

STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
GENERAL SERVICES DIVISION
OFFICE OF PROCUREMENT SERVICES
4200 SURFACE ROAD, COLUMBUS, OH 43228-1395

REQUIREMENTS CONTRACT: Parcel Mail Sort Services and Expedited Delivery

CONTRACT No.: OT901609

EFFECTIVE DATES: 07/01/08 to 06/30/10

The Department of Administrative Services has accepted bids submitted in response to Invitation to Bid No. OT901609 that opened on 05/21/08. The evaluation of the bid response(s) has been completed. The bidder(s) listed herein have been determined to be the lowest responsive and responsible bidder(s) and have been awarded a contract for the items(s) listed. The respective bid response, including the [Terms and Conditions for Bidding, Standard Contract Terms and Conditions, and Supplemental Contract Terms and Conditions](#), special contract terms & conditions, any bid addenda, specifications, pricing schedules and any attachments incorporated by reference and accepted by DAS become a part of this Requirements Contract.

This Requirements Contract is effective beginning and ending on the dates noted above unless, prior to the expiration date, the Contract is renewed, terminated or cancelled in accordance with the Contract Terms and Conditions.

This Requirements Contract is available to OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES, GENERAL SERVICES DIVISION, STATE MAIL SERVICE, 30 EAST BROAD STREET, B-1, COLUMBUS, OHIO 43215, as applicable.

Agencies are eligible to make purchases of the listed supplies and/or services in any amount and at any time as determined by the agency. The State makes no representation or guarantee that agencies will purchase the volume of supplies and/or services as advertised in the Invitation to Bid.

SPECIAL NOTE: State agencies may make purchases under this Requirements Contract up to \$2500.00 using the state of Ohio payment card. Any purchase that exceeds \$2500.00 will be made using the official state of Ohio purchase order (ADM-0523). Any non-state agency, institution of higher education or Cooperative Purchasing member will use forms applicable to their respective agency.

Questions regarding this and/or the Requirements Contract may be directed to:

Gayle Blankenship
gayle.blankenship@das.state.oh.us

This Requirements Contract and any Amendments thereto are available from the DAS website at the following address:



<http://www.ohio.gov/procure>

Signed: _____
Hugh Quill, Director Date

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SPECIAL CONTRACT TERMS AND CONDITIONS

AMENDMENTS TO CONTRACT TERMS AND CONDITIONS: The following Amendments to the Contract Terms and Conditions do hereby become a part hereof. In the event that an amendment conflicts with the Contract Terms and Conditions, the Amendment will prevail.

CONTRACT RENEWAL: This Contract may be renewed solely at the discretion of DAS for a period of one month. Any further renewals will be for an appropriate period of time. The cumulative time of all renewals may not exceed forty-eight (48) months unless DAS determines that additional renewal is necessary.

CONTRACT AWARD: The contract will be awarded to the lowest responsive and responsible bidder by low lot total.

EVALUATION: Bids will be evaluated in accordance with Article I-5 of the "Instructions to Bidders". In addition, the State will multiply Estimated Annual Usage by Parcels Shipped by the Price Per Item and add these totals together for an estimated yearly cost. Add the totals for the years one (1) and two (2) together for an estimated low lot total contract cost.

SPECIFICATION QUESTIONS: Information regarding submission of questions and clarifications for this bid is provided on page one (1) of the bid. Through the indicated inquiry closure date, bidders may visit the Office of Procurement Services website to post bid related questions at www.ohio.gov/procure. Answers to all bidder questions will be posted on the Office of Procurement Services website and linked to the bid number. The State will make every effort to respond to website inquiries within forty-eight (48) hours of receipt. The State will not respond to any verbal or written questions received through any other medium. No prospective bidder shall respond to any verbal instructions or changes to this bid. Only communications issued by the Department of Administrative Services, Office of Procurement Services in the form of an addendum, will be considered valid.

MANDATORY/REQUIRED SUBMISSIONS: As specified, mandatory submissions must be submitted with the bid response. Required documentation/materials should be submitted with the bid. If not submitted with the bid, the bidder must provide the said documentation/materials within five (5) business days, after notification, to the Office of Procurement Services. Failure to provide mandatory submissions with the bid response or failure to provide the required documentation/materials, as applicable, within the stated time period will result in the bidder being deemed as not responsive.

For specific submission requirements, bidders should refer to the Bid Submission Check List for a listing of those mandatory submissions due with the bid response and those other submissions that should be submitted with the bid response, but which do not become mandatory until requested during the bid evaluation period.

Secretary of State Registration: All Bidders are now required to submit evidence that they are registered with the Secretary of State at the time of Bid submission. Failure to provide this documentation at the time of Bid submittal may deem the Bidder as not responsive and no further consideration may be given.

SITE VISIT: Prior to submitting their bid response, the bidder should visit the agency(ies) they are bidding in order to survey the facility(s) and to become familiar with the requirements of the bid. The bidder must contact each facility to schedule an appointment. To schedule an appointment, please contact the agency contact person(s) listed below. Once a contract is awarded, failure of the bidder to have requested a site visit to become familiar with the facility and requirements of the bid will be insufficient reason to support any request to be released from the contract.

Contact Mike Trackler at Mike.Trackler@das.state.oh.us or (614) 466-8684.

DELIVERY AND ACCEPTANCE: Services will be performed as set forth in the Contract and in accordance with Article K-5, of the Contract Terms and Conditions. The location of performance will be noted on the purchase order issued by the participating agency. Payment for services rendered will occur upon the inspection and written confirmation by the ordering agency that the services provided conform to the requirements set forth in the Contract. Unless otherwise provided in the Contract, payment shall be conclusive except as regards to latent defects, fraud, or such gross mistakes as amount to fraud.

DESCRIPTIVE LITERATURE: The Bidder may be required to submit descriptive literature of the supplies or services being offered. If requested, the literature will be used in the evaluation process to determine the lowest responsive and responsible bidder. If not provided as part of the bid response, the Bidder must provide said literature within ten (10) calendar days after request/notification by the Office of Procurement Services to do so. Any references, that may appear in the descriptive literature, that may alter the terms and conditions and specifications of the bid (i.e. F.O.B. Shipping Point or Prices Subject to Change), will not be part of any contract and will be disregarded by the state of Ohio. Failure of the bidder to furnish descriptive literature either as part of their bid response or within the time specified herein will deem the bidder not responsive.

SPECIAL CONTRACT TERMS AND CONDITIONS

FIXED-PRICE WITH WAGE ADJUSTMENTS: No price adjustment will be granted during the first twelve (12) months duration of the contract. Thereafter, should changes be approved to the Federal Minimum Wage Rates, Federal Mandatory Health Care Programs, Workers' Compensation and/or Unemployment Insurance rates and/or transportation costs, the Contractor may petition DAS to increase the contract price(s). If approved by DAS, the Contractor will only be entitled to the exact amount of the increase as approved in the respective program. DAS will not agree to any increase that is retroactive to the start date of the Contract or is within the above stated time period that prices may not be adjusted. The Contractor must give DAS a minimum of thirty-(30) calendar days notice prior to the effective date of the increase. The petition must be accompanied by documentary evidence to fully support the request (i.e. Federal Minimum Wage Scales, tariff schedules, etc.). If approved the increase will become effective on the date set forth in the request and will remain in effect for the duration of the Contract. Approval of said increase is at the sole discretion of DAS. No petition for increase will be considered for adjustments that occurred prior to the effective date of the Contract.

TEMPORARY FUEL ADJUSTMENT: No request for a temporary fuel adjustment may be requested for the first six (6) months duration of the Contract. Thereafter, should a statewide or national increase in the cost of fuel occur, that is greater than 10% of the cost for fuel in place at the time of Contract award, the Contractor may petition DAS to increase the Contract price(s). The Contractor will be required to provide a cost breakdown of each item to indicate the portion of their product cost that is attributed to fuel. If approved, the Contractor will be permitted to adjust the price(s) by the exact amount of the fuel increase. The increase will be effective seven (7) calendar days after approval. Future requests for fuel cost adjustment will be considered in six (6) month intervals, for the duration of the Contract, under the above conditions. Should a statewide or national decrease in the cost of fuel occur, that is greater than 30% of the cost of fuel at the time of Contract award or approved increase, the Contractor will advise Office of Procurement Services of said decrease and the Contract will be adjusted accordingly. Said decrease will become effective seven (7) calendar days after notification. Failure of the Contractor to notify Office of Procurement Services of a decrease will be considered as a default and the Contractor will be responsible to reimburse the state for any overpayments. Said increases or decreases will be effective on all orders placed on or after the approval date of the adjustment.

USAGE REPORTS: Every six (6) months the Contractor must submit a report (written or on disk) indicating sales generated by this contract. The report shall list usage by customer, by line item, showing the quantities/dollars generated by this contract. The report shall be forwarded to the Office of Procurement Services, 4200 Surface Road, Columbus, OH 43228-1395, Attn: Gayle Blankenship.

INSURANCE DOCUMENTS: Upon the policy renewal date, the Contractor must submit, within thirty (30) days, updated insurance documents as required by this Contract. The documents must include a current Workers' Compensation Certificate and an Acord Certificate of Liability Insurance and must include all required endorsements as described in the Supplemental Terms and Conditions of this contract.

Failure to maintain compliant insurance coverage per S-13 of the Supplemental Contract Terms and Conditions will be considered a default and will be cause for cancellation of the Contract under the Standard Contract Terms and Conditions, Section I, Item C, Part 1.

These documents shall be forwarded to the Office of Procurement Services, 4200 Surface Road, Columbus, OH 43228-1395, Attn: Gayle Blankenship.

RENEWAL DOCUMENTS: Upon each extension of this Contract agreed to by the State and the Contractor, the following documents must be submitted within five (5) business days prior to the effective renewal date.

- A. Current Insurance Accord Certificate with all mandatory clauses as described in the Standard Terms and Conditions of this Bid.
- B. Current Workers' Compensation Certificate
- C. Current signed DMA Form (Declaration of Materials Assistance)
- D. Invoices of prior twelve months, including at minimum, name and location of agency, date of service, description of service provided, total hours spent, dollar amount of service, total invoice amount.
- E. Signed letter of agreement to extension of term stated at the same Terms and Conditions at the time of renewal. This letter shall also include any updates to the Contractor's contact information.

SPECIFICATIONS AND REQUIREMENTS

I. SCOPE

The intent of this bid is to acquire the services of a Contractor to furnish parcel mail sorting services and expedited delivery services for mail containing any item weighing from 3.0 ounces through and including 15 ounces, mail containing bound printed matter weighing from 1 pound through and including 15 pounds; and for mail containing items other than bound printed matter weighing from 1 pound through and including 15 pounds for using agencies.

II. CONTRACTOR REQUIREMENTS

A. Pickup Locations and Pickup Schedules:

1. Current Pickup Locations and Pickup Schedules

| | | |
|-------------------------------------|---------------------|-----------------|
| State Office Tower 1 | 30 E. Broad St. | 4:05 pm |
| State Office Tower 2 | 77 S. High St. | 4:25 pm |
| Attorney General | 130 E. Town St. | 4:05 pm |
| Dept. of Education | 25 S. Front St. | 3:15 pm |
| Dept. of Education | 65 S. Front St. | 3:00 pm |
| Dept. of Health | 246 N. High St. | 3:15 pm |
| Dept. of Insurance | 2100 Stella Ct. | 3:30 to 3:45 pm |
| Industrial Compliance | 6600 Tussing Rd. | 3:15 pm |
| E.P.A. | 122 S. Front St. | 4:25 pm |
| Dept. of Aging | 50 W. Broad St. | 5:00 pm |
| Ohio State Highway Patrol | 1970 W. Broad St. | 3:40 pm |
| Dept. of Public Safety | 1970 W. Broad St. | 3:40 pm |
| Bureau of Motor Vehicles | 1970 W. Broad St. | 3:40 pm |
| Bureau of Motor Vehicles | 1583 Alum Creek Dr. | 2:30 pm |
| Bureau of Workers' Compensation | 30 W. Spring St. | 3:30 to 4:00 pm |
| Industrial Commission | 30 W. Spring St. | 3:30 pm |
| Dept. of Taxation | 1022 Freeway Dr. | 2:00 pm |
| Dept of Rehabilitation & Correction | 1050 Freeway Dr. | 2:10 pm |
| Dept of Natural Resources | Fountain Sq. | 2:20 pm |
| O.D.O.T. | 1980 W. Broad St. | 3:45 pm |
| General Services Division of DAS | 4200 Surface Rd. | 5:00 pm |
| Lebanon Correctional Institution | Lebanon, Ohio | 2:30 pm |

2. During the term of this contract new mail pickup locations may be added and existing mail pickup locations may be deleted or changed. The Contractor will be required to adjust its' schedules and number of required staff to accommodate these changes at no additional charges to the state of Ohio. The Chief, State Mail Service, designates pickup locations.

3. The Contractor is to provide service, twenty-four (24) hours per day, weekends and holidays, if required.

B. The Contractor will pickup, apply postage, sort and deliver to the Destination Delivery Units (DDU), Processing & Distribution Centers (P & DC's) and the Bulk Mail Centers (BMC's) of the United States Postal Service (USPS), qualifying mail, weighing 3.0 ounces and up to and including 15 ounces of any item, 1 pound up through and including 15 pounds of bound printed matter and 1 pound up through and including 15 pounds of items other than bound printed matter, in accordance to USPS regulations.

C. Mail that is unreadable, has no ZIP code, or does not meet the addressing requirements of the USPS standards for normal mail must be returned to the using agency within two (2) working days at no charge to the agency. As an alternative to having mail returned to the using agency, the Contractor may correct the omission and charge the using agency a handling fee, in addition to the postage fee and normal handling charges, for providing this service.

SPECIFICATIONS

- D. Complete presorting of all daily volumes to meet requirements of the United States Postal Service. Contractor certifies that all volume will be processed and totally mixed, where possible, with volumes from its other customers every mailing day.
- E. Failure to comply with USPS preparation requirements will be the responsibility of the Contractor except for the error in mail preparation of mail by using agencies.
- F. The Contractor is responsible for furnishing the personnel, vehicles and mail sort production facilities necessary to perform the services specified in this contract
- G. The Contractor is responsible for processing the mail by using agency and providing that agency a completed account of each piece with weight and charges. Any discrepancies are to be noted the next business day and an immediate reconciliation done.
- H. The Contractor is subject to the governing regulations of the United States Postal Service and law of the United States affecting the processing of domestic mail.
- I. No subcontracting of the services specified herein will be permitted.
- J. Contractor must accept liability for any law suit(s) arising from any of its actions concerning non-delivery of mail.
- K. All mail related functions are to be accomplished at a facility owned or rented by the Contractor for such services. The state reserves the right to visit the Contractor's presorting facilities at any time during the normal Contractor's working hours.
- L. The Contractor will be required to acquire any licenses necessary to perform the total services required. Further, the Contractor will be responsible to comply with any and all laws, rules and regulations pertaining to the performance and services delivered through this contract.
- M. The Contractor must provide adequate security for state mail while in its possession. The Contractor will be responsible for any and all mail losses that may occur as a result of the Contractor's failure to provide adequate security. The Contractor must have as a minimum such security systems as a mechanical alarm system or security guards.
- N. Vehicles utilized for the pickup and delivery of mail must be capable of being locked and must be locked during the transporting of state mail.
- O. The Contractor is to provide for its own parking during the performance of this contract.

III. CUSTODIAL RESPONSIBILITY FOR THE MAIL

- A. Damaged mail, which cannot be processed by the Contractor, is to be returned to the using agency within one (1) day of discovery.
- B. No information (except ZIP Codes) is to be retained from state mail.

IV. AGENCY RESPONSIBILITIES

- A. The using agencies will provide mail in tubs (furnished by USPS) with all addresses facing the same direction.
- B. The using agencies will provide a manifest, furnished by the Contractor, for each shipment. This manifest will indicate the total number of pieces to be processed.
- C. The using agencies will notify the Contractor of any volumes that exceed the average daily volume.

SPECIFICATIONS

V. CONTRACTOR'S QUALIFICATIONS

- A. The Contractor must be a registered mailer with the United States Postal Service and pay the applicable annual fees to the U.S. Post Office.
- B. The Contractor must have been in the mail sort business no less than five (5) years and furnish four (4) references where similar services as requested in this bid were performed.
- C. The Contractor must be a business partner and national account with the United States Postal Service.
- D. The Contractor must offer online reporting.

VI. BID SUBMITTAL

- A. Mandatory: These items shall be included at the time of the Bid. Failure to provide these items with the Bid or by the Bid Opening date and time as stated on Page 1 of this Bid may deem the Bid as not responsive and no further consideration will be given to the Bid. A list of these Mandatory items can be found on the last page of this Bid.
- B. Required: These items shall be included at the request of Office of Procurement Services. Failure to provide these items within the specified timeframe stated on the last page of this Bid may deem the Bid as not responsive and no further consideration will be given to the Bid. A list of these required items can be found on the last page of this Bid.

VII. REFERENCES

Bidder must provide with their Bid at least four (4) positive references for jobs of similar scope which may include government agencies and private industries. The reference must provide the name and address of the company, the name and telephone number(s) of the contact person, a brief description of services provided and the length of service for that company. The references must include the annual dollar amount of the contract, and the type(s) of services performed.

Upon request from Office of Procurement Services, the Bidder will provide additional references if needed. Failure to provide references that are able and available to answer questions pertinent to the Bidder's performance and job satisfaction may deem the Bidder as not responsive and their Bid may be disqualified.

PRICE SCHEDULE

NOTE: The processing charges requested below are to include postage fees. The estimated annual usage overall is 500,000 pieces with 90% of that total in license plates. This figure is not reflected in the "Estimated Annual Usage by Weight" in the following pricing sheets.

PROCESSING CHARGE FOR MAIL CONTAINING ANY ITEM

| ITEM # 13376 | | PRICE PER ITEM | |
|--------------------------|---|--|--|
| DESCRIPTION UNIT COST | ESTIMATED ANNUAL USAGE BY PARCELS SHIPPED | YEAR 1 07/01/08 through 06/30/09 | YEAR 2 07/01/09 through 06/30/10 |
| 3 OUNCES | 5320 | \$1.17 | \$1.24 |
| 4 OUNCES | 1934 | \$1.25 | \$1.33 |
| 5 OUNCES | 1934 | \$1.33 | \$1.41 |
| 6 OUNCES | 1934 | \$1.41 | \$1.49 |
| 7 OUNCES | 1934 | \$1.48 | \$1.57 |
| 8 OUNCES | 1934 | \$1.56 | \$1.65 |
| 9 OUNCES | 1934 | \$1.64 | \$1.74 |
| 10 OUNCES | 1934 | \$1.72 | \$1.82 |
| 11 OUNCES | 1934 | \$1.79 | \$1.90 |
| 12 OUNCES | 1934 | \$1.87 | \$1.98 |
| 13 OUNCES | 1934 | \$1.95 | \$2.07 |
| 14 OUNCES | 239,400 | \$2.04 | \$2.16 |
| 15 OUNCES | 1934 | \$2.12 | \$2.25 |

PROCESSING CHARGE FOR MAIL CONTAINING BOUND PRINTED MATTER

| ITEM # 13376 | | PRICE PER ITEM | |
|--------------------------|---|--|--|
| DESCRIPTION UNIT COST | ESTIMATED ANNUAL USAGE BY PARCELS SHIPPED | YEAR 1 07/01/08 through 06/30/09 | YEAR 2 07/01/09 through 06/30/10 |
| 1 POUND | 5320 | \$2.42 | \$2.57 |
| 2 POUNDS | 3990 | \$2.52 | \$2.67 |
| 3 POUNDS | 1330 | \$2.68 | \$2.84 |
| 4 POUNDS | 1330 | \$2.84 | \$3.01 |
| 5 POUNDS | 1330 | \$2.99 | \$3.17 |
| 6 POUNDS | 1330 | \$3.14 | \$3.33 |
| 7 POUNDS | 1330 | \$3.30 | \$3.50 |
| 8 POUNDS | 1330 | \$3.45 | \$3.65 |
| 9 POUNDS | 1330 | \$3.61 | \$3.82 |
| 10 POUNDS | 1330 | \$3.76 | \$3.99 |
| 11 POUNDS | 1330 | \$3.92 | \$4.16 |
| 12 POUNDS | 1330 | \$4.07 | \$4.31 |
| 13 POUNDS | 1330 | \$4.23 | \$4.48 |
| 14 POUNDS | 1330 | \$4.39 | \$4.65 |
| 15 POUNDS | 1330 | \$4.53 | \$4.81 |

PRICE SCHEDULE

NOTE: The processing charges requested below are to include postage fees. The estimated annual usage overall is 500,000 pieces with 90% of that total in license plates. This figure is not reflected in the "Estimated Annual Usage by Weight" in the following pricing sheets.

PROCESSING CHARGE FOR MAIL CONTAINING ITEMS OTHER THAN BOUND PRINTED MATTER

| ITEM # 13376 | | PRICE PER ITEM | |
|--|---|--|--|
| DESCRIPTION UNIT COST | ESTIMATED ANNUAL USAGE BY PARCELS SHIPPED | YEAR 1 07/01/08 through 06/30/09 | YEAR 2 07/01/09 through 06/30/10 |
| 1 POUND | 3990 | \$3.86 | \$4.09 |
| 2 POUNDS | 1615 | \$4.03 | \$4.27 |
| 3 POUNDS | 1615 | \$4.45 | \$4.72 |
| 4 POUNDS | 1615 | \$4.94 | \$5.24 |
| 5 POUNDS | 1615 | \$5.12 | \$5.43 |
| 6 POUNDS | 1615 | \$5.30 | \$5.62 |
| 7 POUNDS | 1615 | \$5.47 | \$5.80 |
| 8 POUNDS | 1615 | \$5.71 | \$6.05 |
| 9 POUNDS | 1615 | \$6.05 | \$6.41 |
| 10 POUNDS | 1615 | \$6.38 | \$6.76 |
| 11 POUNDS | 1615 | \$6.71 | \$7.11 |
| 12 POUNDS | 1615 | \$7.06 | \$7.48 |
| 13 POUNDS | 1615 | \$7.40 | \$7.84 |
| 14 POUNDS | 1615 | \$7.67 | \$8.13 |
| 15 POUNDS | 1615 | \$7.95 | \$8.43 |
| PROCESSING CHARGE FOR MAIL THAT IS UNREADABLE, HAS NO ZIP CODE, OR DOES NOT MEET THE ADDRESSING REQUIREMENTS OF THE USPS STANDARDS FOR NORMAL MAIL TO CORRECT THE OMISSION IN ADDITION TO NORMAL HANDLING CHARGES, FOR PROVIDING THIS SERVICE. | 7980 | \$0.35 | \$0.40 |

COST ALLOCATION – This section must be completed and submitted with the Bid Submission. Failure to complete this section may deem the Bid as not responsive and no further consideration given.

Bidder should indicate the breakdown of cost by the percentage of cost for fuel, labor and equipment/supplies.

Percentage of cost for labor _____ 14 _____ %

Percentage of cost for Fuel _____ 14 _____ %

Percentage of cost for Equipment/Supplies _____ 10 _____ %

Other (please explain) ___Postage _____ 62 _____ %

_____ Must total 100%

CONTRACTOR INDEX

CONTRACTOR AND TERMS:

BID CONTRACT NO.: OT901609-2 (06/30/10)

MAIN OFFICE

Vendor ID # 155155
Global Mail Inc.
dba DHL Global Mail
2700 S. Commerce Parkway Suite 400
Weston, FL 33331

TERMS: Net 30 Days
DELIVERY: As Specified

CONTRACTOR'S CONTACT: Brad Noble

Telephone: (954) 903-6300
Mobile: (513) 759-5588
FAX: (954) 349-6379
E-Mail: bnoble@dhlglobalmail.com

REMITTANCE ADDRESS

DHL Global Mail
12868 Collections Center Dr.
Chicago, IL 60693

IT/MIS CONTACT: Paul Tessy

Telephone: (954) 903-6380