

Request for Information

Issued by:

The Ohio Department of Commerce

Division of Administration

Issue Date: 11/3/2016

Closing Date: 11/11/2016

Medical Marijuana Industry Analysis and Regulatory Framework

RFI Number: COM2016-ADM004

The Ohio Department of Commerce, Division of Administration (Department) is looking for expertise and is requesting information around the processing and testing of medical marijuana. The Department is tasked with regulating cultivators, processors and testing laboratories under the Medical Marijuana Control Program, which includes both licensing and enforcement of medical marijuana operations.

Background

Ohio's Medical Marijuana Control Program, created with the passage of House Bill 523, is required by law to be fully operational by September 8, 2018. The Department is committed to developing and implementing a regulatory framework that meets the needs of Ohioans seeking legal access to medical marijuana, while allowing for businesses to enter the market and operate efficiently.

Scope of Work

The Department is seeking a contractor with specialized industry knowledge to consult and advise on the rules and regulations impacting processors and testing laboratories under Ohio's Medical Marijuana Control Program. The contractor will also advise and consult on processing techniques, testing standards and the licensing procedures for processors and testing laboratories under Ohio's Medical Marijuana Control Program. This will include, but not be limited to, researching processing techniques and conversion formulas utilized in other states where the use of medical marijuana is legally permitted and advising on industry standards for testing the potency and consistency of medical marijuana. The contractor will be responsible for completing this work with a budget of less than \$50,000.

Contractor Requirements for the Medical Marijuana Cultivator Project

The Contractor will be required to:

- Research and provide insight and expertise on the business of processing medical marijuana into approved forms under Chapter 3796 of the Revised Code.
- Analyze supply against the anticipated demand of different medical marijuana products and help develop a construct that will align the two under Ohio's Medical Marijuana Control Program.
- Consult on the construction and operation requirements of processor facilities and testing laboratories operating in Ohio.
- Provide feedback and recommendations on the rules that will govern processing and testing laboratories operating under Ohio's Medical Marijuana Control Program.
- Assist with identifying and establishing qualifications and best practices related to the processing of medical marijuana, including the benefits of vertical integration.
- Provide a primary contact person to address all concerns.

Contractor Qualifications

Administration is seeking a vendor with the following qualifications.

- Experience working or consulting within another jurisdiction's medical marijuana program. Specifically, experience or knowledge related to processing and/or testing of medical marijuana and medical marijuana-infused products is desired.
- Expert knowledge of the various processing techniques, testing standards and any related matters.
- Federal or State Government knowledge and experience preferred.
- Provide 2-3 professional recommendations.

Timeline

The dates below are tentative and should be considered as such. Adjustments could be made in accordance with the Department's needs. The estimated start date is within the next six weeks and will continue until the agreement, if a contract is awarded, expires or terminates pursuant to the provisions in the agreement.

***All equipment, software, and networking solutions must meet Department and State standards for compatibility, security, and regulations as evaluated by the Commerce's Information Technology Group and Chief Legal Counsel.**

General Instructions

Provide documents of interest using the following format.

1. **Cover Letter**
 - a. Present the cover letter in the form of a standard business letter.
 - b. The letter should include a summary of the contractor's proposed services and explain how the contractor's experience which will allow successful completion of the state scope of work.
 - c. If the contractor is recognized as an MBE, in addition to the mentioned documents, please provide a State of Ohio MBE certification letter.
2. **Questionnaire**
 - a. Completed Ohio Department of Commerce, Division of Administration questionnaire, which is attached.
3. **Submission Deadlines and Restrictions**
 - a. Submit all RFI's by 5:00 pm on **November 11, 2016**. The Department may reject any submittal responses that are received after the deadline. The Department may reject submittal responses regardless of the cause for the delay. The Department may also extend the deadline at the Department's discretion.

Completed RFI's should be submitted electronically in a current PDF format to:

<u>Contract Administrator:</u>	Joy McKee
<u>Phone Number:</u>	(614) 644-2005
<u>Email Address:</u>	Joy.McKee@com.ohio.gov

Evaluation of Request for Information Responses

The evaluation of the Request for Information responses will be completed in a two-step process.

Step 1: The Department will confirm contractors and responses have met the minimum qualifications required within the “Vendor Qualifications” section of the RFI as well as the items listed in the “General Instructions”.

Step 2: Of those responses that meet the minimum qualifications specified in Step 1, the contractor(s) may have the opportunity to discuss their services with the Department.

Informational Contractor Discussion

The purpose of the Informational Contractor Discussion will be to provide the contractor(s) with the opportunity to present to the prospective offeror a detailed overview of the services they will offer; explaining the scope, objectives, and techniques expected as part of the proposed purchase of services.

After all submittals have been reviewed and have met the minimum qualifications, the Contracts Administrator, Joy McKee, will notify the selected contractor(s) to schedule their discussions.

The Department reserves the right to utilize the information that will be discussed during the meeting in the best interest of the Department not limited to using specifications for future request for bid or proposals. The Department is aware some information may be propriety in nature and will protect the information to the limits of the law. Any information contained in a response to this RFI and considered by the prospective contractor as a trade secret under Chapter 1333 of the Ohio Revised Code should be clearly marked. Failure to properly identify and mark such secrets could result in the information being released pursuant to a public records request.

It is the intent of the Department to proceed with a contract following the Informational Contractor Discussion sessions, but nothing obligates the Department to do so moving forward. Any contract agreed to by the Department and contractor will include a confidentiality provision and a prohibition on the contractor applying for any license on which the contractor has provided advice, research, or analysis.

Contractor(s) Information

Company Name: _____

Company Address: _____

Service Industry: _____

Company Years of Service: _____

Representative: _____

E-mail Address: _____

Phone Number: _____

Fax Number: _____

The Department reserves the right to utilize the information contained in this document as well as the information obtained from the Informational Contractor meeting in the best interest of the department not limited to using specifications for future request for bid or proposals. The Department is aware some information maybe propriety in nature and will protect the information to the limits of the law.

Signature:

Content of Response Questionnaire

Please answer the following questions.

1. What percentage of the company’s primary business is related to the extraction and processing of medical marijuana and medical marijuana-infused products?

Please provide an explanation of your experience. Include specific extraction techniques for medical marijuana-infused products with which you are familiar.

2. Does the company have experience in the medical marijuana industry or the related fields identified under Contractor Qualifications?

If so, please provide a high-level overview of your two most successful projects.

3. Is the company licensed in and based out of the State of Ohio?

4. Is the company an Ohio MBE? If the answer is yes, are you able to provide proof of certification?

5. What analysis tools and metrics has the company used to calculate conversion and processing efficiencies; to project processing success rates; and to establish homogeneity for individual units of medical marijuana products?

6. What experience do you have with respect to the different processing methods, testing standards and understanding the pros and cons of each method and/or standard?

7. How does the company plan to consult the Department with constructing the processor and testing laboratory rules framework based on the information provided in this RFI response?

8. What is the company's experience in medical marijuana or other commercial extraction methods, processing techniques and testing standards? Include any practical experience or consulting experience working with ISO 17025 standards.

9. How does the company intend to conduct additional research and explain its findings to employees with varying degrees of knowledge in the industry?

10. How quickly can the company begin conducting research and advising the Department?

Questions for the Ohio Department of Commerce, Division of Administration

1. _____

2. _____

3. _____

Standard Terms and Conditions

By submitting a bid to the Ohio Department of Commerce (“Commerce”), each Contractor agreeing to the following terms and conditions. Nothing herein guarantees that the Vendor’s bid or proposal will be accepted by Commerce. Nothing provided by Contractor and/or Commerce shall amend, modify, or rescind the following terms and conditions.

Bids and Proposals are Firm for 90 days. Unless stated otherwise, once opened all bids or proposals are irrevocable for ninety (90) days. Beyond ninety (90) days, Contractor will have the option to honor its bid or proposal or make a written request to withdraw its bid or proposal from consideration.

Secretary of State. The contractor is properly registered with the Ohio Secretary of State pursuant to Ohio Revised Code §§ 1703.01 to 1703.31 as applicable.

Bids and Proposals are Public Record. After a bids or proposal is opened, it is a public record as defined in Ohio Revised Code §149.43 and therefore, a Contractor should not include trade secret or proprietary information in its bid or proposal.

OBM Certification of Funds. All purchases for goods or services by Commerce are contingent upon approval by OBM that all statutory provisions under Ohio Revised Code §126.07 have been met and that the Controlling Board has approved the purchase or service when applicable.

Non-appropriation. Commerce’s funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails at any time to continue funding for the payments or any other obligation due by Commerce, then Commerce will be released from its obligations on the date the funding expires.

The current General Assembly cannot commit a future General Assembly to expenditure. Any agreement between the Contractor and Commerce will expire at the end of the next biennium if not sooner by agreement of the parties.

Taxes. Commerce is exempt from federal excise taxes and all state and local taxes, unless otherwise provided herein. Commerce does not agree to pay any taxes on commodities, goods, or services acquired from any Vendor.

Payments, Invoices and Interest. Any payments will be due on the 30th calendar day after the later of: (1) the date of actual receipt of a proper invoice by Commerce’s Fiscal Office, or (2) the date the Deliverable(s) is/are accepted in accordance with the terms of the purchase. The date of the warrant issued in payment will be considered the date payment is made. Section 126.30 of the Ohio Revised Code may be applicable and, if so, requires payment of interest on overdue payments for proper invoices. The interest charge shall be at a rate per calendar month, which equals one-twelfth of the rate per annum prescribed by Section 5703.47 of the Ohio Revised Code.

Insurance. The State of Ohio is self-insured.

Ohio Election Law. Contractor affirms that it is compliant with Section 3517.13 of the Ohio Revised Code.

Ohio Ethics Law. Contractor affirms that it is currently in compliance and will continue to adhere to the requirements of Ohio Ethics law as provided by Section 102.03 and 102.04 of the Ohio Revised Code.

Drug-Free Workplace. Contractor agrees to comply with all applicable Ohio laws regarding maintaining a drug-free workplace. Contractor will make a good faith effort to ensure that all Vendor's employees, while working on State property, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way.

Equal Employment Opportunity. Contractor agrees that it complies with the requirements of Section 125.111 of the Ohio Revised Code and that it will comply with all state and federal laws regarding equal employment opportunity and fair labor and employment practices.

Workers' Compensation. Contractor shall provide its own workers' compensation coverage for the entire duration of all work performed. Commerce is hereby released from any and all liability for injury received by the Vendor, its employees, agents, or subcontractors, while performing tasks, duties, work, or responsibilities for Commerce.

Prohibiting the Expenditure of Public Funds on Offshore Services. The Contractor affirms to have read, understands Executive Order-12 K, and shall abide by those requirements in the performance of any work for Commerce. Commerce reserves the right to recover any funds paid for services the Contractor performs outside of the United States for which it did not receive a waiver. The State does not waive any other rights and remedies provided herein.

State Audit Findings. Contractor affirmatively represents to Commerce that it is not subject to a finding for recovery under R.C. 9.24 or that it has taken the appropriate remedial steps required under R.C. 9.24 or otherwise qualifies under that section. Contractor agrees that if this representation is deemed to be false, any Agreement between Contractor and Commerce shall be void *ab initio* and any funds paid by Commerce hereunder shall be immediately repaid to Commerce, or an action for recovery may be immediately commenced by Commerce for recovery of said funds.

Indemnification, Hold Harmless, Attorney's Fees and Representation. Any provisions requiring Commerce to indemnify, hold harmless or pay attorney's fees to Vendor, do not meet the requirements of state law and shall be considered stricken from any agreement made between the parties.. Any requirement that Contractor defend a lawsuit where Commerce has been named as a party is subject to Section 109.02 of the Ohio Revised Code.