

**CONTRACT AMENDMENT NO. 3
CONTRACT FOR DAIRY TESTING – MONTANA CORRECTIONAL ENTERPRISES
CONTRACT #COR10-1966L**

This CONTRACT AMENDMENT is to amend the above-referenced contract between the State of Montana, Department of Corrections, Montana Correctional Enterprises (STATE), located at 500 Conley Lake Road, Deer Lodge, MT 59722, and Steven F. Burns (CONTRACTOR), located at 5250 West 12000 North, Garland, UT 84312, telephone number 435-257-7782. This Contract is amended for the following purposes:

- 1) In accordance with the section entitled Effective Date, Duration, and Renewal, both parties mutually agree to extend this Contract for the period June 1, 2016, through May 31, 2017, per the terms, conditions, and prices agreed upon. This is the third renewal, seventh and final year of the Contract.

Except as modified above, all other terms and conditions of Contract COR10-1966L remain unchanged.

**STATE OF MONTANA
Department of Corrections
Montana Correctional Enterprises
500 Conley Lake Road
Deer Lodge, MT 59722**

**STEVEN F. BURNS
5252 West 12000 North
Garland, UT 84312
FEDERAL ID # SSN**

BY: Gayle Lambert, Administrator
(Name/Title)

BY: Steven F. Burns, Owner
(Name/Title)

Gayle M Lambert
(Signature)

X Steven F. Burns
(Signature)

DATE: 4/25/2016

DATE: X 3-16-16

Approved as to Legal Content:

Collan Lambert 4-5-16
Legal Counsel (Date)

Approved as to Form:

Ray 5/2/16
Procurement Officer (Date)
State Procurement Bureau

**CONTRACT AMENDMENT NO. 2
CONTRACT FOR DAIRY TESTING – MONTANA CORRECTIONAL ENTERPRISES
CONTRACT #COR10-1966L**

This CONTRACT AMENDMENT is to amend the above-referenced contract between the State of Montana, Department of Corrections, Montana Correctional Enterprises (STATE), located at 500 Conley Lake Road, Deer Lodge, MT 59722, and Steven F. Burns (CONTRACTOR), located at 5250 West 12000 North, Garland, UT 84312, telephone number 435-257-7782. This Contract is amended for the following purposes:

- 1) In accordance with the section entitled Effective Date, Duration, and Renewal, both parties mutually agree to extend this Contract for the period June 1, 2014, through May 31, 2016, ~~per the terms, conditions, and prices agreed upon. This is the second renewal, fifth and sixth year of the Contract.~~

Except as modified above, all other terms and conditions of Contract COR10-1966L remain unchanged.

STATE OF MONTANA
Department of Corrections
Montana Correctional Enterprises
500 Conley Lake Road
Deer Lodge, MT 59722

STEVEN F. BURNS
5252 West 12000 North
Garland, UT 84312
FEDERAL ID # SSN

BY: Gayle Lambert, Administrator
(Name/Title)

BY: Steven F. Burns, Owner
(Name/Title)

Gayle Lambert
(Signature)

Steven F. Burns
(Signature)

DATE: 4/17/2014

DATE: ~~4-27-14~~
3-27-14 AB

Approved as to Legal Content:
Colleen Ambrose 3-28-14
Legal Counsel (Date)

Approved as to Form:
Rhonda B. Gray 4/22/14
Procurement Officer (Date)
State Procurement Bureau

**CONTRACT AMENDMENT NO. 1
 CONTRACT FOR DAIRY TESTING – MONTANA CORRECTIONAL ENTERPRISES
 CONTRACT #COR10-1966L**

This CONTRACT AMENDMENT is to amend the above-referenced contract between the State of Montana, Department of Corrections, Montana Correctional Enterprises (STATE), located at 500 Conley Lake Road, Deer Lodge, MT 59722, and Steven F. Burns (CONTRACTOR), located at 5250 West 12000 North, Garland, UT 84312, telephone number 435-257-7782. This Contract is amended for the following purposes:

- 1) In accordance with the section entitled Effective Date, Duration, and Renewal, both parties mutually agree to extend this Contract for the period June 1, 2013, through May 31, 2014, per the terms, conditions, and prices agreed upon. This is the first renewal, fourth year of the Contract.

Except as modified above, all other terms and conditions of Contract COR10-1966L remain unchanged.

STATE OF MONTANA
Department of Corrections
Montana Correctional Enterprises
500 Conley Lake Road
Deer Lodge, MT 59722

STEVEN F. BURNS
5252 West 12000 North

Garland, UT 84312
FEDERAL ID # SSN

BY: Gayle Lambert, Administrator
 (Name/Title)

BY: Steven F. Burns, Owner
 (Name/Title)

Gayle Lambert
 (Signature)

Steven F. Burns
 (Signature)

DATE: 3/7/2013

DATE: 2/26/13

Approved as to Legal Content:

Colleen Ambrose 3/3/2013
 Legal Counsel (Date)

Approved as to Form:

Lea Snyder 2/6/13
 Procurement Officer (Date)
 State Procurement Bureau

STATE OF MONTANA VENDOR CONTRACT

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

V.C. #: COR10-1966L
Title: Dairy Testing-Montana Correctional Enterprises (DOC)

CONTRACT TERM	FROM	July 26, 2010	CONTRACT STATUS	NEW (X)
	TO	May 31, 2013		RENEW ()
VENDOR ADDRESS	Steven F. Burns 5250 W. 12000 N. Garland, UT 84312		ORDER ADDRESS	
ATTN:	Steven F. Burns		ATTN:	
PHONE:	435-257-7782		PHONE:	
CELL:	801-597-5973		FAX:	
E-MAIL:	burnsmilinda@hotmail.com		E-MAIL:	

PRICES: Type 02 \$1.60 per cow/per test
MUN \$0.17 per cow/per test

DELIVERY: Per contract

F.O.B.: Per contract

TERMS: Per cow/per test prices are set for initial three years and not subject to increase. Renewals may be made at one-year intervals, not to exceed seven years.

REMARKS: Contractor must maintain a DHIA certification throughout the duration of the contract. If certification lapses during the contract period, the contract will be terminated in accordance to Section 13.1, Termination for Cause with Notice to Cure Requirement.

IFB/RFP NO.:IFB10-1966L

Jill M. Lotter, Contracts Officer

Date: July 26, 2010

AUTHORIZED SIGNATURE

Standard Terms and Conditions

ACCEPTANCE/REJECTION OF BIDS, PROPOSALS, OR LIMITED SOLICITATION RESPONSES: The State reserves the right to accept or reject any or all bids, proposals, or limited solicitation responses, wholly or in part, and to make awards in any manner deemed in the best interest of the State. Bids, proposals, and limited solicitation responses will be firm for 30 days, unless stated otherwise in the text of the invitation for bid, request for proposal, or limited solicitation.

ACCESS AND RETENTION OF RECORDS: The contractor agrees to provide the department, Legislative Auditor, or their authorized agents, access to any records necessary to determine contract compliance. (Section 18-1-118, MCA). The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the State of Montana or third party.

ALTERATION OF SOLICITATION DOCUMENT: In the event of inconsistencies or contradictions between language contained in the State's solicitation document and a vendor's response, the language contained in the State's original solicitation document will prevail. Intentional manipulation and/or alteration of solicitation document language will result in the vendor's disqualification and possible debarment.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the department. (Section 18-4-141, MCA.)

AUTHORITY: The attached bid, request for proposal, limited solicitation, or contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

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

CONFORMANCE WITH CONTRACT: No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without prior written consent of the State Procurement Bureau. Supplies delivered which do not conform to the contract terms, conditions, and specifications may be rejected and returned at the contractor's expense.

DEBARMENT: The contractor certifies, by submitting this bid or proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the contractor cannot certify this statement, attach a written explanation for review by the State.

DISABILITY ACCOMMODATIONS: The State of Montana does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids,

Dairy Testing-Montana Correctional Enterprises (DOC)

alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

FACSIMILE RESPONSES: Facsimile responses will be accepted for invitations for bids, small purchases, or limited solicitations **ONLY** if they are completely received by the State Procurement Bureau prior to the time set for receipt. Bids, or portions thereof, received after the due time will not be considered. Facsimile responses to requests for proposals are **ONLY** accepted on an exception basis with prior approval of the procurement officer.

FAILURE TO HONOR BID/PROPOSAL: If a bidder/offeror to whom a contract is awarded refuses to accept the award (PO/contract) or fails to deliver in accordance with the contract terms and conditions, the department may, in its discretion, suspend the bidder/offeror for a period of time from entering into any contracts with the State of Montana.

FORCE MAJEURE: Neither party shall be responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party is using its best efforts to remedy such failure or delays.

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

LATE BIDS AND PROPOSALS: Regardless of cause, late bids and proposals will not be accepted and will automatically be disqualified from further consideration. It shall be solely the vendor's risk to ensure delivery at the designated office by the designated time. Late bids and proposals will not be opened and may be returned to the vendor at the expense of the vendor or destroyed if requested.

PAYMENT TERM: All payment terms will be computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted in the solicitation document, the State is allowed 30 days to pay such invoices. All contractors will be required to provide banking information at the time of contract execution in order to facilitate State electronic funds transfer payments.

RECIPROCAL PREFERENCE: The State of Montana applies a reciprocal preference against a vendor submitting a bid from a state or country that grants a residency preference to its resident businesses. A reciprocal preference is only applied to an invitation for bid for supplies or an invitation for bid for nonconstruction services for public works as defined in section 18-2-401(9), MCA, and then only if federal funds are not involved. For a list of states that grant resident preference, see <http://gsd.mt.gov/procurement/preferences.asp>.

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

REFERENCE TO CONTRACT: The contract or purchase order number **MUST** appear on all invoices, packing lists, packages, and correspondence pertaining to the contract.

Dairy Testing-Montana Correctional Enterprises (DOC)

REGISTRATION WITH THE SECRETARY OF STATE: Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with sections 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

SEPARABILITY CLAUSE: A declaration by any court, or any other binding legal source, that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually dependent.

SHIPPING: Supplies shall be shipped prepaid, F.O.B. Destination, unless the contract specifies otherwise.

SOLICITATION DOCUMENT EXAMINATION: Vendors shall promptly notify the State of any ambiguity, inconsistency, or error which they may discover upon examination of a solicitation document.

TAX EXEMPTION: The State of Montana is exempt from Federal Excise Taxes (#81-0302402).

TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED: Contractor acknowledges that no state funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (Section 18-5-603, MCA.) Contact the State Procurement Bureau at (406) 444-2575 for more information concerning nonvisual access standards.

TERMINATION OF CONTRACT: Unless otherwise stated, the State may, by written notice to the contractor, terminate the contract in whole or in part at any time the contractor fails to perform the contract.

U.S. FUNDS: All prices and payments must be in U.S. dollars.

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

WARRANTIES: The contractor warrants that items offered will conform to the specifications requested, to be fit and sufficient for the purpose manufactured, of good material and workmanship, and free from defect. Items offered must be new and unused and of the latest model or manufacture, unless otherwise specified by the State. They shall be equal in quality and performance to those indicated herein. Descriptions used herein are specified solely for the purpose of indicating standards of quality, performance, and/or use desired. Exceptions will be rejected.

DAIRY TESTING-MONTANA CORRECTIONAL ENTERPRISES (DOC)
COR10-1996L

1. PARTIES

THIS CONTRACT is entered into by and between the State of Montana Department of Correction, Montana Correctional Enterprises, (hereinafter referred to as "the State"), whose address and phone number are 500 Conley Lake Road, Deer Lodge, MT 59722, (406) 846-1320 and Steven F. Burns, (hereinafter referred to as the "Contractor"), whose address and phone number are 5250 West 12000 North, Garland, UT 84312 and (435) 257-7782.

THE PARTIES AGREE AS FOLLOWS:

2. EFFECTIVE DATE, DURATION, AND RENEWAL

2.1 Contract Term. This contract shall take effect on July 26, 2010, or upon contract execution and terminate on May 31, 2013, unless terminated earlier in accordance with the terms of this contract. (Section 18-4-313, MCA)

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

3. SERVICES AND/OR SUPPLIES

Contractor agrees to provide to the State the following Dairy Testing services.

The State of Montana, Department of Corrections, operates a prison industries training program consisting of vocational education, on-the-job training, and production experience. The program, Montana Correctional Enterprises (MCE), includes a dairy ranch operation. Milk produced through the dairy operation is to be tested by a field technician certified by the Dairy Herd Information Association (DHI or DHIA). The State is contracting with a Rocky Mountain DHIA certified field technician to draw samples as required for DHIA Test 02 and Milk Urea Nitrogen testing per Section 3.1. MCE milks 340 to 380 cows three times per day, and the average milking shift takes 4.5 to 6 hours.

Field technicians send drawn samples to the Rocky Mountain DHI laboratory for testing. The Rocky Mountain DHIA is located in North Logan, Utah. While the MCE Manager determines the number of samples to be drawn, the field technician shall keep MCE apprised of DHIA minimum testing requirements.

Testing performed by the Rocky Mountain DHI laboratory is subsequently reported to a Dairy Records Processing Center (DRPC) in Provo, Utah. The DRPC accumulates testing results and provides data processing and reporting services. MCE is provided reports summarizing test results. The State will not maintain any contractual relationship with the Rocky Mountain DHI laboratory or the Provo DRPC. All services performed through these entities are billed directly to and managed by the field technician.

State certification requirements designated in this contract must be satisfied.

3.1 Requirements and Specifications. The Contractor must agree to meet the following requirements and specifications.

1. Maintain a DHIA certification throughout the duration of the contract.
2. Provide proof of certification within seven calendar days after notification of bid award.

Dairy Testing-Montana Correctional Enterprises (DOC)

3. If certification lapses during the contract period, the contract will be terminated in accordance to Section 13.1, Termination for Cause with Notice to Cure Requirement.
4. Provide sampling and testing services per requirements and specifications required by the Rocky Mountain DHIA.
5. Testing services shall include:
 - a. DHI official test 02 (testing for milk weights, butterfat content, protein content, somatic cell counts, solids content, and other milk components); and
 - b. Milk Urea Nitrogen testing.
6. The MCE Dairy will specify the number of each test to be performed. The field technician shall ensure MCE is meeting DHI requirements for:
 - a. The minimum number of tests per year; and
 - b. The maximum number of days between tests.
7. Maintain services records/documentation which separates costs per test from data processing and other fees billed through DHIA. Only actual costs as billed to the contractor through DHIA will be invoiced to MCE.
8. Bidder agrees to the following requirements.
 - a. **Prior to contracting with the State**, the successful bidder shall submit a current DHIA and DPRC pricing schedule. The schedule shall include all per item and fixed charges the State will incur for DHIA and DPRC services. The State will request this information be provided within seven calendar days.
 - b. **During the contract term** the contracted field technician shall provide the State with updated DHIA and DPRC pricing schedules should service fees change.
9. Provide MCE with invoices which clearly identify the following.
 - a. The number of each type of test performed and charged at the bid price per type of test.
 - b. The amount recoverable by the technician for the data processing services received through DHIA. MCE shall receive monthly statements supporting DHIA data processing and other charges invoiced to the contractor.

4. CONSIDERATION/PAYMENT

4.1 Payment Schedule. In consideration for the Dairy Testing services to be provided, the State shall pay according to the following schedule for the initial three year term:

TEST TYPE	AMOUNT PER TEST
1. TYPE 02	\$1.60
2. MUN	\$0.17

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

Dairy Testing-Montana Correctional Enterprises (DOC)

5. ACCESS AND RETENTION OF RECORDS

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

5.2 Retention Period. The Contractor agrees to create and retain records supporting the Dairy Testing services for a period of three years after either the completion date of this contract or the conclusion of any claim, litigation, or exception relating to this contract taken by the State of Montana or a third party.

6. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

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

7. HOLD HARMLESS/INDEMNIFICATION

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

8. REQUIRED INSURANCE

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

8.2 Primary Insurance. The Contractor's insurance coverage shall be primary insurance with respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

8.3 Specific Requirements for Commercial General Liability. The Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$300,000 per occurrence and \$600,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the Contractor or its officers, agents, representatives, assigns, or subcontractors.

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

Dairy Testing-Montana Correctional Enterprises (DOC)

8.4 Specific Requirements for Automobile Liability. The contractor shall, at a minimum, purchase and maintain automobile liability coverage equivalent to the statutory minimums or \$100,000 whichever is higher. The State reserves the right, upon future risk management assessments, to modify this requirement as determined necessary to mitigate the risk of loss associated with contract performance. Contractor's insurance shall cover such claims as may be caused by any act, omission, or negligence of the contractor, its officers, agents, representatives, assigns, or subcontractors.

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

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

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

9. COMPLIANCE WITH WORKERS' COMPENSATION ACT

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

10. COMPLIANCE WITH LAWS

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

11. INTELLECTUAL PROPERTY

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

12. PATENT AND COPYRIGHT PROTECTION

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

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

13. CONTRACT TERMINATION

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

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

14. LIAISON AND SERVICE OF NOTICES

All project management and coordination on behalf of the State shall be through a single point of contact designated as the State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed pursuant to this contract shall be coordinated between the State's liaison and the Contractor's liaison.

David Miller will be the liaison for the State.
350 Conley Lake Road
Deer Lodge, MT 59722
Telephone: 406-846-1320 ext. 2324
Fax: 406-846-2957

Steven F. Burns will be the liaison for the Contractor.
5250 West 12000 North
Garland, UT 84312
(435) 257-7782
Cell Phone: (801) 597-5973
burnsmilinda@hotmail.com

The State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints will first be directed to the liaison.

15. MEETINGS

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

16. CONTRACTOR PERFORMANCE ASSESSMENTS

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

17. TRANSITION ASSISTANCE

If this contract is not renewed at the end of this term, or is terminated prior to the completion of a project, or if the work on a project is terminated, for any reason, the Contractor must provide for a reasonable period of time after the expiration or termination of this project or contract, all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this contract, except for those terms or conditions that do not reasonably apply to such transition assistance. The State shall pay the Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the contract. If there are no established contract rates, then the rate shall be mutually agreed upon. If the State terminates a project or this contract for cause, then the State will be entitled to offset the cost of paying the Contractor for the additional resources the Contractor utilized in providing transition assistance with any damages the State may have otherwise accrued as a result of said termination.

18. CHOICE OF LAW AND VENUE

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

19. SCOPE, AMENDMENT, AND INTERPRETATION

19.1 Contract. This contract consists of eleven numbered pages, any Attachments as required, IFB # 10-1966L, as amended and the Contractor's RFP response as amended. In the case of dispute or ambiguity about the minimum levels of performance by the Contractor the order of precedence of document interpretation is in the same order.

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

Dairy Testing-Montana Correctional Enterprises (DOC)

20. EXECUTION

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

STATE OF MONTANA
Department of Corrections
Montana Correctional Enterprises
500 Conley Lake Road
Deer Lodge, MT 59722

Steven F. Burns

5252 West 12000 North
Garland, UT 84312
FEDERAL ID # 529-80-7750

BY: Gayle Lambert
Gayle Lambert, Adm. Inistrator

BY: Steven F. Burns
Steven F. Burns, Owner

DATE: 7/29/2010

DATE: 7/28/10

Approved as to Legal Content:
Diana L. Koch 7/26/10
Legal Counsel (Date)

Approved as to Form:
Jim M. Datta 7/22/2010
Procurement Officer (Date)
State Procurement Bureau