



# Provision of Lab, Collection & Third Party Administration Services for Fitness for Duty Program

**Date:** January 18, 2018  
**To:** TTC Board  
**From:** Chief People Officer

## Summary

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The purpose of this report is to obtain authorization for the award of a contract to DriverCheck Inc. for a four year term for Provision for Lab, Collection & Third Party Administration Services for the TTC's Fitness for Duty Program with the upset limit of \$7,260,000.00 in Canadian funds, with a duration of 4 years from the notification of award, on the basis of the highest total weighted score.

## Recommendations

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It is recommended that the TTC Board:

1. Authorize the award of a contract to DriverCheck Inc. in the upset limit amount of \$7,260,000.00 (inclusive of all applicable taxes), for the provision of Lab, Collection & Third Party Administration Services for TTC's Fitness for Duty Program for a four year term from the notification of award.

## Financial Summary

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Sufficient funds in the amount of \$1.49 million (net of HST rebate) are included in the 2018 TTC Operating Budget, which was approved by the TTC Board on November 28, 2017. Sufficient funding will be requested in future budgets to cover future expenditures. The Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## Equity/Accessibility Matters

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The TTC is committed to ensuring a safe workplace for its employees, and the safe operation of its transit services for its customers and the public. Safety at work can be negatively affected by many factors, including the impairment of employees by drug and alcohol use. In an effort to reduce risk in the workplace of impairment by drug and

alcohol for the safety of both employees and the public, the TTC implemented random drug and alcohol testing for designated employees under its existing Fitness for Duty Policy.

The TTC cares about the health of its employees, in addition to their safety. The TTC is committed to providing a work environment that respects the dignity and human rights of every individual, and is free from discrimination or harassment. The TTC is committed to providing a work environment that is inclusive to all employees, and provides workplace accommodation for drug and alcohol dependency, up to the point of undue hardship in accordance with the Ontario Human Rights Code. Employees with a drug or alcohol dependency requiring accommodation are encouraged by the TTC to seek assistance through its Occupational Health and Claims Section, the Employee and Family Assistance Program (EFAP), and/or their physician. TTC's drug and alcohol testing is one component of a broader health and safety program at the TTC.

## **Decision History**

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A Request for Proposals (RFP) was publically advertised on the Merx Website on August 11, 2017 for a four year contract for the Provision of Lab Collection and Third Party Administration of Drug and Alcohol Testing Services. This includes laboratory and collection services on an as required basis through mobile collection, onsite dedicated collectors, and fixed site locations, as well as administrator services through a Medical Review Officer. Eleven companies downloaded copies of the proposal documents, out of which three submitted a proposal by the closing date of October 17, 2017. The three companies that submitted a proposal were DriverCheck Inc., Workplace Medical Corp., and CannAmm LP.

All three proposals received were deemed to be compliant and they were rated by the evaluation team consisting of staff from the Human Resources Department and Materials and Procurement Department, based on the criteria listed in Appendix "A".

The current contract with DriverCheck Inc. was originally set to expire on September 15, 2017, but was extended to February 28, 2018 to allow sufficient time to complete the evaluation and award process for the replacement contract.

The RFP stipulated the recommendation for award would be based on the highest total weight scored. The evaluation of proposals was based on a two envelope process consisting of qualitative and pricing components. Eighty points was allocated to the qualitative component and the pricing component was allocated 20 points. It was predetermined that proposals must achieve a minimum of 64 out of 80 points in order to be considered qualified. DriverCheck Inc. was the only bidder to pass the qualitative bar, and was therefore the only firm to have their pricing evaluated. DriverCheck Inc. had the highest total weighted score and has satisfactorily performed the work for TTC to date and is recommended for award of this contract.

## Issue Background

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In February 2010 pre-employment drug and alcohol testing for new hires and existing employees entering into designated positions (safety sensitive, specified management, and designated executive) began at the TTC. In October 2010 the TTC began Post-Incident and Reasonable Cause testing for all employees in designated positions as well as testing for any employee returning to work after receiving treatment for a substance use disorder. In 2011 the Board approved the following:

“...additions to the FFD Policy currently in place at the TTC, which would include the introduction of random alcohol and drug testing for safety sensitive, specified management and designated executive positions...”

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2011/October 19 2011/Supplementary Reports/Fitness For Duty Pol.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2011/October%2019%202011/Supplementary%20Reports/Fitness%20For%20Duty%20Pol.pdf)

In 2015 the TTC provided the Board with an update on the testing numbers.

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2015/February 25/Reports/Random Alcohol %26 Drug testing Feb 25 2015 PUBLIC.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2015/February%2025/Reports/Random%20Alcohol%20%26%20Drug%20testing%20Feb%2025%202015_PUBLIC.pdf)

In 2016, the Board approved the TTC proceeding with implementing random drug and alcohol testing and the associated budget. At that time the TTC's service provider was Driver Check Inc. and the contract contained a provision outlining that the TTC may expand its service to include random drug and alcohol testing. The contract was amended to include the cost to implement and administer random testing.

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2016/March 23/Reports/Fitness For Duty.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2016/March%2023/Reports/Fitness%20For%20Duty.pdf)

On May 8, 2017 the TTC implemented random testing for all designated positions at a rate of 20% annually.

Each year, as the TTC modernizes and grows, it performs an increased number of tests under the policy. In September 2017 the TTC had already performed 63% more tests than the entire year of 2016 as shown in the Alcohol and Drug Test performed tabled below. This substantial increase is largely due to the addition of random drug and alcohol testing in May 2017.

	Alcohol and Drug Tests Performed *							
	YTD Sept 2017	2016	2015	2014	2013	2012	2011	2010
Pre-employment	1236	1609	1384	1297	1100	1133	776	542
Post-Incident	340	237	83	104	90	124	72	10
Reasonable Cause	27	34	36	4	23	22	25	6
Aftercare	357	579	612	459	510	295	87	0
Certification Internal	30	51	54	52	54	18	4	0
Random **	2098	0	0	0	0	0	0	0
Total	4088	2510	2169	1916	1777	1592	964	558

\* Compliant, non-compliant and refused results only, cancelled and missed appointments are not included in these totals.

\*\*Random testing came into effect on May 8, 2017.

### History of TTC Drug and Alcohol Service Contracts

Since the approval to implement drug and alcohol testing at the TTC, the TTC has issued two Request for Proposals (RFPs) for these services and awarded two contracts.

The TTC's first RFP for the drug and alcohol testing and related services required under the Fitness for Duty Program was awarded to DriverCheck Inc. for third party collection and administration and to Maxxam Analytics for laboratory services in 2009. The contract was issued for a one year term, with a three year extension option. The contract option was exercised with contract completion on September 30, 2014. In 2012 Maxxam Analytics was taken over by Gamma-DynaCare Medical Laboratories and a purchase order was subsequently issued to Gamma-DynaCare Medical Laboratories for services previously performed by Maxxam Analytics. The total combined cost of laboratory, collection and administration services was \$443,000.00 after all of the extensions.

On June 3, 2014 a Request for Bids was posted on the Merx and TTC websites for one service provider to perform the collection and administration, and to have a sub-contractor for the laboratory services. This contract was awarded to DriverCheck Inc. on September 15, 2014 with an upset limit of \$1,154,000. This contract had 4 amendments and will be for a term of three and a half years. On February 3, 2017 the first amendment was issued to add pricing specific to the random drug and alcohol testing program as well as increase the upset limit by \$557,874.00 to account for the associated costs. The second amendment, dated June 7, 2017, added supplementary conditions related to the training of the staff hired by DriverCheck Inc. to work solely on the TTC's random testing program. No additional funds were added in this amendment. The third amendment, dated July 6, 2017, extended the contract from September 15, 2017 to December 31, 2017 to allow time for the procurement process. No funds were added in this amendment. The fourth amendment was issued on December 1, 2017 to

extend the contract from Dec 31, 2017 to February 28, 2018 to allow time for board approval through a Procurement Authorization. The fourth amendment also added \$350,000.00 to the contract for a new upset limit of \$2,061,874.00.

### **Comments**

The total upset limit amount of this four year contract is \$7,260,000.00, which is based on the DriverCheck Inc.'s total evaluated price plus a 15% contingency amount. The 15% contingency was recommended by Materials & Procurement to cover the costs of any additional testing that may need to be performed above the quantities outlined in the pricing, as well as to account for any other additional costs that may be incurred. Funds of \$1,490,000.00 have been budgeted and submitted for approval in the 2018 budget submission. Funds for future years will be budgeted in the operating budget going forward. The total cost of the TTC's Drug and Alcohol Testing Services has increased from the previous contracts due to the addition of the random drug and alcohol testing in May 2017, and the term of the contract now being four years instead of three for all services (formerly three years for a portion of the current services). Adding random drug and alcohol has significantly increased the cost of the program due to the number of tests administered and the additional staffing and administration requirements under the random portion of the policy.

A comparison of DriverCheck Inc.'s proposed contract pricing with the current contract pricing was performed and the price comparison revealed an overall increase of approximately 10% in DriverCheck Inc.'s year 1 pricing for the new contract compared to the current contract pricing. In year two there is an approximate 2% increase over year 1 pricing; an approximate 2% increase in year 3 over year 2 pricing, and an approximate 2% increase in year 4 over year 3 pricing. The cost increase for the current contract requirements over the existing (current) contract is attributed to the following:

1. Positive Test Reviews: When there is a laboratory positive, the Medical Review Officer ("MRO") must review this result with the employee. This is called a "Medical Review." Random testing has significantly increased the number of medical reviews required under this contract. The contractor would be required to bring on board additional MROs and will be obliged to contract to other qualified external MROs to be able to conduct the test within the acceptable timeframes stated in the scope of services.
2. Random Tests: Oral fluid and breathalyser testing through dedicated mobile collection.
3. Staffing for random mobile collection.

## **Contact**

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## **Signature**

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Gemma Piemontese  
Chief People Officer

## **Attachments**

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Appendix 'A' – Provision of Lab Collection & Third Party Administration Services for Fitness for Duty Program

# APPENDIX “A”

## PROVISION OF LAB COLLECTION & THIRD PARTY ADMINISTRATION SERVICES FOR FITNESS FOR DUTY PROGRAM

### EVALUATION CRITERIA

#### A. CORPORATE QUALIFICATIONS

- Background and Capabilities
- Number of Years in Business
- Depth of Proposed Available Relevant Resources at Proponent's office
- Relevant Corporate Experience by Project

#### B. PROJECT TEAM QUALIFICATIONS/EXPERIENCE

##### i) Account Manager:

- Number of Years of Related Working Experience
- Number of Years of Direct (Project Management) Experience
- Technical Qualifications (Academic & Professional Associations)
- Capsule CV Description / Relevant Experience By Project

##### ii) Medical Review Officer:

- Number of Years of Related Working Experience
- Number of Years of Direct Medical Review Officer Experience
- Technical Qualifications (Academic & Professional Associations)
- Capsule CV Description / Relevant Experience By Project

#### C. PROPOSED PROJECT METHODOLOGY

- Process and Proponent's compliance with Department of Health and Human Services (DHHS) standards regarding adulterant testing consistent with current regulations and changes/improvements.
- Proponent's quality control processes for oral fluid testing.
- Description of procedures/process used for addressing complex medical issues including assessment of medical marijuana and handling of unique situations including dilute and adulterated samples.
- Description on how Proponent will provide sample analysis using oral fluid technology with the screen and confirmation testing for the drugs and at the cut-off levels set out in Division 1 – Scope of Services.
- Description on how Proponent will provide sample analysis using urinalysis technology with the screen and confirmation testing for the drugs and at the cut-off levels set out in Division 1 – Scope of Services.
- Description on how Proponent will achieve a truly random testing procedure through dedicated computer software with associated certifications.