20 Gallon Rx TakeAway Environmental Return System. Return weights limited to 50 pounds or a surcharge of \$1.50 per pound over 50 pounds will be assessed.	\$97.78

Sharps Compliance, Inc.'s Response to the Lincoln-Lancaster County Health Department (LLCHD) Nebraska MEDS Disposal Contract – Bid #15-014

3	17100	10 Gallon Rx TakeAway Environmental Return System. Return weights limited to 50 pounds or a surcharge of \$1.50 per pound over 50 pounds will be assessed.	\$77.57
Mail-back Envelopes for CONTROLLED medications:			
4	17425	TakeAway Medication Recovery System Envelope, 25 count with POP Display	\$130.26
Single Boxes for Off-Schedule Shipping for MedSafe Program:			
5	17639	38 Gallon Unused Meds, Off Schedule, Off schedule 38-Gallon liner to be purchased on as needed basis in addition to regularly scheduled liner deliveries.	\$181.99
5	17619	18 Gallon Unused Meds, Off Schedule, Off schedule 18-Gallon liner to be purchased on as needed basis in addition to regularly scheduled liner deliveries.	\$96.22

City of Lincoln/Lancaster County (Lincoln Purchasing) Supplier Response

Bid Information	Contact Information	Ship to Information
Bid Creator	Sharon Mulder Asst Purchasing Agent	Address
Email	smulder@lincoln.ne.gov	Address
Phone	(402) 441-7428	Contact
Fax	(402) 441-6513	Contact
Bid Number	15-014	Department
Title	Nebraska MEDS Disposal Contract - Protecting Nebraska's Water and People	Building
Bid Type	RFP	Floor/Room
Issue Date	01/16/2015	Telephone
Close Date	1/30/2015 12:00:00 PM CT	Fax
Need by Date		Email

Supplier Information

Company	Sharps Compliance, Inc.
Address	9220 Kirby drive #500
	Houston, TX 77054
Contact	Erika Hernandez
Department	Customer Service
Building	
Floor/Room	
Telephone	800 (772) 5657 140
Fax	800 (772) 5657 140
Email	ehernandez@sharpsinc.com
Submitted	1/28/2015 11:03:29 AM CT
Total	\$0.00

Signature Brandon Beaver, SR VP of Sales Email bbeaver@sharpsinc.com

Supplier Notes

Bid Notes

Bid Activities

Bid Messages

Please review the following and respond where necessary

#	Name	Note	Response
1	Instructions to Proposers	I acknowledge reading and understanding the Instructions to Proposers.	Yes
2	Sample Contract	I acknowledge reading and understanding the sample contract.	Yes
3	Specifications	I acknowledge reading and understanding the specifications.	Yes
4	Bid Documents	I acknowledge and accept that it is my responsibility as a Bidder to promptly notify the Purchasing Department Staff prior to the close of the bid of any ambiguity, inconsistency or error which I may discover upon examination of the bid documents including, but not limited to the Specifications.	Yes
5	Contact	Name of person submitting this bid:	Brandon Beaver, SR VP of Sales
6	Insurance Requirements	I acknowledge reading and understanding the Insurance Requirements.	Yes
7	Proposal Submission	I have prepared and delivered/mailed to the City Purchasing Agent six (6) copies of my proposal as requested in Section 10.1 of the Specifications.	Yes
8	Term Clause of Contract	I acknowledge that the term of the contract is for a one (1) year term with the option for three (3) additional one (1) year renewals from the date of the executed contract. (a) Are your bid prices firm for the first one (1) year contract period. YES or NO (b) Are your bid prices subject to escalation/de-escalation YES or NO (c) If (b), state period for which prices will remain firm: through _____	Acknowledged; (a) yes; (b) yes; (c) prices are firm for the first 12 months of contract period
9	Tax Exempt Certification Forms	Materials being purchased in this bid are tax exempt and unit prices are reflected as such. A Purchasing Agent Appointment form and a Exempt Sales Certificate form shall be issued with contract documents. (Note: State Tax Law does not provide for sales tax exemption for proprietary functions for government, thereby excluding the purchases of pipes to be installed in water lines and purchase of water meters.)	Yes
10	Electronic Signature	Please check here for your electronic signature.	Yes

Line Items

#	Qty	UOM	Description	Response
1	1	EA	This is to notify you that RFP 15-014 for Nebraska Meds Disposal contract - Protecting Nebraska's Water and People is available. Please prepare your written response and return your proposals as instructed in the RFP according to the specifications. Respond to the Attribute section (above) of this electronic bid and submit before the closing date and time. Also, you are required to enter a 0 for your response in this line item. If you have any questions, call 402-441-7417.	\$0.00

Item Notes:

Supplier Notes:

Response Total: \$0.00



Response to Nebraska MEDS Disposal Contract – Protecting Nebraska’s Water and People – Bid #15-014

Sharps Compliance, Inc. (“Sharps”) is providing a detailed discussion and description of the methodology to be used by Sharps in accomplishing the requirements for the proven turn-key ready and comprehensive pharmaceutical waste disposal systems that include: collection, transportation and ultimate destruction of unwanted/expired CONTROLLED and NON-CONTROLLED medications. Our proposal is precise, accurate, complies with all objectives and includes the following sections:

- I. Proposal Contents
- II. Summary Description of Sharps Compliance, Inc.’s History, Structure, Size and Philosophy
- III. Resumes
- IV. Customer References
- V. Cost Proposal
- VI. Program Specifications and Required Services

Brandon Beaver

Senior Vice President of Sales

Sharps Compliance, Inc.

9220 Kirby Drive, Suite 500

Houston, Texas 77054

Main: (713) 432-0300; Direct: (713) 660-3553

Fax: (713) 660-3593; Mobile: (281) 702-1155

bbeaver@sharpsinc.com <http://www.sharpsinc.com>

This submission includes data that shall not be disclosed outside Lincoln-Lancaster County Health Department and shall not be duplicated, used or disclosed - in whole or in part - for any purpose other than to evaluate this proposal. This document contains commercial or financial information, or trade secrets, of Sharps Compliance, Inc. which are confidential. Public disclosure of any such information or trade secrets shall not be made without the prior written permission of Sharps Compliance, Inc. The data subject to this restriction are contained in sheets identified by this legend: Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

I. **Proposal Contents** (section references are to portions of the Specifications in the RFP or other documents as noted)

8.1 Describe and outline the Firm's approach to performing the work required by this project

The Drug Enforcement Administration ("DEA") recently published (on September 9, 2014) regulations to implement the 2010 Secure and Responsible Drug Disposal Act. Prior to publication of these regulations, ultimate users could return non-controlled medications but could not return controlled substance medications. The new DEA rule allows ultimate users to return both controlled and non-controlled medications per several defined methods including take-back events, mail-back programs and collection receptacle locations.

Sharps, as a DEA registered collector, offers collection receptacle programs and mail-back programs which are in full compliance with the DEA regulations.

Sharps has reviewed, in great detail, the new DEA regulations to implement the 2010 Secure and Responsible Drug Disposal Act and are pleased to report that we meet all requirements related to a collection receptacle program and a mail-back program (to collect, transport and destroy unused prescription drugs including Schedule II-V controlled substances).

MedSafe® Program:

Our collection receptacle program, which we call MedSafe®, is a safe, cost-effective and operationally efficient system designed for long-term care facilities, pharmacies, law enforcement, narcotic treatment programs and hospitals and clinics with on-site pharmacies. The MedSafe System includes a Collection Receptacle, Inner Liner, return transportation and proper on-site disposal via the DEA preferred method of incineration. The 38-gallon MedSafe unit is designed for collection sites with larger volumes of unused medications such as a retail pharmacy or take-back program. The 18-gallon MedSafe unit is designed for lower volume locations such as a long-term care facility or narcotics treatment facility.

The MedSafe System meets all DEA requirements including:

- Collection Receptacle related requirements:
 - Securely fastened to a permanent structure so that it cannot be removed;
 - Securely locked, substantially constructed container with a permanent outer container and a removable inner liner;
 - Outer receptacle includes a small opening that allows contents to be added to the inner liner, but not removed;
 - Prominently display a sign indicating that only schedule II–V drugs are acceptable (no illicit drugs); and
 - The small opening on the Collection Receptacle shall be locked or made inaccessible to the public when an employee is not present (e.g., when the pharmacy is closed).
- Inner Liner related requirements:

Sharps Compliance, Inc.'s Response to the Lincoln-Lancaster County Health Department (LLCHD) Nebraska MEDS Disposal Contract – Bid #15-014

- Waterproof, tamper-evident, and tear-resistant;
- Removable and sealable immediately upon removal with no touching of contents;
- Contents not viewable from outside when sealed;
- Size of the inner liner clearly marked (e.g. 38 gallon, 18 gallon); and
- Inner liner bears a permanent, unique identification number to enable tracking;
- Access restricted to employees of collector;
- Sealed by two employees immediately upon removal; and
- Shall not be opened, x-rayed, analyzed or otherwise penetrated.

Mail-back Program:

One of the methods in the DEA regulations allows for ultimate users (e.g. patients) to return their unused and unwanted medications to a DEA authorized "collector" for destruction using a mail-back envelope. A DEA distributor or reverse distributor authorized to conduct a mail-back program may provide mail-back envelopes to a third party such as the Lincoln-Lancaster County Health Department ("LLCHD") to distribute to ultimate users.

Our mail-back program, which includes a mail-back system envelope and a line of mail-back system boxes (1 and 2-gallon configurations), meets all DEA requirements including:

- The package shall be nondescript and shall not include any markings or other information that might indicate that the package contains controlled substances;
- The package shall be water- and spill-proof; tamper-evident; tear-resistant; and sealable;
- The package shall be preaddressed with and delivered to the collector's registered address or the participating law enforcement's physical address;
- The cost of shipping the package shall be postage paid;
- The package shall have a unique identification number that enables the package to be tracked; and
- The package shall include instructions for the user that indicate the process for mailing back the package, the substances that can be sent, notice that packages may only be mailed from within the customs territory of the United States (the 50 States, the District of Columbia, and Puerto Rico), and notice that only packages provided by the collector will be accepted for destruction.

The Company also fully complies with the new DEA rules which require the following:

- Sharps be a registered reverse distributor and collector (DEA Registration #RS0365800);
- Sharps store unprocessed mail-back packages and inner liners in a DEA approved vault as required by section 1301.72 which includes, but is not limited to:
 - Reinforced walls, floors and ceilings constructed of at least 8 inches of reinforced concrete reinforced with ½ inch steel rods tied 6 inches on center;
 - Door and frame constructed within specified limits for surreptitious entry, forced entry, lock manipulation and radiological techniques;

Sharps Compliance, Inc.'s Response to the Lincoln-Lancaster County Health Department (LLCHD) Nebraska MEDS Disposal Contract – Bid #15-014

- A day-gate, as needed, which is self-closing and self-locking;
- Properly equipped and monitored alarms upon unauthorized entry or hold-up;
- A door with contact switches; and
- Complete electrical lacing of the walls, floor and ceilings designed to detect illegal entry; and
- Sharps utilize a DEA-approved and preferred **on-site** destruction method (incineration) and DEA-approved storage (for schedule II-V drugs) located at the treatment facility (TCEQ Permit #1741A). Incineration is a DEA and EPA preferred method that accomplishes the DEA required **nonretrievable** standard. Destruction is performed **on-site** within the 30-day DEA requirement.

TakeAway Environmental Return System™ – for Non-Controlled Substances

Sharps will utilize several solutions in its TakeAway Environmental Return System™ line of solutions to properly collect and dispose of unwanted/expired NON-CONTROLLED medications from Lincoln and Lancaster County residents and ultimately from other residents of the State of Nebraska. The TakeAway Environmental Return System is a proven and comprehensive turn-key pharmaceutical waste disposal system used to collect, transport and properly dispose of unwanted/expired NON-CONTROLLED medications. The TakeAway Environmental Return System is currently used in the Nebraska MEDS Disposal Project Pilot Program.

Sharps is fully prepared to make immediate delivery of the items listed in Section V. Cost Proposal, some of which are currently being purchased under the Nebraska MEDS Disposal Project Pilot Program. We are confident in our ability to meet and/or exceed the requirements of the LLCHD for the Nebraska Meds Disposal Contract.

8.2 Delineate the Project Team and Organization

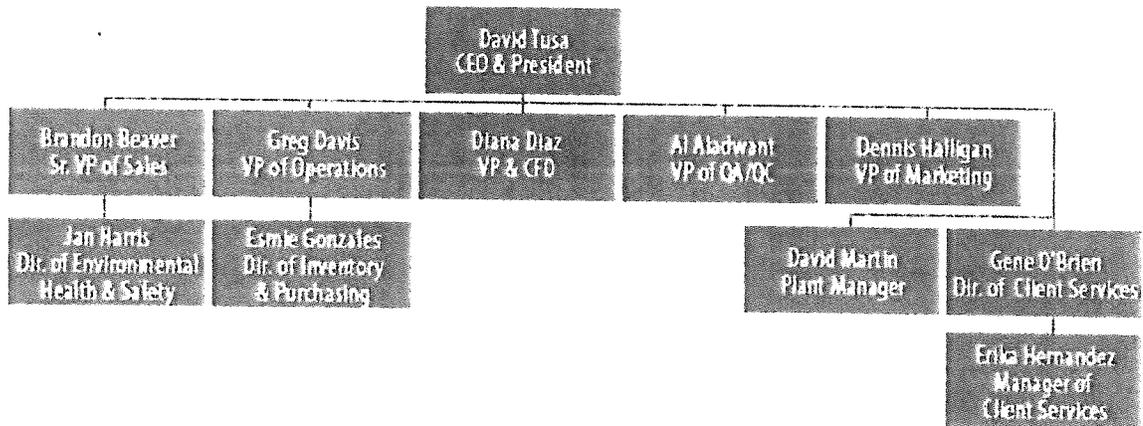
8.2.1 Include names of key individual(s) to be assigned to, and work directly with City. 8.3.2 Describe specific areas and limits of responsibilities for each of the team members.

- Brandon Beaver (Senior Vice President of Sales) – Project Manager, responsible for project oversight
 - (713) 660-3553
 - bbeaver@sharpsinc.com
- Gene O'Brien (Director of Client Services) – oversight of Customer Support
 - (713) 660-3551
 - gobrien@sharpsinc.com
- Erika Hernandez (Manager of Client Services) – manager of Customer Support including order fulfillment and customer support/interaction
 - (713) 660-3528
 - ehernandez@sharpsinc.com
 - Support hours Monday-Friday 7:30am-6:30pm (CST)
- Jan Harris (Director of Environmental Health & Safety) – regulatory support
 - (713) 927-9956

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- jharris@sharpsinc.com
- Greg Davis (Vice President of Operations) - Information Technology support
 - (713) 660-3535
 - gdavis@sharpsinc.com
- Dennis Halligan (Vice President of Marketing) – marketing support
 - (713) 353-1275
 - dhalligan@sharpsinc.com

8.4.3 Include a project team organizational chart showing lines of responsibility and extent of involvement.



8.3.4 Include resumes for key individuals – see section III of this document.

8.3 Describe the ability of the Firm to meet the Purpose, Intent and Required Services outlined in this RFP, including:

8.3.1 Firm’s proven experience and procedures in handling, transporting, documenting and ultimately disposing and/or destroying medication substances from households/general public via pharmacies - Sharps has over 20 years’ experience in dealing with the proper transportation and treatment of medical and pharmaceutical waste. Sharps owns and operates a fully-permitted treatment facility in Carthage Texas that includes both incineration and autoclave capabilities for processing and treatment operations.

Sharps currently offers an unused patient medication disposal system to thousands of pharmacies and retail companies in the United States. All materials that are collected using the TakeAway Environmental Return System are treated properly per applicable regulatory requirements. Furthermore, Sharps has an extensive history in providing alternative solutions, partnering with law enforcement and responding quickly to changes in regulations.

As an example, on October 10, 2014, Sharps received written approval of its new mail-back program from the USPS thereby confirming our mail-back program as compliant

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with the new DEA rules and allowing the collection, return transportation and destruction of unused medication including Schedule II-V controlled substances.

Sharps is fully capable of meeting the purpose, intent and required services outlined in this RFP which is modeled after the current Lincoln-Lancaster Nebraska MEDS Disposal Project Pilot Program and the Iowa Pharmacy Association program both of which were launched with Sharps. We are confident that minimal issues will arise with the knowledge and experience of previous launches and continually maintaining programs of this design.

8.3.2 Time Availability of Key Individual(s) - Customer Support hours are Monday-Friday 7:30am-6:30pm (CST). Your key customer service contacts are Erika Hernandez (713-660-3528 or ehernandez@sharpsinc.com) and Cassandra Bryant (713-432-0300 or cbryant@sharpsinc.com).

8.3.3 Qualifications and Expertise of Key individual(s) for this type of work - Our team members were heavily involved in the pre-planning and launch of both the Nebraska MEDS Disposal Project Pilot Program and the Iowa Pharmacy Association program and are more than capable of supporting another launch.

8.4.3.1 Relevant Waste Handling, Transportation, and Disposal Experience - Our team members have been involved in pharmacy take back programs from an independent pharmacy level all the way up to large national chains.

8.4.3.2 Relevant Adult Education and Community Outreach Experience - The MedSafe receptacles and liners and TakeAway Medication Return envelopes include all DEA required signage and/or labeling. Detailed instructions for use are provided with each solution. Additionally, we have provided artwork and content to support customer outreach programs related to take back programs in the past and would continue to provide such support to LLCHD.

8.4.3.3 Relevant Project Data Collection, Organization and Evaluation Experience - Sharps has perfected data collection and evaluation by creating its own proprietary online tracking system and has the capability to customize reporting and operations to our customers' needs as appropriate.

8.3.4 List three contacts/references of former clients (to include specific service or product provided, contact person, title, and telephone number) for which key individual was engaged within the past three years – see section IV of this document.

8.3.5 Desire for your firm to interview on-site or via remote access if chosen for a personal interview.

Sharps is fully prepared to be available either on-site or via remote access if chosen for a personal interview.

II. Summary Description of Sharps Compliance, Inc.'s History, Structure, Size and Philosophy

Sharps has successfully served industry, consumers and the government sector for the past 20 years and has partnered with the US Postal Service ("USPS") and the United Parcel Service ("UPS") for the collection, containment, return transportation and proper treatment of sharps and regulated medical waste using our Sharps Recovery System™ line of solutions. Sharps has also partnered with the Lincoln-Lancaster County Health Department in the Pilot Program for the Nebraska MEDS Disposal Project as well as fully implemented programs of a similar nature, such as the program for the State of Iowa.

Since 2009, Sharps has successfully served industry, consumers and the government sector, also in partnership with the USPS and UPS, for the collection, return transportation and proper destruction of unused or unwanted consumer medication using our TakeAway Environmental Return System™ envelope and box solutions. We have sold over 1.5 million of our TakeAway Environmental Return System solutions (envelopes and boxes) into the marketplace since the program's inception. These solutions have successfully removed about 800,000 pounds of unused medications from the solid waste stream, consumer medicine cabinets and municipal waste water protecting Americans and the environment with no adverse events.

Our comprehensive solutions for the management of unused dispensed medications feature the MedSafe program and the TakeAway Medication Recovery System which are used for both CONTROLLED and NON-CONTROLLED substances. For programs addressing NON-CONTROLLED substances only, we offer the TakeAway Environmental Return System. The solutions provide a means for individual consumers, retail or mail-order pharmacies, communities and facilities including assisted living, long-term care and correction operations to facilitate the proper disposal or treatment of unused dispensed and consist of customized containment, transportation, destruction or conversion and tracking services. Our proprietary tracking system, SharpsTracerSM, is designed for tracking unused dispensed medications, the status of their treatment, and periodic reporting of volumes to better manage costs and support the broader sustainability goals of customers who use our programs.

Sharps is a wholly owned subsidiary of Sharps Compliance Corp. (NASDAQ: SMED). Sharps is an SBA Small Business under its primary NAICS Codes 562112, 562211, 562213, 562219 and 339112 – each of which results in an SBA Small Business classification for Sharps.

Sharps is registered as a Reverse Distributor and Collector for Schedules 1, 2, 2N, 3, 3N, 4 and 5 under DEA Registration Number RS0365800. Sharps has been a DEA-approved Reverse Distributor since January 29, 2009. This registration is renewed on an annual basis.

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III. Resumes

Brandon Beaver, Senior Vice President of Sales

bbeaver@sharpsinc.com

Mr. Beaver oversees all aspects of field sales as well as inside sales operations for Sharps. His team is responsible for all national accounts, regional accounts and government sponsored pharmaceutical waste disposal programs. Mr. Beaver has been in the health care industry in varying sales and sales and marketing leadership roles for nearly 20 years. Prior to joining Sharps in 2010, he was the Executive Vice President of Sales for a regional third party administrator and managed care organization.

Gene O'Brien, Director of Client Services

gobrien@sharpsinc.com

Mr. O'Brien joined Sharps in 2015 and oversees all aspects of customer service. He has extensive experience in managing call centers and customer service in the hospital and vendor management settings with a special focus on process improvement.

Erika Hernandez, Manager of Client Services

ehernandez@sharpsinc.com

Ms. Hernandez has been with Sharps since 2007 and is the primary contact for customer service interaction. She has developed detailed scripts and protocols for call center activity related to our major customer account programs, including government sponsored pharmaceutical waste disposal programs.

Jan Harris, Director of Environmental Health & Safety

jharris@sharpsinc.com

Ms. Harris has been with Sharps since 1999. Her primary role is to provide regulatory and safety support to customers as it relates to individual state requirements and safe handling of sharps as well as pharmaceutical waste. She holds a masters of public health in occupational health and safety management. She has been a private consultant in waste segregation and patient support for six years and consulted on regulatory compliance in the medical waste industry since 1990. She supports patient safety, safety design of systems and patient instructions and provides support regarding regulations, guidelines, and use safety for the patient support team.

Greg Davis, Vice President of Operations, including Information Technology

gdavis@sharpsinc.com

Mr. Davis has been with Sharps since 2004 and is the primary contact for any data exchange, data mining and reporting needs for Sharps' pharmaceutical manufacturer patient support programs. He has supported and implemented patient support programs for Sharps since 2009.

Dennis Halligan, Vice President of Marketing

dhalligan@sharpsinc.com

Mr. Halligan has been with Sharps since 2011 and is the primary contact for any marketing and design needs for Sharps' major customer account programs, including government sponsored pharmaceutical waste disposal programs.

IV. Customer references – a one page list of four contacts/references of former clients (to include specific service or product, contact person, title, and telephone number).

Iowa Pharmacy Association

Kate Gainer, PharmD
Executive Vice President & CEO
Phone: (515) 270-0713
Email: kgainer@iarx.org
Service or product: Unused medication solutions

Walgreens

Michael Wolf, PharmD
Director/DMM – Advanced Care
Phone: (847) 315-2406
Email: michael.wolf@walgreens.com
Service or product: Medical waste for flu shot program and unused medication solutions

CVS

Michael Sherry
Manager, Retail Clinical Operations
Phone: (401) 652-9086
Email: michael.sherry@cvscaremark.com
Service or product: Medical waste for flu shot program and unused medication solutions

Brookdale

Lacey DePew
Senior Procurement Specialist
Phone: (615) 564-8437
Email: ldepew@brookdale.com
Service or product: Medical waste, hazardous waste and unused medication solutions

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V. Cost Proposal



Proposal: Controlled and Non-Controlled Medication Disposal
Prepared by the Lincoln-Lancaster County Health Department
Environmental Public Health Division
3140 N Street
Lincoln, NE 68510

Proposer: Sharps Compliance, Inc.
9220 Kirby Drive, Suite 500
Houston, TX 77054
Diana P. Diaz, VP and CFO
ddiaz@sharpsinc.com

The undersigned signatory, having full knowledge of the requirements of the City of Lincoln for the below listed services, agrees to enter into a contract with the City for the below listed item/s for the performance of this Specification, complete in every respect, in strict accordance with contract documents and for the fees listed below.

Sharps Compliance, Inc.

By:

Name: Diana P. Diaz

Title: Vice President and Chief Financial Officer

Date: 1/27/2015

Note: All prices are FOB Destination (the cost of outbound freight is included in the price).

Proposal Item #	Sharps Item #	Sharps Item Description	Total Price
1	17385	38 Gallon Receptacle for MedSafe Program. Receptacle can be purchased with signed 1 year service agreement.	\$1,206.03
2	17185	18 Gallon Receptacle for MedSafe Program. Receptacle can be purchased with signed 1 year service agreement.	\$1,080.40
3	MS38031	38 Gallon Unused Meds Monthly Price for MedSafe Program: MedSafe Monthly Fee, 38-Gallon 3 Liners per year, for	\$50.34

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		disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 3 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	
3	MS38041	MedSafe Monthly Fee, 38-Gallon 4 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 4 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	\$67.12
3	MS38061	MedSafe Monthly Fee, 38-Gallon 6 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 6 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	\$100.68
3	MS38121	MedSafe Monthly Fee, 38-Gallon 12 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 12 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	\$201.36
3	MS38241	MedSafe Monthly Fee, 38-Gallon 24 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 38-Gallon Receptacle (part 17385) must be purchased before beginning of service. Replacement liners are auto-shipped to location 24 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	\$402.71
		18 Gallon Unused Meds Monthly Price for MedSafe Program:	
4	MS18031	MedSafe Monthly Fee, 18-Gallon 3 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 3 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	\$30.91
4	MS18041	MedSafe Monthly Fee, 18-Gallon 4 Liners per year , for disposal of patient unused medications (INCLUDING	\$41.22

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		SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 4 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	
4	MS18061	MedSafe Monthly Fee, 18-Gallon 6 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 6 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	\$61.83
4	MS18121	MedSafe Monthly Fee, 18-Gallon 12 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 12 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	\$123.66
4	MS18241	MedSafe Monthly Fee, 18-Gallon 24 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 1 year agreement. 18-Gallon Receptacle (part 17185) must be purchased before beginning of service. Replacement liners are auto-shipped to location 24 times per year. \$500 fee applies if contract is not renewed at first or second anniversary date.	\$247.32
3	17639	Single Boxes for Off-Schedule Shipping for MedSafe Program: 38 Gallon Unused Meds, Off Schedule , Off schedule 38-Gallon liner to be purchased on as needed basis in addition to regularly scheduled liner deliveries.	\$181.99
4	17619	18 Gallon Unused Meds, Off Schedule , Off schedule 18-Gallon liner to be purchased on as needed basis in addition to regularly scheduled liner deliveries.	\$96.22
		NON-CONTROLLED Solutions:	
5	17200	20 Gallon Rx TakeAway Environmental Return System. Return weights limited to 50 pounds or a surcharge of \$1.50 per pound over 50 pounds will be assessed.	\$97.78
6	17100	10 Gallon Rx TakeAway Environmental Return System. Return weights limited to 50 pounds or a surcharge of \$1.50 per pound over 50 pounds will be assessed.	\$77.57
		Mail-back Envelopes for CONTROLLED medications:	
7	17425	TakeAway Medication Recovery System Envelope, 25 count with POP Display	\$130.26
		Unforeseen costs:	
8	n/a	n/a	

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Note: A discount is available on Proposal Items 1-4 if a three (3) year contract is executed. Pricing under a three (3) year contract is as follows:

Proposal Item #	Sharps Item #	Sharps Item Description	Total Price
1	n/a	n/a – cost included in monthly fee for 3	n/a
2	n/a	n/a – cost included in monthly fee for 4	n/a
		38 Gallon Unused Meds Monthly Price for MedSafe Program with 3 year agreement:	
3	MS38003	MedSafe Monthly Fee, 38-Gallon 3 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 3 times per year.	\$75.38
3	MS38004	MedSafe Monthly Fee, 38-Gallon 4 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 4 times per year.	\$88.44
3	MS38006	MedSafe Monthly Fee, 38-Gallon 6 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 6 times per year.	\$115.58
3	MS38012	MedSafe Monthly Fee, 38-Gallon 12 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 12 times per year.	\$195.98
3	MS38024	MedSafe Monthly Fee, 38-Gallon 24 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 24 times per year.	\$361.81
		18 Gallon Unused Meds Monthly Price for MedSafe Program with 3 year agreement:	
4	MS18003	MedSafe Monthly Fee, 18-Gallon 3 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 3 times per year.	\$45.23
4	MS18004	MedSafe Monthly Fee, 18-Gallon 4 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 4 times per year.	\$53.27
4	MS18006	MedSafe Monthly Fee, 18-Gallon 6 Liners per year , for disposal of patient unused medications (INCLUDING	\$66.33

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		SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 6 times per year.	
4	MS18012	MedSafe Monthly Fee, 18-Gallon 12 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 12 times per year.	\$109.55
4	MS18024	MedSafe Monthly Fee, 18-Gallon 24 Liners per year , for disposal of patient unused medications (INCLUDING SCHEDULE II-V CONTROLLED SUBSTANCES). Program based on 3 year agreement. Replacement liners are auto-shipped to location 24 times per year.	\$200.00
Single Boxes for Off-Schedule Shipping for MedSafe Program:			
3	17639	38 Gallon Unused Meds, Off Schedule, Off schedule 38-Gallon liner to be purchased on as needed basis in addition to regularly scheduled liner deliveries.	\$96.22
4	17619	18 Gallon Unused Meds, Off Schedule, Off schedule 18-Gallon liner to be purchased on as needed basis in addition to regularly scheduled liner deliveries.	\$181.99

VI. Program Specifications and Required Services (section references are to portions of the Specifications in the RFP or other documents as noted)

2 Description:

2.1 The firm selected will provide a tested and “turn-key ready” medication disposal collection system that is pharmacy based, complete with the needed infrastructure to accurately track, record, and document the proper and legal handling, transportation and ultimate medical/hazardous waste incineration, and disposal of unwanted and/or expired medications collected from the household sector.

2.2 The firm selected will provide the necessary technical support as requested by LLCHD, participating pharmacies and Nebraska MEDS Coalition project partners in order to troubleshoot or overcome unforeseen complications with the provided medication disposal system.

2.3 The firm shall have all necessary permits, best management practices, and law enforcement agreements in place to ensure that the medications collected through the disposal system are legally and properly disposed of in such a manner that public health and environmental impacts are kept at a minimum.

2.4 The firm will provide an explanation to LLCHD identifying their ability to provide sustainable collection beyond the life of this project.

Our MedSafe program, our TakeAway Medication Recovery System mail-back program for controlled substances and our TakeAway Environmental Return System for non-controlled substances meet these criteria.

3 Required Services:

3.1 The firm selected shall provide comprehensive, legal, and professional services for the handling, transporting and ultimate disposal of unwanted/expired controlled and non-controlled medications from the public sector via participating pharmacies or other pertinent agency(s), organization(s) and/or location(s). Unwanted/expired medications include substances collected ONLY from the household sector.

Our MedSafe program, our TakeAway Medication Recovery System mail-back program for controlled substances and our TakeAway Environmental Return System for non-controlled substances meet these criteria.

3.2 The firm selected shall provide all necessary educational resources to the pharmacies and other pertinent organizations outlining the legal guidelines for pharmacy staff to follow in order to properly handle pharmaceutical waste for disposal.

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The MedSafe receptacles and liners and TakeAway Medication Return envelopes include all DEA required signage and/or labeling. Detailed instructions for use are provided with each solution. Additionally, we have provided artwork and content to support customer outreach programs related to take back programs in the past and would continue to provide such support to LLCHD.

3.3 The firm selected shall provide real-time data collection that includes the pounds of medication collected and the number of units (collection receptacles or mail-back program items) received per each pharmacy participating in the Lancaster County Nebraska MEDS Disposal Project.

The Company fully complies with the new DEA rules related to record keeping and reporting which require the following:

- For reverse distributors (like Sharps with the MedSafe program) receiving sealed inner liners from collectors – maintain detailed records as to receipt and destruction including count, date, size, unique identifier, registration number of collector, collection and destruction locations and method of destruction;
- For collectors of mail-back packages (like Sharps with the mail-back program):
 - Maintain detailed records as to receipt and destruction of sealed mail-back packages including date, unique identifier and identification of witnesses to destruction
 - Maintain detailed records for unused packages including date made available to ultimate users or third parties, number of packages, unique identifiers and name and address of third parties, if any.
- For collectors of sealed receptacle inner liners (like Sharps with the MedSafe program) - maintain detailed records as to receipt and destruction including date, unique identifier, size, registration number of applicable collector, and identification of witnesses to activity at various stages including installation, removal, transfer and destruction.

3.4 The firm selected will delineate between the local project and statewide collection efforts being implemented and led by the Nebraska Pharmacists Association and the Nebraska MEDS Coalition.

Our record keeping and reporting will clearly delineate between local and statewide programs.

Term Clause of Contract

We acknowledge that the term of the contract is for a one (1) year term with the option for three (3) additional one (1) year renewals from the date of the executed contract. Prices are

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firm for the first twelve months of the contract period. Prices are subject to change, with 30 days' notice, after the first twelve months and/or in the event of a renewal.

Discounted monthly pricing on the DEA compliant collection receptacle and liner program in the event that LLCHD can enter into a three (3) year contract. Such pricing has been provided in Section V along with the pricing for a one (1) year contract.

Insurance Requirements

We acknowledge reading and understanding the insurance requirements. We currently have insurance coverage with the City of Lincoln, Nebraska as certificate holder – see page 19. Our coverage is on a claims made basis, not on occurrence basis. Our Employer's Liability Insurance has \$1,000,000 minimum limits rather than the \$500,000 minimum limits as shown in the certificate. Our Property Insurance coverage does not include flood.