396-2018

CERTIFIED COPY OF ORDER

STATE OF MISSOURI

August Session of the July Adjourned

Term. 20 18

County of Boone

ea.

In the County Commission of said county, on the

28th

day of

August

20 18

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the request by Matthew Kaiser to rezone from R-M (Moderate Density Residential) to C-G (General Commercial) on .5 acres, more or less, located at 1585 E Prathersville Road, Columbia.

Done this 28th day of August, 2018.

ATTEST.

Taylor W. Burks

Clerk of the County Commission

Daniel K. Atwill

Presiding Commissioner

Fred J. Part

District I Commissioner

Janet M. Thompson

CERTIFIED COPY OF ORDER

STATE OF MISSOURI

August Session of the July Adjourned

Term. 20 18

County of Boone

ea.

In the County Commission of said county, on the

28th

day of

August

20 18

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby receive and accept the following subdivision plats and authorizes the presiding commissioner to sign them:

- Creasy Bend Plat No. 1. S26-T49N-R13W. R-S. David and Karen Butcher, owners. David T. Butcher, surveyor.
- Old Asbury Plat No. 1-A. S29-T49N-R13W. A-2. Greg and Michelle Asbury, owners. David Butcher, surveyor.
- Roemer Lake Plat 7. S26-T49N-R13W. R-S. Nathan and Heidi Crouch, owners. David T. Butcher, owner.
- Thornhill. S3-T51N-R13W. A-2. Debbie R. Smith, Katrina L. Edwards and Christian E. Gehlkein, owners. Donald E. Bormann, surveyor.
- Ray Estates. S25-T48N-R12W. A-1P. Phoenix Property Development LC, owner. Kevin M. Schweikert, surveyor.

Done this 28th day of August, 2018.

Ckerk of the County Commission

ATTEST

Daniel K. Atwill

Presiding Commissioner

Fred J. Parry

District I Commissioner

Janet M. Thompson

398-2018

CERTIFIED COPY OF ORDER

STATE OF MISSOURI

August Session of the July Adjourned

Term. 20 18

County of Boone

ea.

In the County Commission of said county, on the

28th

day of

August

20 18

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the issuance of a Quit-Claim Deed from Boone County to Boone County Regional Sewer District to facilitate the American Outdoor Brands Chapter 100 project. The approved Quit-Claim Deed is attached hereto.

Done this 28th day of August, 2018.

<u> FITEST</u>

Taylor W. Burks

Clerk of the County Commission

Daniel K. Atwill

Presiding Commissioner

Fred J. Park

District I Commissioner

Janet M. Thompson

OUIT-CLAIM DEED

WITNESSETH, That the Grantor, in consideration of the sum of One Dollar and other valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, does by these presents, Remise, Release, and forever Quit-Claim, unto the Grantee, its successors and assigns, the following described land, lying, being and situated in the County of Boone, State of Missouri, towit:

A TRACT OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 48 NORTH, RANGE 11 WEST, BOONE COUNTY, MISSOURI AND BEING PART OF TRACT 1 OF LAND DESCRIBED IN SPECIAL WARRANTY DEED RECORDED IN BOOK 4841, PAGE 3 AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TRACT 1:

COMMENCING AT THE NORTHWEST CORNER OF SAID TRACT 1 AND WITH THE NORTH LINE THEREOF, N 88°42'40"E, 20.03 FEET TO THE POINT OF BEGINNING:

THENCE FROM THE POINT OF BEGINNING AND WITH SAID NORTH LINE, N 88°42'40"E, 880.04 FEET; THENCE LEAVING SAID NORTH LINE, S 1°17'20"E, 68.35 FEET; THENCE S 43°42'40"W, 63.14 FEET; THENCE S 88°42'40"W, 88.42 FEET; THENCE S 50°07'50"W, 243.68 FEET; THENCE S 52°49'30"W, 123.29 FEET; THENCE N 89°45'10"W, 280.71 FEET; THENCE S 84°20'00"W, 67.94 FEET; THENCE N 88°22'40"W, 125.96 FEET; THENCE N 1°46'20"E, 328.96 FEET TO THE POINT OF BEGINNING AND CONTAINING 5.40 ACRES.

TO HAVE AND TO HOLD the same with all the rights and immunities, privileges and appurtenances thereunto belonging, unto the Grantee and its successors and assigns, forever; so that neither the Grantor or its successors or assigns nor any other person or persons for it or in its name or behalf, shall or will hereafter claim or demand any right or title to the aforesaid premises, or any part thereof, but they and every one of them shall, by these presents, be excluded and forever barred.

IN WITNESS WHEREOF, the Grantor through its duly authorized presiding commissioner has hereunto set its hand and seal on behalf of said county on the day and year first above written.

	Boone County, Missouri By CANIEL K. ATWILL Presiding Commissioner
STATE OF MISSOURI)) ss COUNTY OF BOONE)	
On this 28 day of 4, 2018, before ATWILL and TAYLOR W. BURKS, to me personally known are, respectively, the Presiding Commissioner and County Classic this instrument was signed on behalf of Boone County, Missesthey were duly authorized to execute this document on behalf therein stated.	vn, who being duly sworn stated that they lerk of Boone County, Missouri, and that ouri and its County Commission and that
IN TESTIMONY WHEREOF, I have hereunto set my office in Columbia, Missouri the day and year first above	•
Notary F My Commission Expires: July 10, 2022	Public MICHELLE THOMPSON Notary Public - Notary Seal State of Missouri County of Boone My Commission Expires: July 10, 2022 Commission # 18338944

399-2018

CERTIFIED COPY OF ORDER

STATE OF MISSOURI

August Session of the July Adjourned

Term. 20 18

County of Boone

ea.

In the County Commission of said county, on the

28th

day of

August

20 18

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the utilization of the State of Missouri cooperative contracts CC182854001 with WW. Grainger, Inc., CC182854002 with MSC Industrial Supply, and CC18254003 with Fastenal Company for Maintenance, Repair, and Operating (MRO) and Industrial Supplies.

The terms of the cooperative contracts are stipulated in the attached Purchase Agreements. It is further ordered the Presiding Commissioner is hereby authorized to sign said Purchase Agreements.

Done this 28th day of August, 2018.

ATTEST:

Taylor W. Burks

Clerk of the County Commission

Daniel K. Atwill

Presiding Commissioner

Fred I Parry

District Commissioner

Janet M. Thompson

Boone County Purchasing

Liz Palazzolo, CPPO, C.P.M Senior Buyer



613 E. Ash St, Room 110 Columbia, MO 65201 Phone: (573) 886-4392

Fax: (573) 886-4390

MEMORANDUM

TO:

Boone County Commission

FROM:

Liz Palazzolo, Senior Buyer

DATE:

July 26, 2018

RE:

Facilities Maintenance, Repair, and Operating (MRO) and Industrial

Supplies - Countywide Term and Supply Contracts

Purchasing requests permission to use contracts CC182854001 with WW. Grainger, Inc., CC182854002 with MSC Industrial Supply, and CC182854003 with the Fastenal Company established by the State of Missouri using the NASPO Valuepoint cooperative contracts for MRO and Industrial Supplies.

The contracts run through June 30, 2019 with five (5) one-year renewal options available.

These are Countywide Term and Supply contracts.

/lp

Contract Files c:

PURCHASE AGREEMENT FOR ' O' FACILITIES MAINTENANCE, REPAIR, AND OPERATING (MRO) AND INDUSTRIAL SUPPLIES

THIS AGREEMENT dated the _____ day of _____ 2018 is made between Boone County, Missouri, a political subdivision of the State of Missouri through the Boone County Commission, herein "County" and Fastenal Company herein "Vendor."

IN CONSIDERATION of the parties performance of the respective obligations contained herein, the parties agree as follows:

- 1. Contract Documents This agreement shall consist of this Purchase Agreement for a Term and Supply contract for Facilities Maintenance, Repair and Operating (MRO) and Industrial Supplies in compliance with all bid specifications and any addendums issued for the State of Missouri contract number CC182584003, and Boone County's Standard Terms and Conditions. All such documents shall constitute the contract documents which are incorporated herein by reference. Service or product data, specification and literature submitted with the bid response may be permanently maintained in the County Purchasing Office and/or State of Missouri bid file for this bid if not attached. In the event of conflict between any of the foregoing documents, this Purchase Agreement, the State of Missouri contract number CC182584003, and Boone County's Standard Terms and Conditions shall prevail and control over the vendor's bid response.
- 2. Contract Duration This agreement shall commence on the Date of Award referenced above through June 30, 2019 subject to the provisions for termination specified below. The contract may be renewed for five (5) additional one-year periods.
- 3. **Purchase** The County agrees to purchase from the Vendor and the Vendor agrees to supply the County with Facilities Maintenance, Repair and Operating (MRO) and Industrial Supplies on an as needed basis. Items shall be priced at current published catalog list pricing, including the Vendor's online catalog (whichever is less), minus the applicable firm, fixed discount specific to the product category as shown in **Attachment One** of this document.
- 4. Delivery The contractor agrees to deliver the items as specified in the bid specifications. Delivery for in-stock items shall occur within 24-48 hours of order. Delivery for non-stock items shall occur within 10 business days of order. All deliveries shall be made FOB Destination, Freight Prepaid and Allowed.
- 5. Warranty The County shall be provided the manufacturer standard warranty consistent with terms of the contract.
- 6. *Billing and Payment* All billing shall be invoiced to the ordering Boone County Office/Department and billings may only include the prices listed in the vendor's bid response. No additional fees for paper work processing, labor, or taxes shall be included as additional charges in excess of the charges in the Vendor's bid response to the specifications. The County agrees to pay all invoices within thirty days of receipt. In the event of a billing dispute, the County reserves the right to withhold payment on the disputed amount; in the event the billing dispute is resolved in favor of the

Vendor, the County agrees to pay interest at a rate of 9% per annum on disputed amounts withheld 9-11-18commencing from the last date that payment was due.

- 7. Binding Effect This agreement shall be binding upon the parties hereto and their successors and assigns for so long as this agreement remains in full force and effect. This Agreement shall be governed under the laws of the State of Missouri and any action relating hereto shall be brought in the Circuit Court of Boone County, Missouri.
- 8. Termination This agreement may be terminated by the County upon thirty days advance written notice for any of the following reasons or under any of the following circumstances:

a. County may terminate this agreement due to material breach of any term or condition of this agreement, or

- b. County may terminate this agreement if in the opinion of the Boone County Commission if delivery of products are delayed or products delivered are not in conformity with bidding specifications or variances authorized by County, or
- c. If appropriations are not made available and budgeted for any calendar year.

IN WITNESS WHEREOF the parties through their duly authorized representatives have executed this agreement on the day and year first above written.

FASTENAL COMPANY	BOONE COUNTY, MISSOURI	
by title	by: Boone County Commission Daniel K. Atwill, Presiding Commissioner	
APPROVED AS TO FORM: County Counselor	Taylor W. Burks, County Clerk	

AUDITOR CERTIFICATION:

In accordance with RSMo 50.660, I hereby certify that a sufficient unencumbered appropriation balance exists and is available to satisfy the obligation(s) arising from this contract. (Note: Certification of this contract is not required if the terms of this contract do not create a measurable county obligation at this time.)

Signature by exp

Commission Order # 399-20/8 Replaced w | 411-2018 ATTACHMENT ONE FOR CONTRACT CC182854003 – DISCOUNTS PAGE OF 9-11-18

Facilities MRO and Industrial Supply Product Categories	Firm, Fixed Discount off Fastenal Company's Published List Price
1. HVAC	30%
2. Lighting, Lamps, and Ballasts	30%
3. Sanitation Cleaning Chemicals & Supplies	25%
4. Material Handing	25%
5. Security	30%
6. Electrical	30%
7. Fasteners	57%
8. Outdoor Garden	25%
9. Paint	25%
10. Plumbing	30%
11. Power Tools and Accessories – excludes automotive related tools and products	18%
12. Safety – excludes public safety equipment	30%
13. Hand Tools	25%
14. Janitorial Equipment and Supplies – does not include Sanitation Cleaning Chemicals	30%
15. Power Source	30%

Commission Order # 399-2018

Replaced w/411-2018 on 9-11-18

- BOONE COUNTY, MISSOURI

STANDARD CONTRACT TERMS AND CONDITIONS - BOONE COUNTY, MISSOURI

1. Contractor shall comply with all applicable federal, state, and local laws and failure to do so, in County's sole discretion, shall give County the right to terminate this Contract.

- 2. Prices shall include all charges for packing, delivery, installation, etc., (unless otherwise specified) to the Boone County Department.
- The Boone County Commission has the right to accept or reject any part or parts of all bids, to waive technicalities, and to accept the offer the County Commission considers the most advantageous to the County. Boone County reserves the right to award this bid on an itemby-item basis, or an "all or none" basis, whichever is in the best interest of the County. The Purchasing Director reserves the right, when only one bid has been received by the bid closing date, to delay the opening of bids to another date and time in order to revise specifications and/or establish further competition for the commodity or service required. The one (1) bid received will be retained unopened until the new Closing date, or at request of bidder, returned unopened for re-submittal at the new date and time of bid closing.
- 4. When products or materials of any particular producer or manufacturer are mentioned in our contracts, such products or materials are intended to be descriptive of type or quality and not restricted to those mentioned.
- 5. Do not include Federal Excise Tax or Sales and Use Taxes in billing, as law exempts the County from them.
- 6. The delivery date shall be stated in definite terms.
- 7. The County Commission reserves the right to cancel all or any part of orders if delivery is not made or work is not started as guaranteed. In case of delay, the Contractor must notify the Purchasing Department.
- 8. In case of default by the Contractor, the County of Boone will procure the articles or services from other sources and hold the Contractor responsible for any excess cost occasioned thereby.
- 9. Failure to deliver as guaranteed may disqualify Contractor from future bidding.
- 10. Prices must be as stated in units of quantity specified, and must be firm.
- The County of Boone, Missouri expressly denies responsibility for, or ownership of any item purchased until same is delivered to the County and is accepted by the County.
- 12. The County reserves the right to award to one or multiple respondents. The County also reserves the right to not award any item or group of items if the services can be obtained from a state or other governmental entities contract under more favorable terms. The resulting contract will be considered "Non-Exclusive". The County reserves the right to purchase advertising from other vendors.

Commission Order # 399-2018
Replaced w/411-2018 on 9-11-18

- 13. The County, from time to time, uses federal grant funds for the procurement of goods and services. Accordingly, the provider of goods and/or services shall comply with federal laws, rules and regulations applicable to the funds used by the County for said procurement, and contract clauses required by the federal government in such circumstances are incorporated herein by reference. These clauses can generally be found in the Federal Transit Administration's Best Practices Procurement Manual Appendix A. Any questions regarding the applicability of federal clauses to a particular bid should be directed to the Purchasing Department prior to bid opening.
- 14. In the event of a discrepancy between a unit price and an extended line item price, the unit price shall govern.
- 15. Should an audit of Contractor's invoices during the term of the Agreement, and any renewals thereof, indicate that the County has remitted payment on invoices that constitute an over-charging to the County above the pricing terms agreed to herein, the Contractor shall issue a refund check to the County for any over-charges within 30-days of being notified of the same.
- 16. For all titled vehicles and equipment the dealer must use the actual delivery date to the County on all transfer documents including the Certificate of Origin (COO,) Manufacturer's Statement of Origin (MSO,) Bill of Sale (BOS,) and Application for Title.
- 17. **Equipment and serial and model numbers -** The contractor is strongly encouraged to include equipment serial and model numbers for all amounts invoiced to the County. If equipment serial and model numbers are not provided on the face of the invoice, such information may be required by the County before issuing payment.



NOTICE OF AWARD

State Of Missouri Office Of Administration **Division Of Purchasing** PO Box 809 Jefferson City, MO 65102-0809 http://oa.mo.gov/purchasing

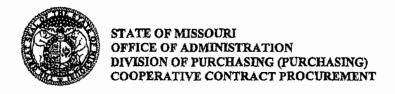
CONTRACT NUMBER	CONTRACT TITLE
CC182584003	Facilities MRO and Industrial Supplies
AMENDMENT NUMBER	CONTRACT PERIOD
N/A	July 1, 2018 through June 30, 2019
REQUISITION/REQUEST NUMBER N/A	SAM II VENDOR NUMBER/MissouriBUYS SYSTEM ID A JCS 4109484151 D/MB00006108
CONTRACTOR NAME AND ADDRESS	STATE AGENCY'S NAME AND ADDRESS
Fastenal Company 2001 Theurer Blvd Winona, MN 55987	State of Missouri Various Agency Locations

ACCEPTED BY THE STATE OF MISSOURI AS FOLLOWS:

In accordance with section 34.046, RSMo, contract CC182584003 between the State of Missouri and Fastenal Company is hereby awarded by the State of Missouri consisting of the attached documentation as specified on page 2 of the attached Cooperative Contract Procurement document.

BUYER	BUYER CONTACT INFORMATION
John C. Stegmann	Email: john.stegmann@oa.mo.gov Phone: (573) 751-2497 Fax: (573) 526-9816
Signature of BLYER Solm C. Stagmann	June 27, 2018
DIRECTOR OF PURCHASING	

Hours Lager Karen S. Boeger



CONTRACT NO.: CC182584003

REQ NO.: N/A

TITLE: Facilities MRO and Industrial Supplies

BUYER: John Stegmann PHONE NO.: (573) 751-2497

E-MAIL: john.stegmann@oa.mo.gov

TO: Fastenal Company

2001 Theurer Blvd Winons, MN 55987

RETURN DOCUMENT TO THE DIVISION OF PURCHASING (PURCHASING) BY E-MAIL, FAX, OR MAIL/COURIER:

SCAN AND E-MAIL TO:	john.stegmann@oa.mo.gov
FAX TO:	(573) 751-2497
MAIL TO:	PURCHASING, P.O. Box 809, Jefferson City, Mo 65102-0809
COURIER/DELIVER TO:	PURCHASING, 301 West High Street, Room 630, Jefferson City, Mo
	65101-1517

DELIVER SUPPLIES/SERVICES FOB (Free On Board) DESTINATION TO THE FOLLOWING ADDRESS:

State of Missouri
Various Agency Locations

The Contractor hereby agrees to provide the services and/or supplies described in the attached State of Missouri Contract #3200027939 for the State of Missouri subject to the conditions stated on page 2. The Contractor further agrees that when a Notice of Award is signed and issued by an authorized official of the State of Missouri, a binding contract shall exist between the Contractor and the State of Missouri. The Contractor must be registered in MissouriBUYS. If not registered in MissouriBUYS, the Contractor must register in MissouriBUYS immediately upon request by the state.

SIGNATURE REQUIRED

VENDOR NAME	MILIOURIBUYS SYSTEM ID (SEE VENDOR PROFILE - MAIN INFORMATION SCREEN)
Fastenal Company	MB00006108
HADDING ADDRESS	
2001 Theuver Blvd.	
CITY, STATE, ZIP CODE	
Winona, MN 55987	
CONTACT PERSON	EMAIL ADDRESS
Monica Nelton	mnelton@fastenal.com
PHONE NUMBER	yax nudger
507-313-7633	507-453-7145
VENDOR TAX FILING TYPE WITH IRS (CRECK ONE)	
_X_CorporationIndividualState/Local Government	PartnershipSole ProprietorIRS Tax-Exempt
Authobesed Signature	DATE
the o	6-18-18
PRINTED NAME	THE
Casey Miller	EVP
V .	

Contract CC182584003 Page 2

CONTRACT TITLE:

Facilities Maintenance, Repair and Operations (MRO) and Industrial Supplies

CONTRACT PERIOD:

Date of Award through June 30, 2019

Contract CC182584003 is awarded by the State of Missouri consisting of the following:

The attached Contract #8497, signed by the State of Oregon on April 25, 2018 and subsequent Amendments.

- The attached RFP #DASPS-2183-17 issued by the State of Oregon on November 15, 2017 consisting of 109 pages.
- The attached Participating Addendum.

The contractor shall provide Facilities Maintenance, Repair and Operations (MRO) and Industrial Supplies specified by the State of Missouri, at the prices specified in the attached documentation. All references to the State of Oregon, in the attached documentation shall be deemed to refer to the State of Missouri with the exception of information specific to the State of Oregon such as background information, statistical/factual information, etc.

The contractor shall submit invoices for any and all above-mentioned products and services provided for the State of Missouri to the address shown on the Purchase Order.

Catalog Requirements for MissouriBUYS:

The contractor should provide, manage, and support a roundtrip (often referred to as punchout) catalog site(s) that must be fully operational and compatible with the MissouriBUYS implementation using the OCI 2.0 or newer (Open Catalog Interface) standard. If the contractor does not have the ability to provide, manage, and support a roundtrip catalog site at time of contract award, the contractor shall, within thirty (30) calendar days after notice to proceed with award, submit accurate product and price files in an Excel spreadsheet in the format required by the state for uploading into a state-hosted catalog into MissouriBUYS from which the state agency end user will place orders.

The contractor must assist the state on an as needed, if needed, basis at the sole option of the state to either provide data or enter data into Microsoft Excel spreadsheets necessary to create state-hosted catalogs. The data necessary to create the state-hosted catalogs is related to the line items identified in the contract and includes, but is not necessarily limited to the following:

Product Description;
Quantity;
Unit of Measure;
Unit Price (value, 6 decimal places, no rounding);
Part Number;
Commodity Code (8 digit UNSPSC code which is valid for the Item);
Contract Number; and
Manufacturer Name.

The contractor shall update data for hosted catalogs as necessary to address pricing changes, product additions, product deletions, etc.

The contractor shall not charge the state for services required to provide or enter data necessary to create or update state-hosted catalogs,

Contract CC182584003 Page 3

Federal Funds Requirement:

The contractor shall understand and agree that this procurement may involve the expenditure of federal funds. Therefore, in accordance with the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, Public Law 101-166, Section 511, "Steven's Amendment", the contractor shall not issue any statements, press releases, and other documents describing projects or programs funded in whole or in part with Federal funds unless the prior approval of the state agency is obtained and unless they clearly state the following as provided by the state agency:

- the percentage of the total costs of the program or project which will be financed with Federal funds;
- the dollar amount of Federal funds for the project or program; and
- percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.

Debarment Certification:

The contractor certifies by signing the signature page of this original document and any addendum signature page(s) that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, voluntarily excluded from participation, or otherwise excluded from or ineligible for participation under federal assistance programs. The contractor should complete and return the attached certification regarding debarment, etc., Exhibit A with their proposal. This document must be satisfactorily completed prior to award of the contract.

Cooperative Procurement Program:

The contractor shall participate in the State of Missouri's Cooperative Procurement Program. The contractor shall provide Facilities Maintenance, Repair and Operations (MRO) and Industrial Supplies as described herein under the terms and conditions, requirements and specifications of the contract, including prices, to other government entities in accordance with the Technical Services Act (section 67.360, RSMo, which is available on the internet at: http://www.moga.mo.gov/mostatutes/stathtml/06700003601.html). The contractor shall further understand and agree that participation by other governmental entities is discretionary on the part of that governmental entity and the State of Missouri bears no financial responsibility for any payments due to the contractor by such governmental entities.

Contractor's Personnel:

The contractor shall only employ personnel authorized to work in the United States in accordance with applicable federal and state laws. This includes but is not limited to the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) and INA Section 274A.

If the contractor is found to be in violation of this requirement or the applicable state, federal and local laws and regulations, and if the State of Missouri has reasonable cause to believe that the contractor has knowingly employed individuals who are not eligible to work in the United States, the state shall have the right to cancel the contract immediately without penalty or recourse and suspend or debar the contractor from doing business with the state. The state may also withhold up to twenty-five percent of the total amount due to the contractor.

The contractor shall agree to fully cooperate with any audit or investigation from federal, state, or local law enforcement agencies.

Contract CC182584003 Page 4

Missouri Statewide Contract Quarterly Administrative Fee:

The contractor shall pay a one percent (1%) administrative fee to the State of Missouri which shall apply to all payments received by the contractor for all products provided under the contract. Payment of the one percent administrative fee shall be non-negotiable.

The contractor shall pay the administrative fee at the end of each calendar quarter (i.e. March 31, June 30, September 30, December 31). The total administrative fee for a given quarter must equal one percent (1%) of the total payments (minus returns and credits) received by the contractor during the calendar quarter as reported on the contractor's Missouri Statewide Contract Quarterly Administrative Fee Report specified below. The administrative fee must be received by the Division of Purchasing (Purchasing) no later than the 15th calendar day of the month immediately following the end of the calendar quarter, unless the 15th is not a business day in which case the next business day thereafter shall be considered the administrative fee deadline.

Payments shall be made using one of the following acceptable payment methods:

- Check: Personal check, company check, cashier's check, or money order made payable to the "Missouri Revolving Information Technology Trust Fund" and sent to the following mailing address: Division of Purchasing, P.O. Box 809, Jefferson City, MO 65102 0809 OR Division of Purchasing, 301 West High Street, Room 630, Jefferson City, MO 65101-1517. The contractor's payment by check shall authorize the State of Missouri to process the check electronically. The contractor understands and agrees that any returned check from the contractor may be presented again electronically and may be subject to additional actions and/or handling fees.
- Electronic Payment: Instructions on how to submit payments electronically by automated clearing house (ACH) will be provided upon request by contacting the Division of Purchasing at (573) 751-2387.

All payments of the administrative fee shall include the contract number on any check or transmittal document. However, only one contract number must be entered on a check or transmittal document. If submitting an administrative fee payment for more than one contract, then a separate check or electronic payment and associated transmittal document must be submitted by the contractor for each contract.

Missouri Statewide Contract Quarterly Administrative Fee Report:

The contractor shall submit a Missouri Statewide Contract Quarterly Administrative Fee Report to the Division of Purchasing which shall identify the total payments (minus returns and credits) received by the contractor from state agencies, political subdivisions, universities, and governmental entities in other states that were made pursuant to the contract.

The contractor shall prepare and submit the Missouri Statewide Contract Quarterly Administrative Fee Report at the end of each calendar quarter (i.e. March 31, June 30, September 30, December 31) for total payments (minus returns and credits) received by the contractor during the calendar quarter. The Missouri Statewide Contract Quarterly Administrative Fee Report must be received by the Division of Purchasing (Purchasing) no later than the 15th calendar day of the month following the reporting quarter entered on the report, unless the 15th is not a business day in which case the next business day thereafter shall be considered the reporting deadline. Even if there has been no usage of the contract during the reporting quarter, the contractor must still submit a report and indicate no payments were received by marking the appropriate box on the report form.

The Missouri Statewide Contract Quarterly Administrative Fee Report form may be downloaded from the following Purchasing website: http://oa.mo.gov/purchasing/vendor-information. The Missouri Statewide Contract Quarterly Administrative Fee Report is also included herein as Attachment 1. The Missouri Statewide Contract Quarterly Administrative Fee Report must be submitted using one of the following methods:

• Mail: Division of Purchasing,

P.O. Box 809, Jefferson City MO 65102-0809

OR

Division of Purchasing,

301 West High Street, Room 630, Jefferson City, MO 65101-1517

• <u>Fax</u>: (573) 526-9815

• Email: ereports@oa.mo.gov

The contractor shall agree that the Division of Purchasing reserves the right to modify the requested format and content of the Missouri Statewide Contract Quarterly Administrative Fee Report by providing thirty (30) calendar days written notice to the contractor. The contractor shall also agree the Division of Purchasing may unilaterally amend the contract, with thirty (30) calendar days notice to the contractor to change the method of payment of the administrative fee, the timing for submission of the Missouri Statewide Contract Quarterly Administrative Fee Report, and/or timing for payment of the administrative fee. The contractor shall understand and agree that if such an amendment is issued by the Division of Purchasing, the contractor shall comply with all contractual terms, as amended.

Missouri Statewide Contract Quarterly Usage Report:

The contractor shall submit a Missouri Statewide Contract Quarterly Usage Report to the Division of Purchasing (Purchasing) which shall provide the Data Element information listed below:

Data Element	Description		
Contractor Name	Contractor name as it appears on the contract.		
Statewide Contract Number	Statewide contract number as listed on the cover page of your contract with the State of Missouri.		
Report Contact Name	Name of the person completing the report on behalf of the contractor.		
Contact Phone Number	Phone number for the person completing the report.		
Contact Email Address	Email address for the person completing the report.		
Date Report Submitted	Date the Missouri Statewide Contract Quarterly Usage Report is submitted to Purchasing.		
Reporting Quarter	Quarter for which the contractor is reporting purchases on the contract.		
Entity Type	Indicate the type of entity by entering "S" for Missouri state agency, "P" for Missouri political subdivision, "U" for Missouri university, or "O" for political subdivision or state entity from another state.		
Customer Name	Customer's name. If the customer has multiple locations, please only use the main entity name.		
Product or Service Description	Description of product or service purchased.		
Purchase Authorization Number/Identifier	Purchase Authorization Number/Identifier supplied by customer to contractor. Enter PO or other authorization number/Identifier. If procurement card used, enter "P-Card".		
Contract Line Item Number	Line item number on the contract.		
Quantity Delivered	Quantity (i.e. excluding returns) of products delivered. Enter a quantity of "1" for a service/project.		

Dam Elemen	Mescription as the sure of the
Unit Price Charged	Unit Price Charged (i.e. excluding credits) for the product or service
	purchased.
Extended Price	Quantity Delivered X Unit Price Charged.

The contractor shall prepare and submit the Missouri Statewide Contract Quarterly Usage Report at the end of each calendar quarter (i.e. March 31, June 30, September 30, December 31) for the purchases made under the contract during the calendar quarter. The Missouri Statewide Contract Quarterly Usage Report must be received by the Division of Purchasing no later than the 15th calendar day of the month following the reporting quarter entered on the Missouri Statewide Contract Quarterly Usage Report, unless the 15th is not a business day in which case the next business day thereafter shall be considered the reporting deadline. Even if there has been no usage of the contract during the reporting quarter, the contractor must still submit a report and indicate no purchases were made.

The contractor must submit a Missouri Statewide Contract Quarterly Usage Report electronically either utilizing the "Missouri Statewide Contract Quarterly Usage Report" worksheet included herein in Attachment 2 which is downloadable from http://oa.mo.gov/purchasing/vendor-information or utilizing another format which is Excelexportable. The contractor must submit the Missouri Statewide Contract Quarterly Usage Report to the following email address: ereports@oa.mo.gov.

The contractor shall agree that the Division of Purchasing reserves the right to modify the requested format and content of the Missouri Statewide Contract Quarterly Usage Report by providing thirty (30) calendar days' written notice to the contractor. The contractor shall also agree the Division of Purchasing may unilaterally amend the contract, with thirty (30) calendar days' notice to the contractor to change the timing for submission of the Missouri Statewide Contract Quarterly Usage Report. The contractor shall understand and agree that if such an amendment is issued by the Division of Purchasing, the contractor shall comply with all contractual terms, as amended.

EXHIBIT A

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98 Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS FOR CERTIFICATION)

- (1) The prospective recipient of Federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Fastenal Company	04 265 3634
Company Name	DUNS # (if known)
Casey Miller	EVP
Authorized Representative's Printed Name	Authorized Representative's Title
Pt-	6-18-18
Authorized Representative's Signature	Date

Instructions for Certification

- 1. By signing and submitting this proposal, the prospective recipient of Federal assistance funds is providing the certification as set out below.
- The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later
 determined that the prospective recipient of Federal assistance funds knowingly rendered an enoneous certification, in addition to other remedies
 available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
- The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this proposal is submitted if at
 any time the prospective recipient of Federal assistance funds learns that its certification was enoneous when submitted or has become erroneous
 by reason of changed circumstances.
- 4. The terms "covered transaction," "debarred," "suspended," "linetigible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
- 5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
- 6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to check the <u>List</u> of <u>Parties Excluded from Procurement or Nonprocurement Programs</u>.
- Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower ter
 covered transaction with a person who is suspended, debarred, ineligible, or voluntery excluded from participation in this transaction, in addition to
 other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarrent.

MASTER AGREEMENT # 8497 FORM PARTICIPATING ADDENDUM

NASPO ValuePoint PARTICIPATING ADDENDUM

Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #: 8497

Contractor: Fastenal Company (Contractor)

Participating Entity: State of Missouri State Contract Number: CC182584003

The following Goods or services are included in this Addendum:

 All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

Master Agreement Terms and Conditions:

- 1. Scope: This addendum covers the Facilities Maintenance and Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.
- 2. Participation: This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of Missouri. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.
- 3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name:

Monica Nelton, Sales Development Manager

Address:

2001 Theurer Blvd, Winona, MN 55987

Telephone: 507-313-7633

Fax:

507-453-7145

Email:

mnelton@fastenal.com

Participating Entity

Name:

John Stegmann

Address:

301 West High Street, Rm 630, Jefferson City, MO

Telephone: 573-751-2497

Fax:

573-526-9816

Email:

john.stegmann@oa.mo.gov

4. Participating Entity Modifications Or Additions To The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

[x] No changes to the terms and conditions of the Master Agreement are required.

The following changes are modifying or supplementing the Master Agreement terms and conditions.

- 5. Lease Agreements: Reserved.
- 6. Subcontractors: All contactors, dealers, and resellers authorized in the State of Missouri, as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
- 7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.
- 8. Growth Incentive -- 1 % fee paid on annual sales growth (contract spend in excess of previous year's contract spend). **
 - ** Eligible annual activity includes all product spend (gross product spend less product returns) and excludes freight (if charged) and sales taxes (if charged). The benchmark for year 1 will be determined by the eligible activity (irrespective of contract vehicle) for the previous contract year. Purchasing entity will receive an activity report to support all calculations. Fastenel reserves the right to hold Growth Incentive Program payments until open invoices for the subject contract year are paid. Growth Incentive Program payments shall not automatically roll over in the event that Buyer continues to purchase product from Seller upon expiration of the Agreement. The Growth Incentive Program period terminates at the end of the Agreement term and may only be extended by a written agreement signed by both parties. In the event that the underlying purchase Agreement is prematurely terminated by the Buyer, for any reason, Growth Incentive Program credits accrued in the current

contract year shall be forfeited by the Buyer. The Growth Incentives earned by the member will be paid annually within the first contract quarter following each consecutive contract year in the form of a single disbursement. Any Political Subdivision must accrue \$50,000 in annual product spend within any combination of the Political Subdivision incentive categories to qualify for payment of the incentive.

 Solutions Incentive – 2% fee paid on all sales through Fastenal Vending solution or Onsite program.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor: Fastenal Company
Signature:	Signature:
KAREN BOEGER	lha
Name:	Name:
Maniet 2026	Casey Miller
TITLE DIRECTOR OF PURUNASING	Title: EVP
Date: U-26-18	Date: 10-18-18

[Additional signatures may be added if required by the Participating Entity]
For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator:

Shannon Berry

Telephone:

775-720-3404

Email:

sberrry@naspovaluepoint.org

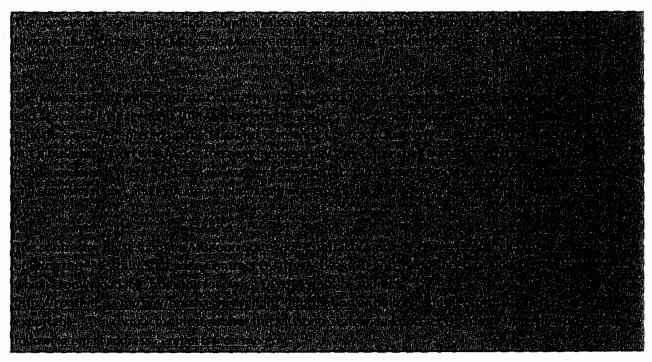
[Please email fully executed PDF copy of this document to PA@naspovaluepoint.org

to support documentation of participation and posting in appropriate data bases.]

CC182584003 Attachment #1 - Missouri Statewide Contract Quarterly Administrative Fee Report

Contractor Name:		Report Contact Name:	
Statewide Contract Number:		Contact Phone Number:	
Date Report Submitted:		Contact Email Address:	
		Repositive	
Total Payments Received (minus returns & credits) from Missouri <u>State</u> <u>Agencies</u> during the Reporting Quarter:		[] January 1 - March 31	[] April 1 - June 30
Total Payments Received (minus returns & credits) from Missouri Political Subdivisions (cities, counties, etc.) during the Reporting Quarter:		[] July 1 - September 30	[] October 1 - December 31
Total Payments Received (minus returns & credits) from Missouri <u>Universities</u> during the Reporting Quarter:		Silvenitanie ropon somo Physica ost (PRM) responsoro de transpose se	urcha this sure Marchels Management.
Total Payments Received (minus returns & credits) from <u>Governmental</u> Entities in Other States during the Reporting Quarter:		 Mail: Division of Purchasing and Materials Management, P.O. Box 809, Jefferson City MO 65102 - 0809 OR 301 West High Street, Room 630, Jefferson City MO 65101 - 1517 Fax: (573) 526-9815 Email: ereports@oa.mo.gov 	
Overall Total Payments Received (minus returns & credits) during the Reporting Quarter :	\$0.00	(1) all and the control of the contr	Cuser (of Submitting the local Procedure to the state of the Virginia
1% Administrative Fee (Multiply Overall Total Payments by 1% to determine Total Administrative Fee Payment)	1.00%] Money Order] ACH (Electronic Payment)
Total Administrative Fee Payment for the Reporting Quarter:	\$0.00	Date of Payment Submission://.	20 n/dd/yyyy)
Interest and a vice of a vice of the control of the		Electronization designation of the reserved for	Part English and State of the Control of the Contro
[] No payments were received this cale on the contract identified above.	endar quarter for any purchases	Signature:	Date:

CC182584003 Attachment #2 Missouri Statewide Contract Quarterly Usage Report Instructions



Gales Elegene Alle (1981)	(Beschetter) (2005) and the state of the sta		
Contractor Name	Contractor name as it appears on the contract.		
Statewide Contract Number	Statewide contract number as listed on the cover page of your contract with the State of Missouri.		
Report Contact Name	Name of the person completing the report on behalf of the contractor.		
Contact Phone Number	Phone number for the person completing the report.		
Contact Email Address	Email address for the person completing the report.		
Date Report Submitted	Date the Missouri Statewide Contract Quarterly Usage Report is submitted to DPMM.		
Reporting Quarter	Quarter for which the contractor is reporting purchases on the contract.		
Entity Type	Indicate the type of entity by entering "S" for Missouri state agency, "P" for Missouri political subdivision, "U" for Missouri university, or "O" for political subdivision or state entity from another state.		
Customer Name	Customer's name. If the customer has multiple locations, please only use the main entity name.		
Product or Service Description	Description of product or service purchased.		
Purchase Authorization Number/Identifier	Purchase Authorization Number/Identifier supplied by customer to contractor. Enter PO or other authorization number/identifier. If procurement card used, enter "P-Card".		
Contract Line Item Number	Line item number on the contract.		
Quantity Delivered	Quantity (i.e. excluding returns) of products delivered. Enter a quantity of "1" for a service/project.		
Unit Price Charged	Unit Price Charged (i.e. excluding credits) for the product or service purchased.		
Extended Price	Quantity Delivered X Unit Price Charged.		

CC182584003 Attachment #2 - Missouri Statewide Contract Quarterly Usage Report

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States	de Contrat Mundore	Gorpati Ph ana Rumbin		Sant Paper	SUDDIVINE			
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If no purchases were made during the reporting quarter, check the box below:			Responsibilities	[] January 1 - March 31 [] April 1			- June 30	
[] No purchases were made during this quarter on the contract identified above.			Resorting Didentific	[] July 1 - Sep	tember 30	[] October 1 -	[] October 1 - December 31	
Entity Type*	Customer Name	Product or Service Description	Purchase Authorization Number/Identifier	Gontract-Line- Item Number	Quantity Delivered	Unit Price Charged	Extended Price	
							\$0,00	
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Overall Total of Purchases						<u></u>		

^{*} Entity Type: "S" = Missouri state agency; "P" = Missouri political subdivision; "U" = Missouri university; "O" = political subdivision or state entity from other state

MASTER AGREEMENT # 8497 FORM PARTICIPATING ADDENDUM

NASPO ValuePoint
PARTICIPATING ADDENDUM

Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #: 8497

Contractor: Fastenal Company (Contractor)

Participating Entity: State of Missouri

The following Goods or services are included in this Addendum:

 All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

Master Agreement Terms and Conditions:

- Scope: This addendum covers the Facilities Maintenance and Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.
- Participation: This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of Missouri. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.
- 3. <u>Primary Contacts</u>: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name: Richard Warren, Director of Government & Higher Education

Sales

Address: 2001 Theurer Blvd, Winona, MN 55987

Telephone: 314-520-6026 Fax: 507-494-2362

Email: riwarren@fastenal.com

Participating Entity

Name:

John Stegmann

Address:

301 West High Street, Rm 630, Jefferson City, MO

Fax:

Telephone: 573-751-2497 573-526-9816

Email:

john.stegmann@oa.mo.gov

4. Participating Entity Modifications Or Additions To The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

[x] No changes to the terms and conditions of the Master Agreement are required.

[] The following changes are modifying or supplementing the Master Agreement terms and conditions.

- Lease Agreements: Reserved.
- 6. Subcontractors: All contactors, dealers, and resellers authorized in the State of Missouri, as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
- 7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor:
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:

[Additional signatures may be added if required by the Participating Entity]
For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator:

Shannon Berry

Telephone:

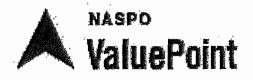
775-720-3404

Email:

sberrry@naspovaluepoint.org

[Please email fully executed PDF copy of this document to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.]

Fastenal Master Agreement (2018) CC 1825800B (NASPO Facilities MRO)



NASPO ValuePoint Master Agreement #8497 for Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies

This NASPO ValuePoint Master Agreement ("Master Agreement") is between the State of Oregon, acting by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("DAS PS"), as the Lead State, on behalf of the member states of the NASPO ValuePoint Cooperative Purchasing Program and other Participating Entities and Fastenal Company ("Contractor"). This Master Agreement is effective on the date that it has been signed by the parties and has been approved as required by applicable law ("Effective Date").

1. Master Agreement Order of Precedence

- a. Any Order placed under this Master Agreement shall consist of the following documents:
 - (1) A Participating Entity's Participating Addendum ("PA"), substantially in the form attached hereto as Exhibit A;
 - (2) NASPO ValuePoint Master Agreement and its exhibits:

Terms and conditions of the Master Agreement, then its exhibits, to be interpreted in the following order:

- Exhibit C Provisions Required by Federal Law
- Exhibit B Description of Products, Price, and Services
- Exhibit B-1 Vending Machine Offerings
- Exhibit B-2 Percentage Off Discounts
- Exhibit E Contractor Branch Listings
- eMarket Center Addendum
- Exhibit D NASPO ValuePoint Detailed Sales Data Report Form
- Exhibit A Sample Participating Addendum
- Exhibit F Green Policy Statement
- Exhibit G Recycling Programs
- (3) A Purchase Order issued against the Master Agreement;
- (4) Any terms and conditions provided electronically or online or as part of Product materials or descriptions or guidelines; and

(5) Any Contractor's online or third party terms and conditions.

b. These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above.

2. Definitions

Acceptance means a written notice from a Purchasing Entity to Contractor advising Contractor that the Product has passed its Acceptance Testing. Acceptance of a Product for which acceptance testing is not required shall occur following the completion of delivery, installation, if required, and a reasonable time for inspection of the Product, unless the Purchasing Entity provides a written notice of rejection to Contractor.

Acceptance Testing means the process for ascertaining that the Product meets the standards set forth in the section titled Standard of Performance and Acceptance, prior to Acceptance by the Purchasing Entity.

Contract means any Order or Purchase Order or other agreed upon ordering instrument issued by a Purchasing Entity under this Master Agreement, together with the terms and conditions of this Master Agreement.

Contractor means the person or entity delivering Products or performing services under the terms and conditions set forth in this Master Agreement.

Embedded Software means one or more software applications which permanently reside on a computing device.

Environmentally Preferable Product means products and services that have a lesser or reduced effect on human health and the environment when compared to competing products or services that serve the same purpose.

Intellectual Property means any and all patents, copyrights, service marks, trademarks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.

Lead State means the State centrally administering any resulting Master Agreement(s).

Master Agreement means the underlying agreement executed by and between the Lead State, acting on behalf of the members of the NASPO ValuePoint Cooperative Purchasing Program, and the Contractor, as now or hereafter amended.

NASPO ValuePoint is the NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, a 501(c)(3) limited liability company that is a subsidiary organization the National Association of State Procurement Officials (NASPO), the sole member of NASPO ValuePoint. NASPO ValuePoint facilitates administration of the NASPO cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.)

for all states, the District of Columbia, and territories of the United States. NASPO ValuePoint is identified in the Master Agreement as the recipient of reports and may perform contract administration functions relating to collecting and receiving reports as well as other contract administration functions as assigned by the Lead State.

Order or **Purchase Order** means any purchase order, sales order, contract or other document used by a Purchasing Entity to order the Products.

Participating Addendum means a bilateral agreement executed by a Contractor and a Participating Entity incorporating this Master Agreement and any other additional Participating Entity specific language or other requirements, e.g. ordering procedures specific to the Participating Entity, other terms and conditions.

Participating Entity means a state, or other legal entity, properly authorized to enter into a Participating Addendum.

Participating State means a state, the District of Columbia, or one of the territories of the United States that is listed in the Request for Proposal as intending to participate. Upon execution of the Participating Addendum, a Participating State becomes a Participating Entity; however, a Participating State listed in the Request for Proposals is not required to later participate in the Master Agreement

Product means any equipment, software (including embedded software), supplies, materials, commodities, goods, documentation or other deliverable supplied, offered, or created by the Contractor pursuant to this Master Agreement as described on Exhibits B and B-1. The term Products, supplies, and products are used interchangeably in this Master Agreement.

Purchasing Entity or Customer means a state (as well as the District of Columbia and U.S territories), city, county, district, other political subdivision of a State, and a nonprofit organization under the laws of some states if authorized by a Participating Addendum, who issues a Purchase Order against the Master Agreement and becomes financially committed to the purchase.

Services means installation and additional services as defined in the Master Agreement.

3. Term of the Master Agreement; Non-exclusivity

- a. The initial term of this Master Agreement is for one (1) year. This Master Agreement may be extended beyond the original contract period for four (4) additional years at the Lead State's discretion and by mutual agreement and upon review of requirements of Participating Entities, current market conditions, and Contractor performance.
- b. This Master Agreement is not exclusive. Purchasing Entities retain the right to contract for Products or Services or both through any selection process authorized by law, or to perform the Services themselves. Neither NASPO ValuePoint nor the Lead State guarantees that any specific number of Contracts will be issued or that any specific amount of Products or Services will be required.

4. Amendments

The terms of this Master Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of the Lead State and Contractor.

5. Participants and Scope

- a. Contractor may not deliver Products and Services under this Master Agreement until a Participating Addendum, in a form substantially similar to Exhibit A attached hereto and acceptable to the Participating Entity and Contractor is executed. The NASPO ValuePoint Master Agreement Terms and Conditions are applicable to any Order by a Participating Entity (and other Purchasing Entities covered by their Participating Addendum), except to the extent altered, modified, supplemented or amended by a Participating Addendum. By way of illustration and not limitation, this authority may apply to unique delivery and invoicing requirements, confidentiality requirements, defaults on Orders, governing law and venue relating to Orders by a Participating Entity, indemnification, and insurance requirements. Statutory or constitutional requirements relating to availability of funds may require specific language in some Participating Addenda in order to comply with applicable law. The expectation is that these alterations, modifications, supplements, or amendments will be addressed in the Participating Addendum or, with the consent of the Purchasing Entity and Contractor, may be included in the ordering document (e.g. purchase order or contract) used by the Purchasing Entity to place the Order.
- b. Use of specific NASPO ValuePoint cooperative Master Agreements by state agencies, political subdivisions and other Participating Entities (including cooperatives) authorized by individual state's statutes to use state contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the respective State Chief Procurement Official.
- c. Obligations under this Master Agreement are limited to those Participating Entities who have signed a Participating Addendum and Purchasing Entities within the scope of those Participating Addenda. States or other entities permitted to participate may use an informal competitive process to determine which Master Agreements to participate in through execution of a Participating Addendum. Financial obligations of Participating Entities who are states are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating Entities who are states incur no financial obligations on behalf of other Purchasing Entities. Contractor shall email a fully executed PDF copy of each Participating Addendum to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.
- d. NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, is not a party to the Master Agreement. It is a nonprofit cooperative purchasing organization assisting states in administering the NASPO cooperative purchasing program for state government departments, institutions, agencies and political subdivisions (e.g., colleges, school districts, counties, cities, etc.) for all 50 states, the District of Columbia and the territories of the United States.
- e. Participating Addenda shall not be construed to amend the following provisions in this

Master Agreement between the Lead State and Contractor that prescribe NASPO ValuePoint Program requirements: Term of the Master Agreement; Amendments; Participants and Scope; Administrative Fee; NASPO ValuePoint Summary and Detailed Usage Reports; NASPO ValuePoint Cooperative Program Marketing and Performance Review; NASPO ValuePoint eMarketCenter; Right to Publish; Price and Rate Guarantee Period; and Individual Customers. Any such language shall be void and of no effect.

- f. Participating Entities who are not states may under some circumstances sign their own Participating Addendum, subject to the consent to participation by the Chief Procurement Official of the state where the Participating Entity is located. Coordinate requests for such participation through NASPO ValuePoint. Any permission to participate through execution of a Participating Addendum is not a determination that procurement authority exists in the Participating Entity; they must ensure that they have the requisite procurement authority to execute a Participating Addendum.
- g. Resale. "Resale" means any payment in exchange for transfer of tangible goods, software, or assignment of the right to services. Subject to any specific conditions included in the solicitation or Contractor's proposal as accepted by the Lead State, or as explicitly permitted in a Participating Addendum, Purchasing Entities may not resell Products (the definition of which includes services that are deliverables). Absent any such condition or explicit permission, this limitation does not prohibit: payments by employees of a Purchasing Entity for Products; sales of Products to the general public as surplus property; and fees associated with inventory transactions with other governmental or nonprofit entities and consistent with a Purchasing Entity's laws and regulations. Any sale or transfer permitted by this subsection must be consistent with license rights granted for use of intellectual property.

6. Administrative Fees

- a. The Contractor shall pay to NASPO ValuePoint, or its assignee, a NASPO ValuePoint Administrative Fee of one-quarter of one percent (0.25% or 0.0025) no later than sixty (60) days following the end of each calendar quarter. The NASPO ValuePoint Administrative Fee shall be submitted quarterly and is based on all sales of products and services under the Master Agreement (less any charges for taxes or shipping). The NASPO ValuePoint Administrative Fee is not negotiable. This fee is to be included as part of the pricing submitted with proposal.
- b. Additionally, some states may require an additional fee be paid directly to the state only on purchases made by Purchasing Entities within that state. For all such requests, the fee level, payment method and schedule for such reports and payments will be incorporated into the Participating Addendum that is made a part of the Master Agreement. The Contractor may adjust the Master Agreement pricing accordingly for purchases made by Purchasing Entities within the jurisdiction of the state. All such agreements shall not affect the NASPO ValuePoint Administrative Fee percentage or the prices paid by the Purchasing Entities outside the jurisdiction of the state requesting the additional fee. The NASPO ValuePoint Administrative Fee in subsection 6a shall be based on the gross amount of all sales (less any charges for taxes or shipping) at the adjusted prices (if any) in Participating Addenda.

7. NASPO ValuePoint Summary and Detailed Usage Reports

In addition to other reports that may be required by this solicitation, the Contractor shall provide the following NASPO ValuePoint reports:

- a. Summary Sales Data. The Contractor shall submit quarterly sales reports directly to NASPO ValuePoint using the NASPO ValuePoint Quarterly Sales/Administrative Fee Reporting Tool found at http://calculator.naspovaluepoint.org. Any/all sales made under this Master Agreement shall be reported as cumulative totals by state. Even if Contractor experiences zero sales during a calendar quarter, a report is still required. Reports shall be due no later than thirty (30) days following the end of the calendar quarter (as specified in the reporting tool).
- b. Detailed Sales Data. Contractor shall also report detailed sales data by: (1) state; (2) entity/customer type, e.g. local government, higher education, K12, non-profit; (3) Purchasing Entity name; (4) Purchasing Entity bill-to and ship-to locations; (4) Purchasing Entity and Contractor Purchase Order identifier/number(s); (5) Purchase Order Type (e.g. sales order, credit, return, upgrade, determined by industry practices); (6) Purchase Order date; (7) Ship Date; (8) and line item description, including product number if used. The report shall be submitted in any form required by the solicitation. Reports are due on a quarterly basis and must be received by the Lead State and NASPO ValuePoint Cooperative Development Team no later than thirty (30) days after the end of the reporting period. Reports shall be delivered to the Lead State and to the NASPO ValuePoint Cooperative Development Team electronically through a designated portal, email, CD-ROM, flash drive or other method as determined by the Lead State and NASPO ValuePoint. Detailed sales data reports shall include sales information for all sales under Participating Addenda executed under this Master Agreement. The format for the detailed sales data report is in shown in Exhibit D.
- c. Reportable sales for the summary sales data report and detailed sales data report includes sales to employees for personal use where authorized by the solicitation and the Participating Addendum. Report data for employees should be limited to ONLY the state and entity they are participating under the authority of (state and agency, city, county, school district, etc.) and the amount of sales. No personal identification numbers, e.g. names, addresses, social security numbers or any other numerical identifier, may be submitted with any report.
- d. Contractor shall provide the NASPO ValuePoint Cooperative Development Coordinator with an executive summary each quarter that includes, at a minimum, a list of states with an active Participating Addendum, states that Contractor is in negotiations with and any Participating Addendum roll out or implementation activities and issues. NASPO ValuePoint Cooperative Development Coordinator and Contractor will determine the format and content of the executive summary. The executive summary is due thirty (30) days after the conclusion of each calendar quarter.
- e. Timely submission of these reports is a material requirement of the Master Agreement. The recipient of the reports shall have exclusive ownership of the media containing the reports. The Lead State and NASPO ValuePoint shall have a perpetual, irrevocable, non-

exclusive, royalty free, transferable right to display, modify, copy, and otherwise use reports, data and information provided under this section.

8. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review

- a. Contractor agrees to work cooperatively with NASPO ValuePoint personnel. Contractor agrees to present plans to NASPO ValuePoint for the education of Contractor's contract administrator(s) and sales/marketing workforce regarding the Master Agreement contract, including the competitive nature of NASPO ValuePoint procurements, the Master agreement and participating addendum process, and the manner in which qualifying entities can participate in the Master Agreement.
- b. Contractor agrees, as Participating Addendums become executed, if requested by ValuePoint personnel to provide plans to launch the program within the participating state. Plans will include time frames to launch the agreement and confirmation that the Contractor's website has been updated to properly reflect the contract offer as available in the participating state.
- c. Contractor agrees, absent anything to the contrary outlined in a Participating Addendum, to consider customer proposed terms and conditions, as deemed important to the customer, for possible inclusion into the customer agreement. Contractor will ensure that its sales force is aware of this contracting option.
- d. Contractor agrees to participate in an annual contract performance review at a location selected by the Lead State and NASPO ValuePoint, which may include a discussion of marketing action plans, target strategies, marketing materials, as well as Contractor reporting and timeliness of payment of administration fees.
- e. Contractor acknowledges that the NASPO ValuePoint logos may not be used by Contractor in sales and marketing until a logo use agreement is executed with NASPO ValuePoint.
- f. The Lead State expects to evaluate the utilization of the Master Agreement at the annual performance review. Lead State may, in its discretion, cancel the Master Agreement pursuant to section 28, or not exercise an option to renew, when Contractor utilization does not warrant further administration of the Master Agreement. The Lead State may exercise its right to not renew the Master Agreement if Contractor fails to record or report revenue for three consecutive quarters, upon 60-calendar day written notice to the Contractor. Cancellation based on nonuse or under-utilization will not occur sooner than two years after award (or execution if later) of the Master Agreement. This subsection does not limit the discretionary right of either the Lead State or Contractor to cancel the Master Agreement pursuant to section 28 or to terminate for default pursuant to section 30.
- g. Contractor agrees, within 30 days of the effective date, to notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-part contracts or agreements that may affect the promotion of this Master Agreement or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders

from this master agreement. Upon request of the Lead State or NASPO ValuePoint, Contractor shall provide a copy of any such provisions.

9. NASPO ValuePoint eMarket Center

- a. In July 2011, NASPO ValuePoint entered into a multi-year agreement with SciQuest, Inc. (doing business as JAGGAER) whereby JAGGAER will provide certain electronic catalog hosting and management services to enable eligible NASPO ValuePoint's customers to access a central online website to view and/or shop the goods and services available from existing NASPO ValuePoint Cooperative Contracts. The central online website is referred to as the NASPO ValuePoint eMarket Center.
- b. The Contractor will have visibility in the eMarket Center through Ordering Instructions. These Ordering Instructions are available at no cost to the Contractor and provide customers information regarding the Contractors website and ordering information. The Contractor is required at a minimum to participate in the eMarket Center through Ordering Instructions.
- c. At a minimum, the Contractor agrees to the following timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin Ordering Instruction process. The Contractor shall have thirty (30) days from receipt of written request to work with NASPO ValuePoint to provide any unique information and ordering instructions that the Contractor would like the customer to have.
- d. If the solicitation requires either a catalog hosted on or integration of a punchout site with eMarket Center, or either solution is proposed by a Contractor and accepted by the Lead State, the provisions of the eMarket Center Appendix to these NASPO ValuePoint Master Agreement Terms and Conditions apply.

10. Right to Publish

Throughout the duration of this Master Agreement, Contractor must secure from the Lead State prior approval for the release of information that pertains to the potential work or activities covered by the Master Agreement. This limitation does not preclude publication about the award of the Master Agreement or marketing activities consistent with any proposed and accepted marketing plan. The Contractor shall not make any representations of NASPO ValuePoint's opinion or position as to the quality or effectiveness of the services that are the subject of this Master Agreement without prior written consent. Failure to adhere to this requirement may result in termination of the Master Agreement for cause.

11. Price and Rate Guarantee Period

All prices and rates set forth in Exhibits B and B-1 (and the online catalog) must be guaranteed for the initial term of the Master Agreement. Following the initial Master Agreement period, any request for price or rate adjustment must be for an equal guarantee period, and must be made at least 30 days prior to the effective date. Requests for price or rate adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the Master Agreement shall not be effective unless approved by the Lead State. No retroactive adjustments to prices or rates will be allowed. Contractor shall apply the appropriate discounts as set forth on Exhibit B-2.

12. Individual Customers

Except to the extent modified by a Participating Addendum, each Purchasing Entity shall follow the terms and conditions of the Master Agreement and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement, including but not limited to, any indemnity or right to recover any costs as such right is defined in the Master Agreement and applicable Participating Addendum for their purchases. Each Purchasing Entity will be responsible for its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Purchasing Entity individually.

Administration of Orders

13. Ordering

- a. Master Agreement order and purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.
- b. Purchasing Entities may define entity or project-specific requirements and informally compete the requirement among companies having a Master Agreement on an "as needed" basis. This procedure may also be used when requirements are aggregated or other firm commitments may be made to achieve reductions in pricing. This procedure may be modified in Participating Addenda and adapted to the Purchasing Entity's rules and policies. The Purchasing Entity may in its sole discretion determine which Master Agreement Contractors should be solicited for a quote. The Purchasing Entity may select the quote that it considers most advantageous, cost and other factors considered.
- c. Each Purchasing Entity will identify and utilize its own appropriate purchasing procedure and documentation. Contractor is expected to become familiar with the Purchasing Entities' rules, policies, and procedures regarding the ordering of supplies and/or services contemplated by this Master Agreement.
- d. Contractor shall not begin work without a valid Purchase Order or other appropriate commitment document under the law of the Purchasing Entity.
- e. Orders may be placed consistent with the terms of this Master Agreement during the term of the Master Agreement.
- f. All Orders pursuant to this Master Agreement, at a minimum, shall include:
 - (1) The Products, Services or Supplies being delivered;
 - (2) The place and requested time of delivery;
 - (3) A billing address;
 - (4) The name, phone number, and address of the Purchasing Entity representative;
 - (5) The price per hour or other pricing elements consistent with this Master Agreement and the contractor's proposal;
 - (6) A ceiling amount of the order for services being ordered; and
 - (7) The Master Agreement identifier.

- g. All communications concerning administration of Orders placed shall be furnished solely to the authorized purchasing agent within the Purchasing Entity's purchasing office, or to such other individual identified in writing in the Order.
- h. Orders must be placed pursuant to this Master Agreement prior to the termination date thereof, but may have a delivery date or performance period up to 120 days past the then-current termination date of this Master Agreement. Contractor is reminded that financial obligations of Purchasing Entities payable after the current applicable fiscal year are contingent upon agency funds for that purpose being appropriated, budgeted, and otherwise made available.
- i. Notwithstanding the expiration, cancellation or termination of this Master Agreement, Contractor agrees to perform in accordance with the terms of any Orders then outstanding at the time of such expiration or termination. Contractor shall not honor any Orders placed after the expiration, cancellation or termination of this Master Agreement, or otherwise inconsistent with its terms. Orders from any separate indefinite quantity, task orders, or other form of indefinite delivery order arrangement priced against this Master Agreement may not be placed after the expiration or termination of this Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.

14. Shipping and Delivery

- a. The prices are the delivered price to any Purchasing Entity. All deliveries shall be F.O.B. destination, freight pre-paid, with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage shall remain the Contractor's until final inspection and acceptance when responsibility shall pass to the Purchasing Entity except as to latent defects, fraud and Contractor's warranty obligations. The minimum shipment amount, if any, will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an Order to be shipped without transportation charges that is back ordered shall be shipped without charge.
- b. All deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the Order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order. Any damage to the building interior, scratched walls, damage to the freight elevator, etc., will be the responsibility of the Contractor. If damage does occur, it is the responsibility of the Contractor to immediately notify the Purchasing Entity placing the Order.
- c. All products must be delivered in the manufacturer's standard package. Costs shall include all packing and/or crating charges. Cases shall be of durable construction, good condition, properly labeled and suitable in every respect for storage and handling of contents. Each shipping carton shall be marked with the commodity, brand, quantity, item code number and the Purchasing Entity's Purchase Order number.

15. Laws and Regulations

Any and all Products offered and furnished shall comply fully with all applicable Federal and State laws and regulations, including the Federal Terms and Conditions set forth in Exhibit C.

16. Inspection and Acceptance

- a. Where the Master Agreement or an Order does not otherwise specify a process for inspection and Acceptance, this section governs. This section is not intended to limit rights and remedies under the applicable commercial code.
- b. All Products are subject to inspection at reasonable times and places before Acceptance. Contractor shall provide right of access to the Lead State, or to any other authorized agent or official of the Lead State or other Participating or Purchasing Entity, at reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance requirements under this Master Agreement. Products that do not meet specifications may be rejected. Failure to reject upon receipt, however, does not relieve the contractor of liability for material (nonconformity that substantial impairs value) latent or hidden defects subsequently revealed when goods are put to use. Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked.
- c. If any Services do not conform to contract requirements, the Purchasing Entity may require the Contractor to perform the services again in conformity with contract requirements, at no increase in Order amount. When defects cannot be corrected by reperformance, the Purchasing Entity may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and reduce the contract price to reflect the reduced value of services performed.
- d. The warranty period shall begin upon Acceptance.
- e. Acceptance Testing may be explicitly set out in a Master Agreement to ensure conformance to an explicit standard of performance. Acceptance Testing means the process set forth in the Master Agreement for ascertaining that the Product meets the standard of performance prior to Acceptance by the Purchasing Entity. If Acceptance Testing is prescribed, this subsection applies to applicable Products purchased under this Master Agreement, including any additional, replacement, or substitute Product(s) and any Product(s) which are modified by or with the written approval of Contractor after Acceptance by the Purchasing Entity. The Acceptance Testing period shall be thirty (30) calendar days or other time period identified in this Master Agreement or the Participating Addendum, starting from the day after the Product is delivered or, if installed, the day after the Product is installed and Contractor certifies that the Product is ready for Acceptance Testing. If the Product does not meet the standard of performance during the initial period of Acceptance Testing, Purchasing Entity may, at its discretion, continue Acceptance Testing on a day-to-day basis until the standard of performance is met. Upon rejection, the Contractor will have fifteen (15) calendar days to cure the standard of performance issue(s). If after the cure

period, the Product still has not met the standard of performance, the Purchasing Entity may, at its option: (a) declare Contractor to be in breach and terminate the Order; (b) demand replacement Product from Contractor at no additional cost to Purchasing Entity; or, (c) continue the cure period for an additional time period agreed upon by the Purchasing Entity and the Contractor. Contractor shall pay all costs related to the preparation and shipping of Product returned pursuant to the section. No Product shall be deemed Accepted and no charges shall be paid until the standard of performance is met. The warranty period shall begin upon Acceptance.

17. Payment

Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges the highest rate permitted by applicable law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge.

18. Warranty

Warranty provisions govern where specified elsewhere in the documents that constitute the Master Agreement; otherwise this section governs. The Contractor warrants for a period of one year from the date of Acceptance that: (a) the Product performs according to all specific claims that the Contractor made in its response to the solicitation, (b) the Product is suitable for the ordinary purposes for which such Product is used, (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgment, (d) the Product is designed and manufactured in a commercially reasonable manner, and (e) the Product is free of defects. Upon breach of the warranty, the Contractor will repair or replace (at no charge to the Purchasing Entity) the Product whose nonconformance is discovered and made known to the Contractor. If the repaired and/or replaced Product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made. If Contractor is not the manufacturer of the product Contractor shall pass through all manufacturer's warranty to Purchasing Entity. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

19. Title of Product

Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Product free and clear of all liens, encumbrances, or other security interests. Transfer of title to the Product shall include an irrevocable and perpetual license to use any Embedded Software in the Product. If Purchasing Entity subsequently transfers title of the Product to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Product title. A subsequent transfer of this software license shall be at no additional cost or charge to either Purchasing Entity or Purchasing Entity's transferee.

20. License of Pre-Existing Intellectual Property

Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the Intellectual Property, and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). The Contractor shall be responsible for ensuring that this license is consistent with any third party rights in the Pre-existing Intellectual Property.

General Provisions

21. Insurance

- a. Unless otherwise agreed in a Participating Addendum, Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state and having a rating of A, Class VII or better, in the most recently published edition of A.M. Best's Insurance Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a Participating Entity's option, result in termination of its Participating Addendum.
- b. Coverage shall be written on an occurrence basis. The minimum acceptable limits shall be as indicated below:
 - (1) Commercial General Liability covering premises operations, independent contractors, products and completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence/\$2 million general aggregate;
 - (2) Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.
- c. Contractor shall pay premiums on all insurance policies. Contractor shall provide notice to a Participating Entity who is a state within five (5) business days after Contractor is first aware of expiration, cancellation or nonrenewal of such policy or is first aware that cancellation is threatened or expiration, nonrenewal or expiration otherwise may occur.
- d. Prior to commencement of performance, Contractor shall provide to the Lead State a written endorsement to the Contractor's general liability insurance policy or other documentary evidence acceptable to the Lead State that (1) names Oregon, and the Participating States identified in the Request for Proposal as additional insureds, (2) provides that written notice of cancellation shall be delivered in accordance with the policy provisions, and (3) provides that the Contractor's liability insurance policy shall be primary, with any liability insurance of any Participating State as secondary and noncontributory. Unless otherwise agreed in any Participating Addendum, other state Participating Entities' rights and Contractor's obligations are the same as those specified in the first sentence of this subsection except the endorsement is provided to the applicable state.

- e. Contractor shall furnish to the Lead State copies of certificates of all required insurance in a form sufficient to show required coverage within thirty (30) calendar days of the execution of this Master Agreement and prior to performing any work. Copies of renewal certificates of all required insurance shall be furnished within thirty (30) days after any renewal date to the applicable state Participating Entity. Failure to provide evidence of coverage may, at the sole option of the Lead State, or any Participating Entity, result in this Master Agreement's termination or the termination of any Participating Addendum.
- f. Coverage and limits shall not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Purchase Order.

22. Records Administration and Audit

- a. The Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Agreement and Orders placed by Purchasing Entities under it to the extent and in such detail as shall adequately reflect performance and administration of payments and fees. Contractor shall permit the Lead State, a Participating Entity, a Purchasing Entity, the federal government (including its grant awarding entities and the U.S. Comptroller General), and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers and records directly pertinent to this Master Agreement or orders placed by a Purchasing Entity under it for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of five (5) years following termination of this Agreement or final payment for any order placed by a Purchasing Entity against this Agreement, whichever is later, or such longer period as is required by the Purchasing Entity's state statutes, to assure compliance with the terms hereof or to evaluate performance hereunder.
- b. Without limiting any other remedy available to any governmental entity, the Contractor shall reimburse the applicable Lead State, Participating Entity, or Purchasing Entity for any overpayments inconsistent with the terms of the Master Agreement or Orders or underpayment of fees found as a result of the examination of the Contractor's records.
- c. The rights and obligations herein exist in addition to any quality assurance obligation in the Master Agreement requiring the Contractor to self-audit contract obligations and that permits the Lead State to review compliance with those obligations.

23. Confidentiality, Non-Disclosure, and Injunctive Relief

a. Confidentiality. Contractor acknowledges that it and its employees or agents may, in the course of providing a Product under this Master Agreement, be exposed to or acquire information that is confidential to Purchasing Entity or Purchasing Entity's clients. Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Master Agreement, including, but not necessarily limited to (1) any Purchasing Entity's records, (2) personnel records, and (3) information concerning individuals, is confidential information of Purchasing Entity ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information. Confidential Information does not include information that (1) is or becomes

(other than by disclosure by Contractor) publicly known; (2) is furnished by Purchasing Entity to others without restrictions similar to those imposed by this Master Agreement; (3) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement; (4) is obtained from a source other than Purchasing Entity without the obligation of confidentiality, (5) is disclosed with the written consent of Purchasing Entity or; (6) is independently developed by employees, agents or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

- b. Non-Disclosure. Contractor shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance of Orders placed under this Master Agreement. Contractor shall advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise Purchasing Entity, applicable Participating Entity, and the Lead State immediately if Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Master Agreement, and Contractor shall at its expense cooperate with Purchasing Entity in seeking injunctive or other equitable relief in the name of Purchasing Entity or Contractor against any such person. Except as directed by Purchasing Entity, Contractor will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at Purchasing Entity's request, Contractor shall turn over to Purchasing Entity all documents, papers, and other matter in Contractor's possession that embody Confidential Information. Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits and evidence of the performance of this Master Agreement.
- c. Injunctive Relief. Contractor acknowledges that breach of this section, including disclosure of any Confidential Information, will cause irreparable injury to Purchasing Entity that is inadequately compensable in damages. Accordingly, Purchasing Entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Purchasing Entity and are reasonable in scope and content.
- d. Purchasing Entity Law. These provisions shall be applicable only to extent they are not in conflict with the applicable public disclosure laws of any Purchasing Entity.
- e. The rights granted Purchasing Entities and Contractor obligations under this section shall also extend to the cooperative's Confidential Information, defined to include Participating Addenda, as well as Orders or transaction data relating to Orders under this Master Agreement that identify the entity/customer, Order dates, line item descriptions and

volumes, and prices/rates. This provision does not apply to disclosure to the Lead State, a Participating State, or any governmental entity exercising an audit, inspection, or examination pursuant to section 23. To the extent permitted by law, Contractor shall notify the Lead State of the identity of any entity seeking access to the Confidential Information described in this subsection.

24. Public Information

This Master Agreement and all related documents are subject to disclosure pursuant to the Purchasing Entity's public information laws.

25. Assignment/Subcontracts

- a. Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Master Agreement, in whole or in part, without the prior written approval of the Lead State.
- b. The Lead State reserves the right to assign any rights or duties, including written assignment of contract administration duties to NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint and other third parties.

26. Changes in Contractor Representation

The Contractor must notify the Lead State of changes in the Contractor's key administrative personnel managing the Master Agreement in writing within 10 calendar days of the change. The Lead State reserves the right to approve changes in key personnel, as identified in the Contractor's proposal. The Contractor agrees to propose replacement key personnel having substantially equal or better education, training, and experience as was possessed by the key person proposed and evaluated in the Contractor's proposal.

27. Independent Contractor

The Contractor shall be an independent contractor. Contractor shall have no authorization, express or implied, to bind the Lead State, Participating States, other Participating Entities, or Purchasing Entities to any agreements, settlements, liability or understanding whatsoever, and agrees not to hold itself out as agent except as expressly set forth herein or as expressly agreed in any Participating Addendum.

28. Cancellation

Unless otherwise stated, this Master Agreement may be canceled by either party upon 60 days written notice prior to the effective date of the cancellation. Further, any Participating Entity may cancel its participation upon 30 days written notice, unless otherwise limited or stated in the Participating Addendum. Cancellation may be in whole or in part. Any cancellation under this provision shall not affect the rights and obligations attending orders outstanding at the time of cancellation, including any right of a Purchasing Entity to indemnification by the Contractor, rights of payment for Products delivered and accepted, rights attending any warranty or default in performance in association with any Order, and requirements for records administration and audit. Cancellation of the Master Agreement due to Contractor default may be immediate.

29. Force Majeure

Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, unusually severe weather, other acts of God, or war which are beyond that party's reasonable control. The Lead State may terminate this Master Agreement after determining such delay or default will reasonably prevent successful performance of the Master Agreement.

30. Defaults and Remedies

- a. The occurrence of any of the following events shall be an event of default under this Master Agreement:
 - (1) Nonperformance of contractual requirements; or
 - (2) A material breach of any term or condition of this Master Agreement; or
 - (3) Any certification, representation or warranty by Contractor in response to the solicitation or in this Master Agreement that proves to be untrue or materially misleading; or
 - (4) Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
 - (5) Any default specified in another section of this Master Agreement.
- b. Upon the occurrence of an event of default, the Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of 15 calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure shall not diminish or eliminate Contractor's liability for damages, including liquidated damages to the extent provided for under this Master Agreement.
- c. If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Master Agreement and the Lead State shall have the right to exercise any or all of the following remedies:
 - (1) Exercise any remedy provided by law; and
 - (2) Terminate this Master Agreement and any related Contracts or portions thereof; and
 - (3) Impose liquidated damages as provided in this Master Agreement; and
 - (4) Suspend Contractor from being able to respond to future bid solicitations; and
 - (5) Suspend Contractor's performance; and
 - (6) Withhold payment until the default is remedied.
- d. Unless otherwise specified in the Participating Addendum, in the event of a default under a Participating Addendum, a Participating Entity shall provide a written notice of default as

described in this section and shall have all of the rights and remedies under this paragraph regarding its participation in the Master Agreement, in addition to those set forth in its Participating Addendum. Unless otherwise specified in a Purchase Order, a Purchasing Entity shall provide written notice of default as described in this section and have all of the rights and remedies under this paragraph and any applicable Participating Addendum with respect to an Order placed by the Purchasing Entity. Nothing in these Master Agreement Terms and Conditions shall be construed to limit the rights and remedies available to a Purchasing Entity under the applicable commercial code.

31. Walver of Breach

Failure of the Lead State, Participating Entity, or Purchasing Entity to declare a default or enforce any rights and remedies shall not operate as a waiver under this Master Agreement or Participating Addendum. Any waiver by the Lead State, Participating Entity, or Purchasing Entity must be in writing. Waiver by the Lead State or Participating Entity of any default, right or remedy under this Master Agreement or Participating Addendum, or by Purchasing Entity with respect to any Purchase Order, or breach of any terms or requirements of this Master Agreement, a Participating Addendum, or Purchase Order shall not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement, Participating Addendum, or Purchase Order.

32. Debarment

The Contractor certifies 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. This certification represents a recurring certification made at the time any Order is placed under this Master Agreement. If the Contractor cannot certify this statement, attach a written explanation for review by the Lead State.

33. Indemnification

a. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, and Purchasing Entities, along with their officers and employees, from and against third-party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to tangible property arising from act(s), error(s), or omission(s) of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to the performance under the Master Agreement.

b. Indemnification – Intellectual Property. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, Purchasing Entities, along with their officers and employees ("Indemnified Party"), from and against claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of the claim that the Product or its use, infringes Intellectual Property rights ("Intellectual Property Claim") of another person or entity.

(1) The Contractor's obligations under this section shall not extend to any

combination of the Product with any other product, system or method, unless the Product, system or method is:

- (a) provided by the Contractor or the Contractor's subsidiaries or affiliates;
- (b) specified by the Contractor to work with the Product; or
- (c) reasonably required, in order to use the Product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available product, system or method capable of performing the same function; or
- (d) It would be reasonably expected to use the Product in combination with such product, system or method.
- (2) The Indemnified Party shall notify the Contractor within a reasonable time after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party fails to provide reasonable notice, the Contractor shall not be relieved from its obligations unless the Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to the Contractor. If the Contractor promptly and reasonably investigates and defends any intellectual Property Claim, it shall have control over the defense and settlement of it. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible. The Indemnified Party shall furnish, at the Contractor's reasonable request and expense, information and assistance necessary for such defense. If the Contractor falls to vigorously pursue the defense or settlement of the Intellectual Property Claim, the Indemnified Party may assume the defense or settlement of it and the Contractor shall be liable for all costs and expenses, including reasonable attorneys' fees and related costs, incurred by the Indemnified Party in the pursuit of the Intellectual Property Claim. Unless otherwise agreed in writing, this section is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.

34. No Waiver of Sovereign Immunity

In no event shall this Master Agreement, any Participating Addendum or any contract or any Purchase Order issued thereunder, or any act of the Lead State, a Participating Entity, or a Purchasing Entity be a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

This section applies to a claim brought against the Participating Entities who are states only to the extent Congress has appropriately abrogated the state's sovereign immunity and is not consent by the state to be sued in federal court. This section is also not a waiver by the state of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

35. Governing Law and Venue

a. The procurement, evaluation, and award of the Master Agreement shall be governed by

and construed in accordance with the laws of the Lead State sponsoring and administering the procurement. The construction and effect of the Master Agreement after award shall be governed by the law of the state serving as Lead State. The construction and effect of any Participating Addendum or Order against the Master Agreement shall be governed by and construed in accordance with the laws of the Participating Entity's or Purchasing Entity's State.

b. Unless otherwise specified in the RFP, the venue for any protest, claim, dispute or action relating to the procurement, evaluation, and award is in the Lead State. Venue for any claim, dispute or action concerning the terms of the Master Agreement shall be in the state serving as Lead State. Venue for any claim, dispute, or action concerning any Order placed against the Master Agreement or the effect of a Participating Addendum shall be in the Purchasing Entity's State.

c. If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): the Lead State for claims relating to the procurement, evaluation, award, or contract performance or administration if the Lead State is a party; a Participating State if a named party; the state where the Participating Entity or Purchasing Entity is located if either is a named party.

36. Assignment of Antitrust Rights

Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or a Participating Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided in that state for the purpose of carrying out the Contractor's obligations under this Master Agreement or Participating Addendum, including, at the Participating Entity's option, the right to control any such litigation on such claim for relief or cause of action.

37. Contract Provisions for Orders Utilizing Federal Funds

Pursuant to Appendix II to 2 Code of Federal Regulations (CFR) Part 200, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Orders funded with federal funds may have additional contractual requirements or certifications that must be satisfied at the time the Order is placed or upon delivery. These federal requirements may be proposed by Participating Entities in Participating Addenda and Purchasing Entities for incorporation in Orders placed under this Master Agreement.

38. Leasing or Alternative Financing Methods

The procurement and other applicable laws of some Purchasing Entities may permit the use of leasing or alternative financing methods for the acquisition of Products under this Master Agreement. Where the terms and conditions are not otherwise prescribed in an applicable Participating Addendum, the terms and conditions for leasing or alternative financing methods are subject to negotiation between the Contractor and Purchasing Entity.

Authorized Signatures:

Contractor: FASTENAL COMPANY
Ву:
Title: Sanior Executive Vice President Date: 4-25-2018
The State of Oregon acting by and through its Department of Administrative Services, Enterprise Goods and Services,
Procurement Services
Ву:
Title: State Promeint anagest Date: 4/25/18

Approved pursuant to ORS 291.047

Oregon Department of Justice

By: <u>Karen Johnson via emall</u>

Sr. Assistant Attorney General

Date: April 24, 2018

eMarket Center Appendix to NASPO ValuePoint Master Agreement

- a. This Appendix applies whenever a catalog hosted by or integration of a punchout site with eMarket Center is required by the solicitation or either solution is proposed by a Contractor and accepted by the Lead State.
- b. Supplier's Interface with the eMarket Center. There is no cost charged by JAGGAER to the Contractor for loading a hosted catalog or integrating a punchout site.
- c. At a minimum, the Contractor agrees to the following:
- (1) Implementation Timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin enablement process. The Contractor shall have fifteen (15) days from receipt of written request to work with NASPO ValuePoint and JAGGAER to set up an enablement schedule, at which time JAGGAER's technical documentation shall be provided to the Contractor. The schedule will include future calls and milestone dates related to test and go live dates. The contractor shall have a total of Ninety (90) days to deliver either a (1) hosted catalog or (2) punch-out catalog, from date of receipt of written request.
- (2) NASPO ValuePoint and JAGGAER will work with the Contractor, to decide which of the catalog structures (either hosted or punch-out as further described below) shall be provided by the Contractor. Whether hosted or punch-out, the catalog must be strictly limited to the Contractor's awarded contract offering (e.g. products and/or services not authorized through the resulting cooperative contract should not be viewable by NASPO ValuePoint Participating Entity users).
 - (a) Hosted Catalog. By providing a hosted catalog, the Contractor is providing a list of its awarded products/services and pricing in an electronic data file in a format acceptable to JAGGAER, such as Tab Delimited Text files. In this scenario, the Contractor must submit updated electronic data [Insert Time Frame Here] to the eMarket Center for the Lead State's approval to maintain the most up-to-date version of its product/service offering under the cooperative contract in the eMarket Center.
 - (b) Punch-Out Catalog. By providing a punch-out catalog, the Contractor is providing its own online catalog, which must be capable of being integrated with the eMarket Center as a. Standard punch-in via Commerce eXtensible Markup Language (cXML). In this scenario, the Contractor shall validate that its online catalog is up-to-date by providing a written update every six months to the Lead State stating they have audited the offered products/services and pricing listed on its online catalog. The site must also return detailed UNSPSC codes (as outlined in line 3) for each line item. Contractor also agrees to provide e-Quote functionality to facilitate volume discounts.
- d. Revising Pricing and Product Offerings: Any revisions to product/service offerings (new products, altered SKUs, new pricing etc.) must be pre-approved by the Lead State and shall be subject to any other applicable restrictions with respect to the frequency or amount of such revisions. However, no cooperative contract enabled in the eMarket Center may include price changes on a more frequent basis than once per quarter. The following

conditions apply with respect to hosted catalogs:

- (1) Updated pricing files are required by the 1st of the month and shall go into effect in the eMarket Center on the 1st day of the following month (i.e. file received on 1/01/13 would be effective in the eMarket Center on 2/01/13). Files received after the 1st of the month may be delayed up to a month (i.e. file received on 11/06/09 would be effect in the eMarket Center on 1/01/10).
- (2) Lead State-approved price changes are not effective until implemented within the eMarket Center. Errors in the Contractor's submitted pricing files will delay the implementation of the price changes in eMarket Center.
- e. Supplier Network Requirements: Contractor shall join the JAGGAER Supplier Network (SQSN) and shall use JAGGAER's Supplier Portal to import the Contractor's catalog and pricing, into the JAGGAER system, and view reports on catalog spend and product/pricing freshness. The Contractor can receive orders through electronic delivery (cXML) or through low-tech options such as fax. More information about the SQSN can be found at: www.sciquest.com or call the JAGGAER Supplier Network Services team at 800-233-1121.
- f. Minimum Requirements: Whether the Contractor is providing a hosted catalog or a punch-out catalog, the Contractor agrees to meet the following requirements:
- (1) Catalog must contain the most current pricing, including all applicable administrative fees and/or discounts, as well as the most up-to-date product/service offering the Contractor is authorized to provide in accordance with the cooperative contract; and
- (2) The accuracy of the catalog must be maintained by Contractor throughout the duration of the cooperative contract; and
 - (3) The Catalog must include a Lead State contract identification number; and
 - (4) The Catalog must include detailed product line item descriptions; and
 - (5) The Catalog must include pictures when possible; and
- (6) The Catalog must include any additional NASPO ValuePoint and Participating Addendum requirements. Although suppliers in the SQSN normally submit one (1) catalog, it is possible to have multiple contracts applicable to different NASPO ValuePoint Participating Entities. For example, a supplier may have different pricing for state government agencies and Board of Regents institutions. Suppliers have the ability and responsibility to submit separate contract pricing for the same catalog if applicable. The system will deliver the appropriate contract pricing to the user viewing the catalog.
- g. Order Acceptance Requirements: Contractor must be able to accept Purchase Orders via fax or cXML. The Contractor shall provide positive confirmation via phone or email within 24 hours of the Contractor's receipt of the Purchase Order. If the Purchasing Order is received after 3pm EST on the day before a weekend or holiday, the Contractor must provide positive confirmation via phone or email on the next business day.

- h. UNSPSC Requirements: Contractor shall support use of the United Nations Standard Product and Services Code (UNSPSC). UNSPSC versions that must be adhered to are driven by JAGGAER for the suppliers and are upgraded every year. NASPO ValuePoint reserves the right to migrate to future versions of the UNSPSC and the Contractor shall be required to support the migration effort. All line items, goods or services provided under the resulting statewide contract must be associated to a UNSPSC code. All line items must be identified at the most detailed UNSPSC level indicated by segment, family, class and commodity.
- i. Applicability: Contractor agrees that NASPO ValuePoint controls which contracts appear in the eMarket Center and that NASPO ValuePoint may elect at any time to remove any supplier's offering from the eMarket Center.
- j. The Lead State reserves the right to approve the pricing on the eMarket Center. This catalog review right is solely for the benefit of the Lead State and Participating Entities, and the review and approval shall not waive the requirement that products and services be offered at prices (and approved fees) required by the Master Agreement.
- k. Several NASPO ValuePoint Participating Entities currently maintain separate JAGGAER eMarketplaces, these Participating Entities do enable certain NASPO ValuePoint Cooperative Contracts. In the event one of these entities elects to use this NASPO ValuePoint Cooperative Contract (available through the eMarket Center) but publish to their own eMarketplace, the Contractor agrees to work in good faith with the entity and NASPO ValuePoint to implement the catalog. NASPO ValuePoint does not anticipate that this will require substantial additional efforts by the Contractor; however, the supplier agrees to take commercially reasonable efforts to enable such separate JAGGAER catalogs.

(August 2017)

Exhibit A to NASPO ValuePoint Master Agreement

SAMPLE PARTICIPATING ADDENDUM

MASTER AGREEMENT # 8497 FORM PARTICIPATING ADDENDUM

NASPO ValuePoint
PARTICIPATING ADDENDUM

Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #: 8497

Contractor: Fastenal Company (Contractor)

Participating Entity: State of XXXXX

The following Goods or services are included in this Addendum:

• <u>Removable Example</u>: All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

The following Goods or services are not included in this Addendum:

- Removable Example: Product modifications.
- Removable Example: Installation services.

Master Agreement Terms and Conditions:

 Scope: This addendum covers the Facilities Maintenance and Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State [or State Entity] authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.

[Removable Instruction: Participating States should ensure that paragraph 2 properly defines the scope of participation. The model language in paragraph enables participation by all political subdivisions, institutions of higher education, and other entities included in the state's statewide contract program.]

Participation: This NASPO ValuePoint Master Agreement may be used by all state
agencies, institutions of higher institution, political subdivisions and other entities
authorized to use statewide contracts in the State of [xxxxxxx]. Issues of interpretation
and eligibility for participation are solely within the authority of the State Chief
Procurement Official.

3. <u>Primary Contacts</u> : The primary contact individuals for this Participating Addendum and as follows (or their named successors):
Contractor Name: Address: Telephone: Fax: Email:
Participating Entity Name: Address: Telephone: Fax: Email:
4. Participating Entity Modifications Or Additions To The Master Agreement
These modifications or additions apply only to actions and relationships within the Participating Entity. Participating Entity must check one of the boxes below.
[] No changes to the terms and conditions of the Master Agreement are required.
[] The following changes are modifying or supplementing the Master Agreement terms

[Removable Instruction: Insert text here to address specific changes to the terms and conditions. Indicate which section numbers of the Master Agreement are modified. If no changes are required, check the box above and delete this paragraph.]

- 5. Lease Agreements: [If applicable, insert a statement about whether or not equipment lease agreement terms and conditions included in the Master Agreement have been approved for use by the Participating State and any restrictions or requirements for the use of the lease agreement language in the Master Agreement. If not applicable, mark Section 5 as "Reserved".]
- 6. <u>Subcontractors</u>: All contactors, dealers, and resellers authorized in the State of [xxxxxx], as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
- 7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement

and conditions.

unless the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor:
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:

[Additional signatures may be added if required by the Participating Entity]
For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator:

Telephone:

Email:

Shannon Berry

775-720-3404

sberrry@naspovaluepoint.org

[Please email fully executed PDF copy of this document to

PA@naspovaluepoint.org
to support documentation of participation and posting in appropriate data bases.]

Exhibit B to NASPO ValuePoint Master Agreement

Description of Products, Price, and Services

- Products: Contractor may provide Products and Services from the following categories:
 - Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)
 - Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)
 - Fasteners
 - Material Handling
 - Plumbing
 - Power Sources
 - Outdoor Garden
 - Lamps, Lighting, Ballasts
 - HVAC
 - Hand Tools
 - Power Tools (excluding automotive related tools and products)
 - Electrical
 - Paint
 - Security
 - Safety (does not include any public safety equipment)

Purchasing Entities may access Contractor's catalog for above products at link: https://www.fastenal.com/login

2. Services:

2.1 ESB/MBE/MBE/DV & DBE Programs:

Contractor recognizes the many opportunities small and diverse businesses provide as our suppliers, vendors and strategic customers. Our Supplier Diversity program facilitates the demand for small business advocacy among city/state/local government. Understanding this demand helps Contractor provide opportunities to small and diverse businesses in the United States.

2.1.1 2nd Tier Program:

Contractor has committed to building relationships with, and purchasing

goods and services from, qualified small and diverse businesses to the maximum extent possible while meeting our standards for quality and reliability. This program is not limited to just Woman-Owned and Minority-Owned Business Enterprises; we also support and offer products supplied by Small Businesses, Small Disadvantaged Businesses, Veteran-Owned and Service Disabled Veteran-Owned Businesses, and HUB Zone certified businesses. No matter the request or certification criteria, Contractor's Supplier Diversity team can help.

2.1.2 1st Tier Authorized Reseller Program:

Certain projects, contracts and companies have a very high demand for diversity spend. Our 1st tier program establishes strategic alliances with diverse businesses serving as authorized channels of distribution for Fastenal's products and services. Contractor's 1st tier program features strategic partners with a wide range of manufacturing, distribution and service capabilities as well as a full complement of supplier diversity certifications, including Small Business (SBE), Small Disadvantaged Business (SDB), Minority Business Enterprise (MBE), Disadvantaged Business Enterprise (DBE), Woman Business Enterprise (WBE), Small Veteran-Owned Business (SVOB), Small Disabled Veteran-Owned Business (SDVOB), HUB Zone Business (HUB)

2.2 Growth Incentives:

Contractor's pricing includes contract incentives, a fixed category discount structure, market basket pricing that is firm for 12 months, prepaid standard ground shipping, product warranties, and inventory management solutions.

2.2.1

Contractor is offering an aggressive Growth Incentive Program for the Participating State in order to have the ability to not only bring value to their supply chain, but encourage participation with activities which will provide even greater savings through program compliance. The incentive structure provided through Contractor will act as a tool for the Purchasing Entity to assist with driving compliance to the operations within their organization that can reduce the operational expense involved with the supply chain.

2.2.2 Growth Incentive Program Choices:

- Single Award
- Multiple Award with Fasteners & Safety Categories Single Award
- Multiple Award
- 4. Multiple Award with incentive for Political Subdivision / Higher Education to select Single Award

Contractor will work with each Purchasing Entity to analyze which incentive program will maximize the value within the supply chain

structure they wish to implement. The Purchasing Entity will have the opportunity to analyze and identify the program which creates the greatest value in relation to their individual needs with the participating addendum.

2.3 The quality and availability of recycling or other sustainability programs, including products or services offered:

Contractor will work with the Purchasing Entity to better enable the . State to achieve sustainability goals established by the State.

2.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered:

Contractor will work closely with the Purchasing Entity to identify and implement environmental conservation programs.

2.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products:

Contractor's robust green and sustainable offering includes more than 46,000 products.

Green products are clearly marked with the Fastenal "green" icon to the right, indicating that the Item offers environmental benefits according to either a 3rd party certifying agency (EcoLogo, Green Seal, etc.) or information provided by the manufacturer. You can search for available green products in each category on Fastenal.com (under Promotions & Special Interests). Contractor also offers an eCatalog of green product solutions found at: Fastenal.com > Products > Green Items.

2.6 Recycling Programs:

- Ink & Toner Cartridge Recycling Fastenal also offers simple, convenient recycling of printer cartridges. Let us do the work for you; it's easy, quick and free.
- RecyclePak® When the container is full, simply ship it out it's prepaid. Fastenal offers a wide range of RecyclePak packaging to meet your hazardous material recycling needs.
- 2.7 Contractor's Standard Return Policy:
 Contractor must approve cancellation of any order prior to shipment.
 Any returns for shipping errors, damage or loss upon delivery must be reported within 10 days of the delivery date. Except as otherwise agreed, Products will not be accepted for return after 30 days from the date of delivery to the Purchasing Entity. Any cancellation or returns

accepted after 30 days may be subject to a restocking fee and other charges, for which the Purchasing Entity shall be responsible. All returns should be made to a Fastenal branch or as otherwise designated by Fastenal, and must be in resalable condition and accompanied with an Invoice.

Sourced Items ordered and delivered to the Purchasing Entity may be non-returnable and non-refundable. Sourced Items that have been ordered by the Purchasing Entity and are non-cancelable by the manufacturer, Purchasing Entity must accept and pay for the delivered quantities, excluding non-conforming items. If Purchasing Entity requests to cancel a Sourced Item order prior to shipment or delivery, Seller will exercise reasonable commercial efforts to discontinue the production of the items by the manufacturer. However, Purchasing Entity will be responsible for any restocking fee or costs imposed by the manufacturer related to the cancellation of the Sourced Item. In the event the Purchasing Entity requests Seller to stock and maintain an inventory of certain quantities of Sourced Item for Purchasing Entity, Purchasing Entity agrees to purchase all remaining Sourced Items maintained by Seller in its inventory at the time the purchase order or contract is terminated or within thirty (30) days after Purchasing Entity discontinues use of the Sourced Item.

2.8 Distribution points:

Fastenal's distribution footprint allows for delivery schedules of 24 to 48 hours on many in-stock items by offering same-day service in 2,100+ local markets. Contractor has the ability to cost-effectively operate local branches in not only major cities but also small towns and rural areas across North America, positioning dedicated service teams and customized inventory minutes away from the Purchasing Entity locations.

Contractor's branch-based service model enables Fastenal to:

- Stock product locally for immediate availability;
- Tailor local branch inventory to match Participating State's needs;
- Manage Purchasing Entities inventory to lower their total cost of ownership; and
- Provide industry leading in-person, flexible, value added customer service

Branches are serviced by the nearest of 17 Fastenal distribution centers throughout the U.S. through our company-owned fleet:

Fleet Vehicles: 7,580

Semis: 325

Straight Trucks: 150

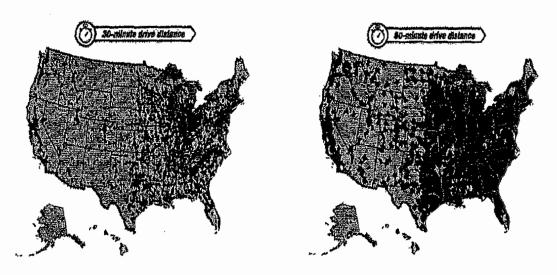
Sprinters: 139

Contractor's U.S.-based distribution centers are located in Akron, OH;

Atlanta, GA; Denton, TX; Edwardsville, KS; High Point, NC; Houston, TX; Indianapolis, IN; Jessup, PA; Lakewood, WA; Leominster, MA; Modesto, CA; Orlando, FL; Pearl City, HI; Salt Lake City, UT; Spokane Valley, WA; and Winona, MN.

Contractor is able to offer same-day inside delivery in 2,100+ local markets by a local Fastenal customer service representative, something no other industrial supplier can do. The key to this solution has been our ability to cost-effectively operate local branches in not only major cities but also small towns and rural areas across North America, positioning dedicated service teams and customized inventory minutes away from the Purchasing Entity locations.

The maps below show the area our local branch teams can service within 30 minutes and 60 minutes. If Purchasing Entities have a need, Fastenal can generally fulfill the need within the hour.



2.9 Scope of geographical coverage offered:

Contractor is offering coverage of all 50 states, Puerto Rico, and Guam.

2.10 Accurate and meaningful marking of green products in the on-line catalog when applicable:

Contractor provides accurate and meaningful labeling of environmentally preferable products offered in our on-line catalog through the green leaf symbol to the right.



3. Additional Services:

3.1 Contract Management Retail Store/Will Call Availability:

Contractor branches are open 8:00am to 5:00pm Monday through Friday, local time. See Exhibit E Contractor's listing of branches incorporated by reference.

Contractor has trained and capable employees that will interact with the Participating Entity and has regional, senior, and executive management responsible for supporting the Purchasing Entity.

3.2 Reporting Capabilities Disaster Recovery Plan:

Contractor will provide reporting/analysis. Contractor will work with the Purchasing Entity to provide access to their order information, through various history reports, spend analysis, pricing audit, and various other reports.

Given the importance of data for information and reporting, it is critical that Contractor stores this information well. Contractor shall backup Data and transaction logs so that information can be restored in the event of hardware or other failure.

3.3 Web based ordering System:

Contractor's website at Fastenal.com is a state-of-the-art transactional website hosting the online catalog with visibility and access to:

- Descriptions
- Images
- Product Specifications
- CAD Drawings
- SDS Sheets
- Contract Price
- Shopping Cart
- Order History
- Product Availability
- Order Templates

The website is available from a traditional browser and via a mobile app for use by the Purchasing Entity that may be away from an office. Contractor offers punch out solutions to the Purchasing Entity that requires them.

3.4 Contractors point of contact information:

Contractor can be contacted at:

Toll Free: 877 507-7555

Email: nasposupport@fastenal.com

Website: www.fastenal.com/naspo-value-point

FAX: 866 664-1246

Remit to: Fastenal Company 2001 Theurer Blvd. Winona, MN 55987

3.5 E- Commerce and Web Catalog Capabilities:

(1) Display contract pricing and multiple search options from narrow options to specific search criteria:

Contractor allows the Purchasing Entity to search and filter by the following attributes:

- product categories
- descriptions
- key words
- manufactures
- manufacturer part numbers
- industry part numbers
- competitor part numbers
- · customer-specific part numbers
- green products

(2) On-line ordering capability:

Contractor hosts a state-of-the-art transactional website to process online orders. All orders are processed through your local branch and sales representative providing quick confirmation and seamless fulfillment on Products. The Purchasing Entity can order catalog items online through multiple time-saving functions.

- Product Search
- Customer Order Templates
- Electronic Quotes
- Fast Order Pad
- File Upload

(3) Order status and order tracking capabilities:

The Purchasing Entity can see the status of their orders at any time during the order process. The local branch can provide tracking information on branch-delivered parts and 3rd party tracking numbers are made available in status updates where applicable.

(4) Order history:

The Purchasing Entity can view their history of orders placed online. Order history can be reordered and edited for future use and commonly ordered items can be saved into order templates for ease of reordering.

In addition the Purchasing Entity has the power of FAST 360° to review their spend and evaluate it by time period, category, and location. The

Purchasing Entity may search for items previously purchased and utilize the data to see where the product went and the price previously paid.

(5) The Purchasing Entity can develop personal lists and profiles, and a secure means for storing procurement card information:

Contractor's website offers user profiles and user hierarchy. Each Participating Entity can manage and store account information such as shipping and billing locations, along with encrypted and secured procurement card information on a PCI Compliant website. In addition to storing card information, the Purchasing Entity can also store their favorite items in an order template or their frequently shipped to locations in My Addresses.

(6) Online help to use site should be available at minimum during normal work hours.

Support is available from both the local branch and a dedicated online support team. The Customer Service Center will be staffed from 8 a.m. to 5 p.m. in every time zone of the Participating States — toll free at 877-507-7555.

E-commerce support is available toll free at 877-507-7555 and webhelp@fastenal.com.

(7) Technical data, Illustrations, Safety Data Sheets (SDS), parts availability, and access to web-based product sourcing is required:

All products contain technical information in the form of product attributes, product descriptions, and detailed notes fields. This information can guide the Purchasing Entity by the type of product or the specific application of the product. Many products contain CAD Drawings and "Product Standards" informational PDF sheets which contain technical data such as chemical, mechanical, and performance information. The SDS sheets are available in the product detail page of the corresponding product. Additionally, the "Supply Chain" section on website shows availability at the local Fastenal branch. All products visible on Fastenal's website can be sourced in various manners.

(8) Allow viewers to view on line product availability by location.

All standard parts display product availability information and an estimated delivery range. When the Purchasing Entity is logged into their branch account, inventory from that branch is visible on the "My Branch" tab so they can easily shop the items that are available for same day pickup or delivery.

(9) Ability to block certain items or categories.

Products or categories may be restricted from purchase. Restricted items will be displayed as restricted and the Purchasing Entity is not allowed to purchase the items.

(10) Ability to accept "P-Card" payments.

Contractor has the ability to process Visa, MasterCard, and American Express LI, LII, and LIII transactions.

3.6 Electronic Data shall be stored for each Participating State in the following ways:

The electronic information for each state is securely stored and administered within various systems including point-of-sale (POS), contract management, and sales management system. All data is managed in accordance with Fastenal's cyber security protocols.

Contractor has a Business Continuity plan to outline their order processing and product distribution processes to accommodate such an event. This plan covers all aspects of their business, including corporate operations, distribution centers, and branches. Due to the sensitive and confidential nature of the technology controls and security measures utilized, a more detailed description of their security protocols can't be provided.

Contractor's approach to information security is based on a philosophy of continuous improvement that is informed through a risk-based evaluation of the people, processes, and technology used to safeguard our sensitive data and systems. Contractor utilizes various information technology security controls and processes to support operational activities including, but not limited to: security and computer operations management, service delivery and change management, secure software development, vulnerability management, strategy and planning, end-user computing, internal security audit, configuration management, risk management, incident response, disaster recovery, and business continuity planning. To ensure robust adoption of sound information security principles and governance, Contractor has chosen to align with industry best practice standards and frameworks such as CIS, NIST, ISO, and PCI, where applicable.

3.7 Forced Substitutions:

Contractor will not conduct forced substitutions. The local servicing branch will work directly with the Purchasing Entity to identify possible equivalent substitutions which will satisfy the Purchasing Entities needs.

3.8 Contract Management:

Contractor's Contract Management team helps implement contract

terms, conditions, pricing, and time lines for deliverables such as reporting, rebates, and additional discounts (if any). Contract Management works closely with Contractor's Vice President of Government Sales, the VP of Contract Development and Support, and the Director of Contract Management. The Master Agreement will be managed within Contractor's contract management system, a proprietary database that manages pricing, FOB terms, rebates, reporting, and other relevant terms.

The Contract Management team will be responsible for ensuring that the contract is correctly administered. The Contract Management System administers the Master Agreement (including any participating addendum unique terms, fees or reporting) to the Fastenal branch account, driving compliance via the Fastenal branch point of sale (POS) system. The Contract Management team will also manage the administration of contract amendment(s), extensions, price updates, and other administrative correspondence.

Contractor will provide all training specific to contract utilization, online ordering, product delivery, product returns, EPPs and customer service processes at no additional cost.

3.9 Shipping:

All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package:

Purchasing Entity name; Delivery Address; Purchasing Entity and floor; Contact; and Telephone number.

A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order:

Line item description;

Date ordered; Quantity ordered;

Quantity included in shipment:

Any backordered items;

Unit Price and extension;

Number of parcels;

Purchase Order Number;

Purchasing Entity name; and

F.O.B. Destination.

Contractor ensures that its Packing Slip references information important to the Purchasing Entity, including all of the fields identified

above. Furthermore, Contractor's product descriptions and part #s on the Packing Slip match exactly those on the product labels making for simple receipt and validation processes by the Purchasing Entity. Contractor can additionally identify the Purchasing Entity's item #, a customer's P.O. line number, and other relevant information on the Packing Slip.

Contractor's prices for all items associated with the Master Agreement are FOB Destination anywhere within the Participating States or geographic area.

Exception to FOB Destination:

- 1) Items not in-stock at the local branch or not in-stock at the Primary Distribution Center for AK, HI, PR, & GU.
- 2) Sourced items and orders requiring special handling or expedited shipment. Items requiring an exception would be communicated to the Purchasing Entity prior to acceptance of a purchase order. Approved charges would be prepaid and billed to the Purchasing Entity.

Specify Guaranteed Delivery Time for In-Stock Items. Contractor's guaranteed delivery time for In-stock Items does not exceed 24 to 48 hours. Delivery times in AK, HI, PR, and GU may differ.

Specify Guaranteed Delivery Time for Non-Stock Items. Contractor's guaranteed delivery time for Non-stock Items does not exceed 10 days from the date of order. Delivery times in AK, HI, PR, and GU may differ.

3.10 Reporting Capabilities:

The Contractor shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. The Participating States may have additional reporting requirements. Contractor commits to providing consolidated reporting to the Purchasing Entity at frequencies they require or as requested.

Typical reporting includes, but is not limited to:

- Net Spend Report showing spend per account under the contract.
- Usage Detail showing invoice level part detail for each account under the contract.
- Concept Spend showing contract spend within specific product categories.
- Executive Summary Report multi-faceted contract level dashboard report including total spend, spend by product category, spend by agency type, accounts receivable, spend by individual account, cost savings (freight saved, invoice dollars saved, previous price paid, receiving disbursement, inventory management, PO reduction, extra value services, other savings,

vendor reduction, product source, emergency services, kiting, committed inventory, material substitution), inactive accounts, spend by account specialty.

- · Rebate and Administrative fee reports
- Supplier Diversity reporting
- Environmentally Preferred products reporting
- FAST Solution reporting
- Workflow management reporting via online Catalog

Reports provided in Excel format unless otherwise noted. Contractor does not charge money for any reports to the Purchasing Entity, and will work with each request to try to meet the Purchasing Entities needs if the information is not already available.

The Purchasing Entity has access to orders placed via the website or through punch out on their account on the web. These orders can be reviewed by order or item category for easy reference.

3.11 Sustainability/Environmental Practices:

- (1) Contractor is self-certified to the international standard for environmental management systems, ISO 14001, and conducts annual audits to evaluate our performance and recommend future initiatives. Contractor has a Green Policy Statement and a copy is attached hereto as Exhibit F.
- (2) Product Take Back/End of Life: Products with recycling solutions are clearly identified in on-line catalogs and on website with the symbol to the right. Contractor currently offers recycling solutions for lamps, ballasts, mercury-containing devices, batteries, printer cartridges, and personal protective equipment.



- Ink & Toner Cartridge Recycling Contractor also offers simple, convenient recycling of printer cartridges. Let us do the work for you; it's easy, quick and free.
- RecyclePak® When the container is full, simply ship it out it's prepaid. Contractor offers a wide range of RecyclePak packaging to meet your hazardous material recycling needs.

Copy of Contractor's Recycling Programs are attached hereto as Exhibit G.

3.12 Vending Machines:

Contractor offers these services. See Exhibit B-1 Vending Machine Offerings incorporated by reference.

Contractor's vending machines are a value-added service that the Purchasing Entity can use to source products. Contractor's local branch manages the sourcing, procurement, delivery, and, if required, the inventory management of the sourced product as part of a Fastenal vendor managed inventory solution.

3.13 Installation, if applicable:

Contractor's ability to provide installation services of products or equipment that a Participating State may chose, if applicable to its State rules.

Contractor has dedicated Implementation teams throughout the U.S. and with more than 152 implementation specialists overall. This nationwide dedicated team of implementation specialists will provide installation services for shelving, racking, bins, dispensers, vending machines, and other items related to the product line.

3.14 Sourced Products, if applicable:

3.14.1 Contractor sourced products is a product which is not currently listed in the suppliers contract catalog or on-line ordering system at the time of order receipt but is capable of being supplied through the Contractor, if applicable to the Participating State's rules.

Contractor's sourcing model is a value-added service that is offered to the Purchasing Entity to source products. The local Fastenal branch manages the sourcing, procurement, delivery, and, if required, the inventory management of the sourced product as part of a Fastenal vendor managed inventory solution.

3.14.2 If the Contractor is capable of supplying sourced products they must be direct line extension products which have a similar item to an established product category and the Contractor must already have a publically recognized business partnership with the "brand," if applicable to its Participating State's rules.

Contractor's sourced products are a direct line extension of the product offering consisting of thousands of vendors with whom Contractor has developed a publically recognized business relationship around promoting and developing the brands representative of the Contractor.

3.15 Volume Discount:

3.15.1 Contractor understands that the Purchasing Entity may, from time to time, have unique purchasing needs requiring the purchase of products in a volume not related to ordinary purchase volume. Contractor will assist the Purchasing Entity by identifying and passing

on the additional value which may be obtained through reaching a volume purchase. The volume discounts will be negotiated between the local Fastenal branch and the Purchasing Entity based on market conditions.

Additionally, Contractor offers each Participating State and political subdivision the opportunity to negotiate a "Custom Market Basket" program. This program allows the political subdivision within a Participating State to negotiate additional items to be added to the market basket and negotiate additional discounts to be applied to these items. The Custom Market Basket may be reviewed annually and updated as required. All Custom Market Basket items will fall within the scope of the Master Agreement and participating addendum.

3.15.2 Contractor offers an additional cumulative ordering volume discount if total cumulative product spend, as reported under the Master Agreement (inclusive of all Participating Entities within a Participating State) exceeds the volume target established in a given contract year. The additional discount will apply to all product category discounts offered in Exhibit B-2. The volume discount excludes market basket priced items. Additional discounts resulting from meeting cumulative ordering volumes will be effective no later than the 1st day of the 14th month (allowing a one-month evaluation period) of the contract for the second year of the contract and run for 12 consecutive months, at which time spend for the next year will be evaluated for minimum spend requirements to achieve the additional volume discount continuation. The maximum additional discount for the life of the contract is 3%. The Cumulative Ordering Volume Discount will be adjusted each contract year to coincide with the 1%, 2%, or 3% discount achieved.

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3.15.3 Additional Volume Discount for Minimum Order Quantity. Contractor provides the Purchasing Entity with the additional value of no minimum order requirement. The discount structure provided by Contractor gives each member the purchasing strength of the overall contract volume, reducing the need for concern about consolidating orders. However, as unique situations occur, Contractor provides the Purchasing Entity the opportunity to capture the value derived from consolidating operations. Contractor will provide savings extracted from the operational efficiency of volume purchase to the Purchasing Entity.

3.16 Disaster Recovery:

Contractor shall provide an emergency preparedness plan to aid States during an emergency or disaster recovery with specifics as to response time, supplies availability and other goods and services that is offered.

A Participating State may request hard copy and link to Contractor's emergency preparedness plan on its website.

Contractor to provide lead state with hard copy and website link no later than July 15, 2019.

EXHIBIT B-1 to NASPO ValuePoint Master Agreement

Vending Machine Offerings

Exhibit B-1 is incorporated by reference

EXHIBIT B-2 to NASPO ValuePoint Master Agreement

Percentage Off Discount:

Percentage off list per awarded category

Contractor shall apply the following discount percentages to all purchases:

Category 1. Janitorial Equipment & Supplies (does not Include Sanitation Cleaning Chemicals)	Discount 30%
2. Sanitation Cleaning Chemicals & Supplies (does not include Janitorial Equipment & Supplies	25%
3. Fasteners	57%
4. Material Handling	25%
5. Plumbing	30%
6. Power Source	30%
7. Outdoor Garden	25%
8. Lamps & Lighting and Ballasts	30%
9. HVAC	30%
10. Hand Tools	25%
11. Power Tools (excluding automotive related tools and products)	25%
12. Electrical	30%
13. Paint	25%
14. Security	30%
15. Safety (does not include any public safety equipment)	30%

The Contractor's Percentage off list discount will not be reduced throughout the life of the Master Agreement except, Contractor can however provide a higher percentage off list discount by providing the Lead State a thirty (30) day notice and Lead State approving the discount.

Exhibit C to NASPO ValuePoint Master Agreement PROVISIONS REQUIRED BY FEDERAL LAW

Without limiting the generality of Section 15 of the Master Agreement, if applicable, Contractor shall comply and, as indicated, cause all subcontractors to comply with the following federal requirements. For purposes of this Master Agreement, all references to federal laws are references to federal laws as they may be amended from time to time.

- 1. Equal Employment Opportunity. If this Master Agreement, including amendments, is for more than \$10,000, then Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- 2. Clean Air, Clean Water, EPA Regulations. If this Master Agreement, including amendments, exceeds \$100,000 then Contractor shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)), the Federal Water Pollution Control Act as amended (commonly known as the Clean Water Act) (33 U.S.C. 1251 to 1387), specifically including, but not limited to Section 508 (33 U.S.C. 1368). Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15), which prohibit the use under nonexempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to the Participating Entity or Purchasing Entity, HHS and the appropriate Regional Office of the Environmental Protection Agency. Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving more than \$100,000 in Federal Funds, language requiring the subcontractor to comply with the federal laws identified in this section.
- 3. Energy Efficiency. Contractor shall comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163).
- 4. Truth in Lobbying. The Contractor certifies, to the best of the Contractor's knowledge and belief that:
 - 4.1. No federal appropriated funds have been paid or will be paid, by or on behalf of Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
 - 4.2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant,

loan or cooperative agreement, the Contractor shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

4.3. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this Master Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Master Agreement imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 5. HIPAA Compliance. If the work performed under this Master Agreement are covered by the Health Insurance Portability and Accountability Act or the federal regulations implementing the Act (collectively referred to as HIPAA), Contractor agrees to perform the work in compliance with HIPAA. Without limiting the generality of the foregoing, work performed under this Master Agreement is covered by HIPAA. Contractor shall comply and cause all subcontractors to comply with the following:
 - 5.1. Privacy and Security Of Individually Identifiable Health Information. Individually Identifiable Health Information about specific individuals is confidential. Individually Identifiable Health Information relating to specific individuals may be exchanged between Contractor and Participating Entity or Purchasing Entity for purposes directly related to the provision of services to clients which are funded in whole or in part under this Master Agreement. However, Contractor shall not use or disclose any Individually Identifiable Health Information about specific individuals in a manner that would violate the Participating Entity or Purchasing Entity Privacy Rules, or the Participating Entity or Purchasing Entity Notice of Privacy Practices, if done by Participating Entity or Purchasing Entity. A copy of the most recent Participating Entity or Purchasing Entity Notice of Privacy may be obtained from Participating Entity or Purchasing Entity
 - 5.2. Data Transactions Systems. If Contractor intends to exchange electronic data transactions with Participating Entity or Purchasing Entity in connection with claims or encounter data, eligibility or enrollment information, authorizations or other electronic transaction, Contractor shall execute an EDI Trading Partner Agreement with Participating Entity or Purchasing Entity and shall comply with the Participating Entity or Purchasing Entity EDI Rules.
 - 5.3. Consultation and Testing. If Contractor reasonably believes that the Contractor's or the Participating Entity's or Purchasing Entity's data transactions system or other application of HIPAA privacy or security compliance policy may result in a violation of HIPAA requirements, Contractor shall promptly consult the Participating Entity's or Purchasing Entity's HIPAA officer. Contractor or Participating Entity or Purchasing Entity may initiate a request for testing of HIPAA

transaction requirements, subject to available resources and the Participating Entity's or Purchasing Entity's testing schedule.

- 5.4. If Contractor is deemed to be a business associate of Participating Entity or Purchasing Entity under HIPAA's Privacy Rule, 45 CFR Parts 160 and 164, Contractor hereby provides Participating Entity or Purchasing Entity with satisfactory assurances that if it receives from Participating Entity or Purchasing Entity or any trading partner any protected health information of any individual, it shall maintain the security and confidentiality of such information as required by the HIPAA's Privacy Rule, and other applicable laws and regulations. Without limiting the foregoing, Contractor agrees that:
 - 5.4.1. Contractor will not use or further disclose Protected Health Information otherwise than as permitted or required by this Master Agreement or as required by law;
 - 5.4.2. Contractor will use appropriate safeguards to prevent use or disclosure of PHI otherwise than as provided for by this Master Agreement;
 - 5.4.3. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of the requirements of the Master Agreement;
 - 5.4.4. Contractor will report to Participating Entity or Purchasing Entity any use or disclosure of PHI not provided for by this Master Agreement of which Contractor becomes aware:
 - 5.4.5 Contractor agrees to ensure that any agents, including subcontractors, to whom it provides PHI, agree to the same restrictions and conditions that apply to Contractor with respect to such information;
 - 5.4.6. Contractor shall make available to Participating Entity or Purchasing Entity such information as they may require to fulfill their obligations to account for disclosures of such information;
 - 5.4.7. Contractor shall make its internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from the Participating Entity or Purchasing Entity or trading partner (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partner) available to Participating Entity or Purchasing Entity and to the Secretary of the United States Department of Health and Human Services, for purposes of determining Participating Entity's or Purchasing Entity's or trading partners' compliance with HIPAA; and
 - 5.4.8. If feasible, upon termination of this Master Agreement, Contractor shall return or destroy all PHI received from Participating Entity or Purchasing Entity or trading partners (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partners) that Contractor still maintains in any form, and shall retain no copies of such information or, if return or destruction is not feasible, Contractor shall continue to extend the protections of this Master Agreement to such information, and limit further use of the information to those purposes that make the return or destruction of the information infeasible.

Subject to the foregoing restrictions, Participating Entity or Purchasing Entity agrees that Contractor may use such PHI in the process of providing transaction mapping,

trading partner profiling and training and mentoring services for Participating Entity or Purchasing Entity and trading partners under this Master Agreement.

- 6. Resource Conservation and Recovery. Contractor shall comply and cause all subcontractors to comply with all mandatory standards and policies that relate to resource conservation and recovery pursuant to the Resource Conservation and Recovery Act (codified at 42 USC 6901 et. seq.). Section 6002 of that Act (codified at 42 USC 6962) requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency. Current guidelines are set forth in 40 CFR Parts 247-253.
- 7. Substance Abuse Prevention and Treatment. Contractor shall comply with federal rules and statutes pertaining to the Substance Abuse, Prevention, and Treatment Block Grant, including the reporting provisions of the Public Health Services Act (42 USC 300x through 300x-64).
- 8. Audits. Contractor shall comply and, if applicable, cause a subcontractor to comply, with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."
- 9. Debarment and Suspension. Contractor shall not permit any person or entity to be a subcontractor if the person or entity is listed on the non-procurement portion of the General Service Administration's "List of Parties Excluded from Federal Procurement or Nonprocurement Programs" in accordance with Executive Orders No. 12,549 and No. 12,689, "Debarment and Suspension". (See 45 CFR part 76). This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory authority other than Executive Order No. 12549. Subcontractors with awards that exceed the simplified acquisition threshold shall provide the required certification regarding their exclusion status and that of their principals prior to award.
- 10. Medicald Compliance. To the extent Contractor performs any work whose costs are paid in whole or in part by Medicaid, Contractor shall comply with and cause its subcontractors to comply with the federal and State Medicaid statutes and regulations applicable to the work, including but not limited to:
 - 10.1.Keeping such records as may be necessary to disclose the extent of services furnished to clients and, upon request, furnish such records or other information to Participating Entity or Purchasing Entity, the Secretary of Health and Human Services, and as otherwise directed by Participating Entity or Purchasing Entity;
 - 10.2.Complying with all applicable disclosure requirements set forth in 42 CFR Part 455, Subpart B;
 - 10.3. Complying with any applicable advance directive requirements specified in 42 CFR section 431.107(b)(4); and
 - 10.4.Complying with the certification requirements of 42 CFR sections 455.18 and 455.19.

Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving Medicaid, language requiring the subcontractor to comply with the record keeping and reporting requirements set forth in this section and with the federal laws identified in this section.

- 11. Americans with Disabilities Act. Contractor shall comply and cause all subcontractors to comply with Title II of the Americans with Disabilities Act of 1990 (codified at 42 USC 12131 et. seq.) in the construction, remodeling, maintenance and operation of any structures and facilities, and in the conduct of all programs, services and training associated with the performance of work.
- 12. Pro-Children Act. Contractor shall comply and cause all subcontractors to comply with the Pro-Children Act of 1995 (codified at 20 USC section 6081 et. seq.).
- 13. Federal Tax Information. Contractor shall comply with the provisions of Section 6103(b) of the Internal Revenue Code, the requirements of IRS Publication 1075, and the Privacy Act of 1974, 5 U.S.C. §552a et. seq. related to federal tax information.
- 14. Educational Records. Contractor shall comply with the provisions of the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99).

EXHIBIT D to NASPO VALUEPOINT MASTER AGREEMENT NASPO ValuePoint DETAILED SALES DATA REPORT FORM

Field Name	Field Description
CONTRACTOR	The awarded Contractor's name
CONTRACTOR CONTRACT	
NUMBER	Lead State assigned contract number (using Lead State's numbering protocol)
STATE	State postal abbreviation code (Alaska = AK, Missouri = MO, etc.)
	State Gov't, Education-K12, Education-HED, Local Gov't, Medical, Other - are acceptable segments.
CUSTOMER TYPE (SEGMENT)	[determined by industrial practice for each contract - uniform for each contract]
BILL TO NAME	Customer (agency) Bill to name
BILL TO ADDRESS	Customer (agency) Bill to address
BILL TO CITY	Customer (agency) Bill to city
BILL TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]
SHIP TO NAME	Customer (agency) Ship to name
SHIP TO ADDRESS	Customer (agency) Ship to address
SHIP TO CITY	Customer (agency) Ship to city
SHIP TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]
ORDER NUMBER	Contractor assigned order number
CUSTOMER PO NUMBER	Customer provided Purchase Order Number
CUSTOMER NUMBER	Contractor assigned account number for the purchasing entity
	Sales order, Credit/Return, Upgrade/Downgrade, etc. [determined by industrial practice for each
ORDER TYPE	contract - uniform for each contract]
PO DATE (ORDER DATE)	(mm/dd/ccyy)
SHIP DATE	(mm/dd/ccyy)
INVOICE DATE	(mm/dd/ccyy)
INVOICE NUMBER	Contractor assigned Invoice Number
PRODUCT NUMBER	Product number of purchased product
PRODUCT DESCRIPTION	Product description of purchased product

UNSPSC	Commodity-level code based on UNSPSC code rules (8 Digits)
LIST PRICE/MSRP/CATALOG PRICE	List Price - US Currency (\$99999.999) [determined by industrial practice for each contract - uniform for each contract]
NASPO ValuePoint PRICE	NASPO ValuePoint Price- US Currency (\$99999.999)
QUANTITY	Quantity Invoiced (99999.999)
TOTAL PRICE	Extended Price (unit price multiplied by the quantity invoiced) - US Currency (\$999999999999)
Discount Percentage	Percent off of List Price- example=20%
NASPO ValuePoint ADMIN FEE	Administrative Fee based on Total Price - US Currency (\$999999.999)
VAR/Reseller/Distributor	If a VAR/Reseller/Distributor, name of VAR/Reseller/Distributor and state where located
Optional	More information

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EXHIBIT E to NASPO ValuePoint Master Agreement Contractors Branch Listings

Exhibit E is incorporated by reference.

Exhibit F - to NASPO ValuePoint Master Agreement Green Policy Statement



Pastenal's green initiatives are a logical evolution of our lean quality initiatives, which are focused on eliminating waste, creating efficiencies, and continuous improvement. Our green approach is to continuously improve our green credentials, with smart resource use and optimized distribution routes representing two key areas of focus contributing to overall company sustainability and responsibility. Our green approach is also aligned with our government contract compliance processes.

It is our mission to operate our business with minimal environmental impact and help our customers do the same by offering green products and services to help them meet their sustainability needs and goals. This mission comprises the following initiatives:

- Establish a green product offering from key suppliers for national distribution and clearly identify those
 products in our marketing materials, including our catalogs, brochures, promotions, and website
- Offer recycling programs for lamps, ballasts, mercury-containing devices, batteries, printer cartridges and
 PPE safety products ensuring safe disposal
- Partner with lighting specialists to assist in the planning, specification and implementation of retrofit projects
- Capture and report green consumption data from customer usage reports
- Receive electronic POs, invoices, and other business documents from suppliers and customers whenever
 possible
- Encourage our customers to sign up for Electronic Invoicing via fax, email, or the web to reduce paper usage
- Offer industrial vending solutions to help reduce wasteful product consumption and redundancy
- Provide local service and solutions with more than 2,700 branch locations worldwide

What We Are Doing Today

Waste

Reduction

- We reuse or recycle most of our incoming packaging materials (cardboard, polystyrene, shredded paper, air bags, etc.), we use composite pallets and totes for shipping, and our corrugated boxes used for repackaging are made from post-consumer recycled content
- Packaging reduction efforts at select distribution centers with our new automated storage and retrieval system (ASRS). Reusable totes are used in place of cardboard boxes with this new system. Further packaging reduction efforts are also underway for incoming, high volume products.
- We reuse pallets, repair when necessary, throughout distribution
- Increased use of e-mail which greatly reduces the amount of paper used, business records are digitized to
 minimize hard copy document storage, multifunctional devices (for faxing, printing and photocopying)
 reduce energy and paper usage.
- · We purchase paper made from recycled content, and we recycle our office paper
- We encourage staff and visitors to recycle bottles, plastics and aluminum cans by placing recycling bins at strategic points throughout our branches, distribution centers, and offices
- We recycle our old computers as part of our IT replacement strategy
- We recycle our spent fluorescent lamps, ballasts, batteries and printer cartridges
- We have reduced the amount of our landfill waste by finding ways of recycling waste material, either inhouse or in conjunction with others who are able to use the material constructively
- We have developed e-learning opportunities for employee training in conjunction with the Fastenal School of Business to reduce miles traveled
- Fastenal supports entities with a ban on single-use shopping bags by offering alternatives such as recycled paper bags and reusable bags
- Reduced paper usage with electronic accounting practices



- Our consumption of energy is also closely monitored and we take measures to ensure that it is not wasted
- Our distribution centers have been retrofitted with energy-efficient lighting systems
- Our headquarters have been retrofitted with LED lighting systems
- We have a HVAC Preventative Maintenance Program in which our HVAC systems are serviced semiannually to increase the units' performance and overall efficiency which reduces energy consumption



- Our consumption of fuel is closely monitored and we take measures to ensure that it is not wasted
- We utilize Global Information Systems to design truck routes that minimize miles traveled
- Introduced Compressed Natural Gas (CNG) vehicles in select locations to lower fuel costs and emissions

For more information on Fastenal's green initiatives, products or services, please contact gogreen@fastenal.com.

Certified Green Products









Energy Star

Green Seal

Design for the Environment

EcoLogo

Carpet and Rug Institute









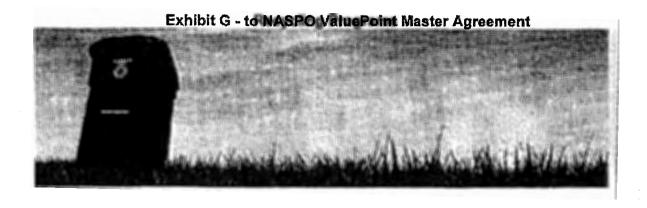


Greenguard Environmental Institute Forest Stewardship Council

Sustainable Forestry Initiative USDA BioPreferred EPA WaterSense

SCS Certified

NEMA Premium UL Environment



Recycling is more important than ever. It turns materials that would otherwise become waste into valuable resources. It saves money, creates jobs, eliminates waste in landfills, reduces harm to the environment, protects human health and saves energy.

Adopting green policies and procedures will benefit your business and most importantly – the environment.

Implementing a recycling program doesn't have to be difficult or expensive. Fastenal can help your facility meet green initiative goals and do the right thing when it comes to protecting our environment.



RightCycle by Kimberly-Clark Professional

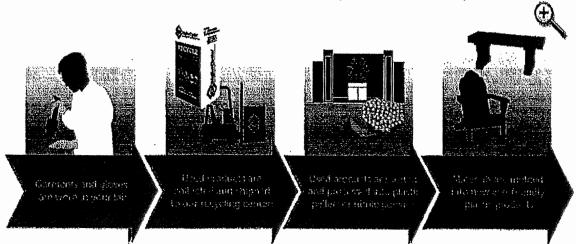
With Kimberly-Clark's new porgram, RightCycle, you can begin to soar to new heights of sustainability, even setting your sights on zero-landfill. This is the first large-scale reycling program for non-hazardous lab waste and RightCycle can help turn gloves and garments into eco-friendly products like plastic benches and more!



Details of Program

- 1. All products that go into the containers need to be Kimberly-Clark products (gloves and garments).
- This program is industry-specific so Kimberly-Clark would like to avoid collecting items that will have chemicals on them.
- 3. This program is currently contained to the USA.
- 4. The only customer cost is in shipping the full container back to Kimberly-Clark.

For direct information, email gogreen@fastenal.com or click the image below to visit Kimberly-Clark's website.



RecyclePak®

RecyclePak® makes recycling lamps, ballasts, batteries and mercury devices easy. The prepaid recycling program ensures complete compliance while reducing the risk of contamination by storing hazardous materials at your facility. When the container is full, simply ship it out, it's prepaid! Shop Recycling Kits.



RecyclePak® Benefits

Tracking & Documentation

- Prepaid return shipping with FedEx Ground
- 24/7 online certificates of recycling
- Detailed data on recycling containers

Convenient

- National Coverage
- Bulk and direct pick up programs to fit your business size
- Compliance documentation available 24/7 on the web
- Available automatic reorder
- On-time pickup with FedEx Ground

Call2Recycle®

Visit www.cali2recycle.org cali2recycle.org to learn how your business can properly dispose of your "spent" batteries.

For additional assistance, please contact gogreen@fastenal.com.

cali 2 recycle

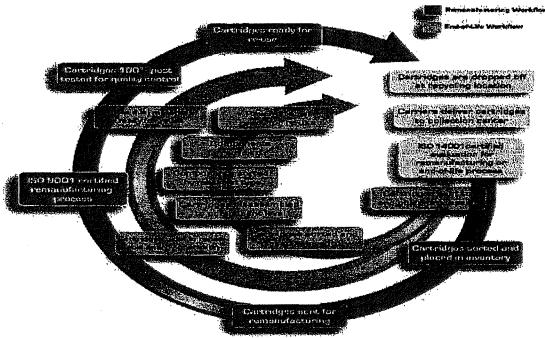
Ink & Toner Cartridge Recycling

Fastenal offers simple, convenient recycling of printer cartridges and ensures that returned products are recycled properly.

Let us do the work for you. It's easy, quick and free!

By collecting these cartridges and supporting remanufactured products, Fastenal keeps non-renewable resources from ending up in landfills. If a cartridge cannot be reused, it is recycled into other products. Our goal is to provide the most efficient recycling program on the market.

Recycling Process



Available in Canada. Not available in AK, HI, PR, VI.

Use the below link to request prepaid shipping labels or a bulk pickup: https://www.fastenal.com/en/308/recycling-programs



Kate Brown, Governor

Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285

PHONE: 503-378-4642 FAX: 503-373-1626

Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 3

This Addendum No. 3 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

1. RFP, Section 1.6 Participating States.

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, Utah, Colorado, Delaware, Florida, Louisiana, Maryland, New Hampshire, South Dakota, Virginia, Illinois, Ohio, New Jersey, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments I — Q Y, or may be incorporated into the Participating Addendum after award.

2. RFP, Section 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments $I - \Theta \ \underline{V}$ to this Solicitation.

- 3. RFP, DASPS-2183-17, Addendum No. 3, Attachment T and V, New Jersey and Washington State specific terms and conditions are added as part of the RFP, as attached hereto.
- 4. Questions and Answers.

Question 1: Where there is an A & B on the market basket, for example 6A and 6B (Janitorial Equipment and Supply) – can we only answer one without getting dinged or do we have to answer both?

Answer 1: The items highlighted in green within Attachment D-1 will not be scored under Cost but will be evaluated under the technical part of Attachment A. Offeror's score on the technical requirements set forth in Attachment A may be impacted by a failure to respond without explanation.

Question 2: On the category Janitorial Equipment and Supplies, we need to know the gauges (thickness) on the 38X58 and last item 40X46. Also color is missing on some of the can liners. Can you provide color as well for all can liners?

REPLANTE

Answer 2: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 3: On the category, Sanitation Cleaning Chemicals, on the item below, this product is packed 12 each per case. Does "PKG" mean case? If so, then the estimated usage is 9,199 cases.

Answer 3: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 4: Ecommerce Platform: What are the options if any, for company's like BAF that do not have capabilities to provide and internally host a dedicated e-commerce platform for ValuePoint customers? The complexity of our product and the required tailored approach to each customer's application prevents a wide ranging amount of Off-the-Shelf products suitable for purchasing via an e-commerce platform. Can certain vendors be except from meeting the e-commerce requirement?

Answer 4: The awarded contractor may utilize the Ordering Instruction option within the eMarket Center. This will be an informative/contact directly option within the eMarket Center, no orders will be placed via the eMarket Center.

Question 5: Lead times (Ordering & Delivery): Big Ass Fans requests more information on the nature of the delivery requirement outlined in the RFP. As a specialty manufacturer headquartered in Kentucky that does not have a nationwide network of suppliers, the ability to guarantee 48hr nationwide delivery is cost prohibitive and a logistic impossibility. Due to the complexity of our product and our build to suit process, is there the possibility to relax this requirement or the ability to create an exemption for manufacturers like Big Ass Fans?

Answer 5: No DAS PS cannot provide an exemption.

Question 6: Attachment D-1 provides the respondents with the Estimated Annual Quantity as well as the #UOM and the UOM. Is the Estimated Annual Quantity provided in Attachment D-1 the individual pieces ordered in total or is it the estimated total # of packages (as identified by the #UOM and UOM columns)?

For example: Line item 9 in the Fastener category (Mfg: Intercorp; Description: #6-9 x 1-5/8" Philli; Mfg part#: 615C) lists the Estimated Annual Usage for this product at 136,018 with a #UOM of 5000 pieces per package. Is the Estimated Annual Usage of 136,018 referring to 136,018 packages of 5000 each equating to a total of 680,090,000 pieces, or is reference to 136,018 the total number of pieces estimated which when divided by 5000 pieces per package equates to 27 packages?

Other examples:

Line item 2 in the Safety category (Lrg NS40856 Glove, AMMEX CORPORATION 1047469A, 46181504) lists the Estimated Annual Usage for this product at 199,904 with a #UOM of 100 pieces per package. Is the Estimated Annual Usage of 199,904 referring to 199,904 packages of 100

equating to a total of 19,990,400 pieces, or is reference to 199,904 the total number of pieces estimated which when divided by 100 pieces per package equates to 1999 packages?

Line item 3 in the Safety category (L 6mil PF Ntrl Glv, AMMEX CORPORATION, 1050135A, 46181504) lists the Estimated Annual Usage for this product at 165,706 with a #UOM of 100 pieces per package. Is the Estimated Annual Usage of 165,706 referring to 165,706 packages of 100 equating to a total of 16,570,600 pieces, or is reference to 16,570,600 the total number of pieces estimated which when divided by 100 pieces per package equates to 1657 packages?

Line item 4 in the Safety category (DISP. FOAM EAR PLUGS, HONEYWELL SAFETY PRODUCTS USA, MAX-1, 46181901) lists the Estimated Annual Usage for this product at 159,482 with a #UOM of 200 pieces per package. Is the Estimated Annual Usage of 159,482 referring to 159,482 packages of 200 equating to a total of 31,896,400 pieces, or is reference to 159,482 the total number of pieces estimated which when divided by 200 pieces per package equates to 797 packages?

Line item 3 in the Power Source category (Standard Battery, AA Alkaline,PK24, DURACELL DISTRIBUTING INC, PC1500BKD, 26111702) lists the Estimated Annual Usage for this product at 200,000 with a #UOM of 24 pieces per package. Is the Estimated Annual Usage of 200,000 referring to 200,000 packages of 24 equating to a total of 4,800,000 pieces, or is reference to 200,000 the total number of pieces estimated which when divided by 24 pieces per package equates to 8,333 packages?

Answer 6: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 7: (a) How do we address different discounts within a section? For example, section 12 – Power Tools. Our discounts are different for item 1 (DeWalt batteries) and for item 2 (carbide drill bits). (b) Can we include a spreadsheet with the full breakdown as a part of attachment D (page 77)?

Answer 7: (a) See Instructions Tab of Attachment D-1 revised 12-2017. (b) No.

Question 8: Region/State: We have multiple retail stores in several states. Our store count per state ranges from 10 stores down to an average of 2-4 stores per state. In both California and Texas we operate with just one retail location. In Washington, we have multiple locations but they are all in Eastern Washington. Would you recommend that we omit the states with only one retail location, select every state where we have stores or should we limit our potential offering to the states where we have widespread footprints/geographic coverage?

Answer 8: Offeror must decide how to propose.

Question 9: Attachment D-1: Will respondents be "penalized" for offering alternate products, but equivalent in form, shape and function, in lieu of those called for in columns 'E' and 'F'?

Answer 9: No.

Question 10: Attachment D-1: How are alternate products weighted vs. items called for in the RFQ when performing your bid review?

Answer 10: The exact match item will be scored, but the alternative item will be taken into consideration if it is deemed to be exact in specifications (size, fit, form, and function) and different in manufacturer only.

Question 11: Attachment D-1: There appears to be some inconsistency on the response spreadsheet between columns H and I. For example, tab 7, item 1 call for batteries. Column H says there is 24 per UOM, but column I is for each. Doesn't make sense, how can there be any value other than 1 when the UOM is each?

Answer 11: Changed to Package "PK".

Question 12: Attachment D-1: Please clarify what type of response you expect or will accept for column J, Size of each Container, when the product is not measured or defined by either weight or size (e.g., batteries – what "size" is a battery?).

Answer 12: Leave it blank if not applicable.

Question 13: Attachment D-1: Tab2 Line 28 there is a discrepancy between the number in unit of measure in column H, and the number per pack in the description 20 vs 24 column D.

Answer 13: Changed in Addendum No. 2, Attachment D-1 revised document.

Question 14: Attachment D-1: Tab 3 Line 10 Item is highlighted as a green but shows disinfectant language. Is it the states intent to have alternates that are green, third party verified, or a disinfectant that is not?

Answer 14: The intent is to have an environmentally preferable disinfectant equivalent to hydrogen peroxide. Because there are no third party certifications for disinfectants, refer to the active ingredients listed in the EPA's DfE Antimicrobial Pesticide Pilot Project: Moving Toward the Green End of the Pesticide Spectrum https://www.epa.gov/pesticide-labels/design-environment-antimicrobial-pesticide-pilot-project-moving-toward-green-end.

Question 15: If we <u>are not</u> claiming trade secrets or confidential information do we have to state that? In 2.17.1 it states to include Attachment F if you are claiming trade secrets but if we are not do we have to make a statement for clarity — "We are not claiming trade secrets or confidential information"?

Answer 15: Yes.

Question 16: On Attachment A 6.3 Volume Discount. Instead of a cumulative dollar volume as target can a target be set for number of states with PA? For example, when 20 states are participating the discount would increase by .5% (from 25% to 25.5%) and when 30 states are participating the discount would increase by another .5% (from 25.5 to 26%). Would this type of discount be considered if offered?

Answer 16: Offeror is to propose what it will provide.

Question 17: Section 6.2 Experience & Capabilities. There are 5 subsections listed here. We have detailed responses for each of these points, however, it appears that the majority of these details are covered in 6.5 and 6.6. This leads me to believe that in Section 6.2, the offeror is confirming that

we understand each of these points and confirm that we are capable of conforming with the needs of the agencies on each of these topics. More of a broad statement rather than how we are to specifically meet these requirements?

Answer 17: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 18: Section 6.2.1. References are mentioned here. We welcome the opportunity to share contact information for our valued customers in the public sector. I did not see any required number of references or format for the account name and contact information. It does not appear that you want that information listed here?

Answer 18: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 19: Evaluation Criteria shows 20 possible points for section 6.2 Experience & Capabilities. The sub points 6.2.1-6.2.5 are included in other sections throughout Attachment A. Should these responses be included in both areas where they are listed, given there are evaluation points for each section? (Example: 6.2.2.1 Return Policy is also listed and scored in Administration & Marketing section 6.6.1)

Answer 19: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 20: Our issue is with the insurance. We do use blankets and umbrellas. Why are they not acceptable?

Answer 20: Requirements are set under section 21 of Attachment B if a Master Agreement is awarded. If an Oregon Participating Addendum is awarded, Exhibit 2 to the Oregon Participating Addendum applies.

Question 21: With the recent revised market basket that was posted, and our company holiday schedule, we are asking for your consideration to postpone the RFP deadline until January 12th.

Answer 21: No.

Question 22: What buying position will the awarded suppliers be in?

- a. Will it be mandatory or optional for state agencies to purchase off of the awarded contracts?
- b. Will this contract be optional to buyers who can also buy off of plumbing contract# 02910 or will they be required to purchase off of the 02910 plumbing contract?
- c. Would this contract award be in first position (first priority) to other preceding contracts or would this contract serve as an alternative option?

Answer 22: (a) It is up to each State. (b) It is up to each State. (c) Not prioritized.

Question 23: (a) Would a supplier be at a disadvantage if they applied for less than the 15 categories listed? (b) Is the point system per category or per total offering?

Answer 23: (a) No. (b) See section 5.2 of RFP.

Question 24: How would a regional contract be broken out? Would a regional contract be broken out by states within the same coast (i.e., east coast vs. west coast)?

Answer 24: See section 5.4 of RFP.

Question 25: For the state of Alaska deliveries, would an upcharge to cover the shipping costs be allowed?

Answer 25: See Addendum No.1, Question & Answer #17.

Ouestion 26: Would you accept manufacturer substitutes for products in all categories?

Answer 26: See Instruction Tab of Attachment D-1 revised 12-2017.

Question 27: The D-1 instructions, line 15 states "If Offering on exact match item(s), all cells that are labelled "Vendor Input" must be filled in with the correct information." Also, line 16 states "If Offering an alternative item(s), all cells that are labelled "Vendor Input" must be filled in with the correct information."

Though apparent, I cannot see that D-1 tabs 2-16, columns A through O are master titled as "Exact Match" items, nor that columns P through AD are master titled as "Alternative" items. Is it correct to conclude accordingly?

Answer 27: Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 28: For "Exact Match" item, the instructions say "all cells that are labelled "vendor Input" must be filled in." Is it correct to conclude that "all cells" means only (D-1 tabs 2-16) columns J through O, and that it is not to be interpreted as also filling in columns S through AD?

Answer 28: Yes. Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 29: For "Alternative" item, the instructions say "all cells that are labelled "vendor Input" must be filled in." Is it correct to conclude that "all cells" means only (D-1 tabs 2-16), columns S through AD, and that it is not to be interpreted as also filling in columns J through O?

Answer 29: Yes. Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative

item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 30: In reference to Pg. 62, Attachment B-Signature page-Is it necessary to return a signed signature page with proposal?

Answer 30: Attachment B is signed when an award is given to an Offeror.

Question 31: Attachment E revised- Do we put in our State Tax # for the state we are incorporated in or State Tax # for the State of Oregon?

Answer 31: Offeror should insert its Federal Tax ID and the identification number it uses to do business in the State of Oregon.

Question 32: Attachment E revised- Do we put in our "Secretary of the State Corporation Division Registration #" for the state we are incorporated in or "Secretary of the State Corporation Division Registration #" for the State of Oregon?

Answer 32: Offeror should insert the number it uses to do business in the State of Oregon.

Question 33: Do you want a complete price sheet for all products we intend to sell to the State? Or do you want just the market basket on the spread sheet D-1?

Answer 33: Must submit Attachment D-1 revised 12-2017

Question 34: The following item (MFG# 9651-24) says the UOM is 6 per case – the actually description of that manufacture part number is 24 bottles per case – which one do we use?

	tang Marang na salah Tang Pagbagan pingga Masa Salah bagan Tang Salah bagan Tang Salah bagan Masa Salah bagan Masa Salah bagan Masa Masang nabal	anting want noon in by no production in the pro- mers of the produced read the control of the pro- duction in the production in the land of the production is a	ing and the second seco	domination dingination distribution distribu		The appropriate of the appropria	ry 1970 a mangane nawa a manga sarin salawa a na manga sarin salawa a na a mangana pina a mangana pina ganonal salawanananananananananananananananananan	
3	7302	Sanitation Cleaning Chemicals	4ozInstHndS anit	GOJO INDUSTRIES	9651-24	53131608	6	cs

Answer 34: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 35: In the below items, the pack quantities are different that Each UOM — which one do we use to calculate? For example the first line item says that the pack qty is 12 but UOM says EACH - do we use our net price to represent the pack of 12 and then multiply or do we multiply our each net price by 12 and them multiply by purchase qty of 5000 - (is the 5000 purchase qty representing each or pack)

CATEGORY	ITEM#	ITEM DESC.	UNSPSC Number	Pack Oty/UOM	<u>UoM</u> Description	MFG NAME	MFG. PART#	OUANTITY PURCHASED
HVAC	3	24"x24"x2" Elite SC	40161505	12	EA	FILTRATION GROUP	PF521146	50000
Paint	1	IC WB WHITE 170z	31211513	12	EA	RUST-OLEUM CORP	203039	28467
HVAC	5	20x20 M8 Std WB Flts	40161505	12	EA	filtration group	PF510388	15000
HVAC	4	20x25x2 StdWBFitz	40161505	12	RA	FILTRATION GROUP	PF510390	25000

		IC NO CATITAL DITE						
Paint	3	IC WB CAUTN BLU 17oz Evaporator	31211513	12	EA	Rust-Oleum Corp	20303)	15671
HVAC	6	Cleaner, Aerosol, 18 fl oz	47131805	6	EA	NU-CALGON	4171-75	4105
Paint	7	IC WB FLO GRN 1702 IC WB FLO ORANG	31211513	12	EA	RUST-OLEUM CORP	203032	12023
Paint Material	11	17oz	31211513	12	EA	RUST-OLEUM CORP	203036	10088
Handling	1	3"x3"x7" WhiteMailer	24112404	50	EA	BOX PARTNERS	M733	56400
Pain	16	1702AthFldStrip Win	31211513	12	EA	RUST-OLEUM CORP TANGSHAN CHANGZHI	206043	6482
Outdoor Garden	4	Studend Grid LHSQ Shvi	27112004	2	EA	AGRICULTURAL TOOLS	204515	2100
Paint	20	IC WB FLO PINK 1702 PREC BLU INV	31211513	12	EA	RUST-OLEUM CORP	1861838	5525
Paint	22	MKG17oz	31211513	12	EA	RUST-OLEUM CORP TANGSHAN CHANGZIÐ	203022	5121
Outdoor Garden	7	Press Grd LHRD Shovel	27112004	2	EA	AGRICULTURAL TOOLS TANGSHAN CHANGZHI	204518	1200
Outdoor Garden	11	48"Steel Catrott Hoe los Machine Cleaner,8	27112008	2	EA	AGRICULTURAL TOOLS	COHOOIL	700
HVAC	11	oz.,Clear Drain cleaner, gallon 4PK (Safer Choice	12163902	12	EA	NU-CALGON	4207-47	921
HVAC	15B	certified)	47101607	4	EA	CLR/Jelmar	GRT-4 PRO	405
HVAC	12	Leak Detector, 1 gt., Blue	41111932	12	EA	NU-CALGON	4182-24	725
Electrical	1	L-14-120-0-C Cbl Tie	39121703	100	EA	THOMAS & BETTS	L-14-120-0-C	64900
Electrical	2	11x1/5" BlkCableTie	39121703	100	EA	THOMAS & BETTS TANGSHAN CHANGZHI	TY5253MX	20100
Outdoor Garden Material	19	Sq PT D-lindi Shovel ALUM, SLEEVE 1/16	27112004	2	EA	AGRICULTURAL TOOLS OINGDAO H-OUALITY	204519	193
Handling	5	но	31162812	10	EA	INDUSTRIES PREMIER PAINT ROLLER	43380	24106
Peint	14	1" Foam Brush	31211904	12	EA	LLC PREMIER PAINT ROLLER	10410	8915
Paint Material	21	2" Foam Brush	31211904	12	EA	LLC	10420	5310
Handling	24	8.75x6x11.125 Mailer WIRE-NUT 73B	24112404	50	EA	BOX PARTNERS	M1186	2700
Electrical	5	ORANGE	39121445	10000	EA	ideal industries, inc.	30-673	14776
Electrical	3	WT3OrangeWireTwist	39121445	25	EA	IDEAL INDUSTRIES, INC.	773316	16206
Electrical Material	4	WT2BlueWireTwist	39121445	25	EA	IDEAL INDUSTRIES, INC.	773315	15600
Handling Material	12	1/2 SNAP-ON SEAL	31162406	250	EA	SIGNODE ACME	1304105	10218
Handling	22	SJ-5007.10"X.41"Bik	24141600	3000	EA	3M PRODUCTS	00021200627286	3000

Answer 35: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 36: If we bid an exact match and an alternate item that is functionally equivalent for the same line item then which item, the exact match or the alternate will you evaluate?

Answer 36: See Addendum No. 2, Question & Answer #13.

Question 37: If we bid an exact match and an alternate for the same item, what item price will be used to calculate the bidder's bid sheet total for the category, the exact match or alternate? Answer 37: See Addendum No. 2, Question & Answer #13.

Question 38: If we provide an exact match and an alternate for a product, will the evaluators use both product prices in calculating the bid sheet total? If one or the other item price will be used, which one will it be? The exact match? The alternate? Or the item bid with the lowest price?

Answer 38: See answer to Question #1 above.

Question 39: In Attachment D-1, in Column K we are asked to provide "List Price of Unit of Measure from Column I", then in Column L we are asked to provide "List Price of Each Individual Item in the Unit of Measure". Given that we are asked to provide list price for both the UOM (i.e., CS, BX, PK) in Column K and the list piece price in Column L, should there be another column for us to submit our Net piece Price next to Column N, which asks for Net Price of UOM (which is Column I)?

Answer 39: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 40: Line 6 in Cleaning is the same as Line 8A in Sanitation, will the duplication be removed?

Answer 40: See Addendum No. 2 Attachment D-1 revised 12-2017.

Question 41: Pg. 19 of revised Attachment A

6.7.4.1 Sourced Products (3) "The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge" Attachment D and D-1 do not include a column or space to include upcharge...will these attachments be revised to include an area for this? If not, please provide direction on where Offeror should list upcharge for sourced products.

Answer 41: Offeror needs to respond in Attachment A.

Question 42: Are freight charges acceptable to non-contiguous states or territories (Alaska, Hawaii, Guam, Puerto Rico)?

Answer 42: See Addendum No. 2 Question & Answer #31.

Question 43: There are no forms for remitting reference contact information or the survey to references. There is a mention of references in the technical proposal narrative but last time there was an attachment of the reference contact / contract information and a survey that was sent to the reference and remitted directly by the reference to the State. Are the forms missing by mistake?

Answer 43: No.

Question 44: Item # 28 in Janitorial, the UOM in the description calls out a pack of 24 boxes of Toilet Seat covers, but the UOM column references 20 packs. For that item, Kimberly Clark's case quantity is 24. Do you want this item quoted per 20 boxes or 24?

Answer 44: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 45: Is the estimated annual usage reflective of the UOM column? For example, if a case quantity is listed in the UOM, is the usage reflective of the case quantity or per piece?

Answer 45: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 46: Order 13A on Sanitation Cleaning Chemicals: The MFG information does not match the description given. How would you like us to quote this type of discrepancy?

Skin Cleanser, 1 gal. Bottle Bostitch 105577 (not a skin cleanser number).

Answer 46: See Addendum No. 2, Attachment D-1 revised 12-2017.

Proposer/Offerors must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer/Offeror who feels it has been adversely affected by these modifications must submit a written protest of this Addendum No. 3 to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 29, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum No. 3	
Authorized Signature:	
Print name of signer:	
Date:	
Company Name of Proposer/Offeror:	
(Please Print)	



Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140

Salem, Oregon 97301-4285

PHONE: 503-378-4642 FAX: 503-373-1626

Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 2

This Addendum No. 2 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

1. RFP, Attachment E, Offeror Information and Certification Sheet, is revised as follows:

Section 5 (h):

- h. Participating Entity Only: While the primary purpose of this RFP is to select one or more contractor(s) who can offer the Parks and Recreation Equipment and Related Services Facilities Maintenance and Repair & Operations (MRO). Industrial Supplies for all Participating States, Offerors are permitted to submit a Proposal for one or more State(s). However, if a Offeror elects to submit a Proposal for one or more State(s), then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) resulting from this RFP, including all optional renewals. Offerors must propose to all RFP Mandatory Requirements.
- 2. RFP, DASPS-2183-17_Addendum No. 2, Attachment E revised 12-2017 is incorporated as part of the RFP, as attached hereto, and replaces Attachment E.
- 3. RFP, DASPS-2183-17_Addendum No. 2, Attachment D-1 revised 12-2017 is incorporated as part of the RFP, as attached hereto, and replaces Attachment D-1.
- 4. RFP, DASPS-2183-17 Addendum No. 2, Attachment U, Energy Policy and Conservation Pub. L. 94163 (Informational Only) is incorporated as part of the RFP, as attached hereto.
- Questions and Answers.
 - Question 1: There are no forms for remitting reference contact information or the survey to references. Are the forms missing by mistake?
 - Answer 1: No there is no form.
 - Question 2: Does the page limit include attachments and exhibits? Is the 100 pages counted as single sided, or double sided (front & back)? Requirement on 6.6.2 Distribution Points: would this be included in the 100 page limit? (Our branch listing alone is 38 pages)
 - Answer 2: 100 pages are to be submitted one page, one side. Not double sided.
 - Question 3: Page 2 of the RFP announcement states the payment terms are net 45 but the Attachment B NASPO ValuePoint Master Agreement, page 53, clause 17 states "Payment after acceptance is normally made within 30 days". Is the payment terms net 45 or net 30?

RFP Aldendur Answer 3: The ORPIN announcement is not part of the RFP it is a notice only. RFP Attachment B Section 17 clearly states "Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to the highest rate permitted by law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge."

Question 4: UNSPSC# Requirement - If we cannot obtain a UNSPC # and supplier states they do have one, what other options do we have?

Answer 4: There is a UNSPSC for every line item in the market basket. If proposing an alternative item, it's still going to be the same UNSPSC code. Offeror can search for the code at https://www.unspsc.org/search-code.

Question 5: For items that are exclusive to a particular supplier, can we offer a same form, fit, function as exact or does it need to be a sub?

Answer 5: See Attachment D-1 revised 12-2017, Instruction Tab line number 13, "Columns P-AD: If Offeror is choosing alternative line items, then Offeror will fill out these columns accordingly. Every effort must be made to come up with an item that is exact in product description and packaging. This means that if column H says 1 gallon, then the alternative item should be 1 gallon."

Question 6: Item # 28 in Janitorial, the UOM in the description calls out a pack of 24 boxes of Toilet Seat covers, but the UOM column references 20 packs. For that item, Kimberly Clark's case quantity is 24. Do you want this item quoted per 20 boxes or 24?

Answer 6: Changed to 24 in the Attachment D-1 revised 12-2017.

Question 7: Is the estimated annual usage reflective of the UOM column. For example, if a case quantity is listed in the UOM, is the usage reflective of the case quantity or per piece.

Answer 7: The estimated annual quantity, column B, reflects the Unit of Measure, column I.

Question 8: Order 13A on Sanitation Cleaning Chemicals: The MFG information does not match the description given. How would you like us to quote this type of discrepancy? Skin Cleanser, 1 gal. Bottle Bostitch 105577 (not a skin cleanser number)

Answer 8: The manufacturer should be GOJO Industries, MFG #1807-04, UNSPC #53131627. Changed in Attachment D-1, revised 12-2017.

Question 9: Can we bid on a per tab basis only, i.e., Tab 16, Safety, or do we have to bid all or nothing?

Answer 9: Offeror can propose on a tab basis. See section 5.2.

Question 10: I have attached the 8 items in the security tab that we consider public safety and request to eliminate from the RFP, if possible?

Transport Hood, White/Black, Universal
Belt Keeper, Standard, Black, 2-1/4 In., PK4
Pepper Spray, Crossfire Stream, 16 Shot
Pepper Spray Case, L, Black, Nylon
Penetrant, Aerosol Can, 12 oz.
Tactical Rifle Case,41 In.,Black
Bag,Bail Out,8-1/2x12x4-1/2 In,6 Pkt
Handcuff Case, Standard, Black, Nylon

Answer 10: No.

Question 11: Are 7 USBs/copies of D and D-1 required along with the 7 USBs/copies of the Technical proposal?

Answer 11: See section 2.14 of RFP.

Question 12: Are PDF copies of signed documents acceptable since the RFP states Word for the Technical proposal?

Answer 12: Yes.

Question 13: The D-1 market basket instructions state: "If bidder can match the exact manufacturer's item as described in columns A-N, then it is expected that Offeror will submit pricing on these items even if they have an alternative line item." If alternate items are quoted along with the exact match item, which one is included in the total cost of the spreadsheet for price evaluation?

Answer 13: The exact match item will be scored, but the alternative item will be taken into consideration if it is deemed to be exact in specifications (size, fit, form, and function) and different in manufacturer only.

Question 14: For D-1, is there an evaluation credit for sourcing alternate items from small businesses since small business participation questions are included in the Technical proposal?

Answer 14: No.

Question 15: For D-1, if alternate items are quoted at a lower price than the exact match items, is the manufacturing quality of the alternate item taken into consideration?

Answer 15: Yes, but the specifications for the alternate item must meet (size, fit, form, and function).

Question 16: Since the RFP due date will not be change, would you consider moving up the answers/clarifications date? If the last answers are not issued until December 21st, that leaves most companies with only one business day to implement changes into their proposals. Many companies like ours are closed Dec. 25th and 26th due to the holidays. We would need to ship the proposal no later than Dec. 27th in order to provide a one day shipping allowance for weather or other possible shipping delays.

Answer 16: See addendum 1 change to schedule.

Question 17: Is it possible for a company to be issued an award for all states for some tabs of the market basket and a region/state for different tabs?

Answer 17: See Section 5.2 and 5.4 of RFP.

Question 18: Attachment D – Due to the complexity of pricing in the Janitorial Supplies category with drastic variations in an offerors ability to discount different types of products may the Janitorial Supplies category be broken down into subcategories in order to afford the State a better set of prices and a clear expectation of the minimum discount for any sub-category.

Answer 18: No sub categories.

Question 19: Attachment D and D-1 Are the discounts expressed in Attachment D absolute or the minimum category discount.

Answer 19: Attachment D does not show any discounts. Offerors are to supply the percentage off list discount per category. Revised Attachment D-1 discounts is absolute.

Question 20: Step two will be based upon the responses on Attachment D-1. The Lead State will compare the total extended total offer price for all items in each category. The lowest cost will receive the maximum 35 points. All other Offerors will receive points as determined by the ratio* of their costs to the lowest cost. Final cost scores will be calculated based on the following:

How will the state evaluate alternative products? Since Attachment D contains a very high number of proprietary brands, what criteria will the state use to determine if an alternate is in fact equal? 38% of the Janitorial Supply items as an example are proprietary.

The following line items are proprietary products which may not be able to be matched by any company other than the distributor currently providing the product.

Janitorial Equipment and Supplies Line items 23 through 27B, line items 29A through 31A, line items 32A and 32B.

Sanitation Cleaning Chemicals line items 11B, 12A, 12C, 13B through 15B, 17A, 19B, 20, and 21.

Answer 20: Exact match is scored, but the alternative items will be taken into consideration if DASPS deems the alternative to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 21: Section 6.2.5 Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

May pricing be changed prior to the end of a contract period if the initial price offered was at a better discount percentage than was offered for a contract category?

Answer 21: See Section 4.2 of RFP.

Question 22: "Products may be changed with thirty (30) day notice every six (6) months after initial term." This restriction may present significant operational problems for state agencies wishing to make changes to their cleaning and maintenance programs due to more favorable pricing and product efficiency for products entering the marketplace. Will awarded contractors be able to petition the state to allow for the addition of products on a more immediate basis? Can this provision be negotiated state by state through the participating addendum process?

Answer 22: Offerors may submit request to Lead State for consideration during negotiations, if awarded a Master Agreement and subsequently, if awarded a Participating Addendum.

Question 23: May products be added to the contract as long as they are within the scope of the applicable product category and priced at or better than the product category minimum discount?

Answer 23: Yes, see section 6.2.5 of RFP.

Question 24: Considering the complexity of this RFP and that the RFP was released during a holiday season when it is much more difficult to obtain manufacturers pricing please consider extending the due date to January 12, 2018.

Answer 24: See addendum 1 change to schedule.

Question 25: The URL http://www.naspo.org/WNCPO/Calculator.aspx returns this message. Please provide a working link.

Server Error in '/ Application.

Answer 25: The correct URL is http://calculator.naspovaluepoint.org

Question 26: Attachment D-1 There is a duplicate item on the Janitorial Equipment and Supplies Tab item 6B and Sanitation Cleaning Chemicals item 8B. Items are identical.

Answer 26: Removed 6B from Janitorial Equipment & Supplies see Attachment D-1 revised 12-2017.

Question 27: Please provide a PDF version of Oregon's energy conservation plan referenced at Exhibit C to NASPO ValuePoint Master Agreement, PROVISIONS REQUIRED BY FEDERAL LAW, Section 3. Energy Efficiency where contractor is mandated to "...comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163)."

Answer 27: Please see the State of Oregon's Energy Policy and Conservation Pub. L. 94163 (Informational Only) incorporated as part of the RFP and attached hereto as Attachment U.

Question 28: Please also confirm whether or not Oregon's Energy Efficiency plan and associated contractor mandates referenced in the master agreement at Exhibit C, Section 3 will flow down via the master agreement to other states that affiliate with this contract thus imposing Oregon state standards on contractor operations in other affiliated states?

Answer 28: This is only applicable to Oregon.

Question 29: If an award is made to a supplier for a single state, will the supplier then be able to solicit business from that state's agencies, or will there have to be a contract subsequently issued by the state before the supplier can do business with that state?

Answer 29: If awarded a Master Agreement then that Offeror will have to be awarded a state participating addendum before doing business with agencies.

Question 30: If the state needs to issue its own contract, we need to find out the intent of Massachusetts regarding their plans to contract with single state suppliers vs. national suppliers. I put the question directly the Massachusetts state agency that manages the supplier contracts and was told that all questions had to go through NASPO. Could you inquire directly of them whether their intention is to utilize local suppliers who may only be awarded one-state or regional contracts, or do they intend to utilize only national suppliers?

Answer 30: The Commonwealth of Massachusetts intends to contract with a proposer(s) that is (are) awarded Master Agreements by the Lead State on a Regional and National level.

Question 31: Are freight charges acceptable to non-continuous states or territories?

Answer 31: DASPS acknowledges and accepts that Alaska, Hawaii, and Puerto Rico may require an additional shipping charge for products not In-Stock at local store or not In-Stock at primary Distribution Center of the Participating State.

Question 32: Is the requirement in section c.(2). of the eMarket Center Appendix for Contractor's catalog to be limited to the awarded contract offering satisfied if items not authorized under the resulting contract are visible in the punch out catalog but identified through messaging such as "out of scope" or "restricted" and said items can not to be placed in shopping cart and cannot be purchased via the punch out?

Answer 32: Yes.

Question 33: Do the following pages count towards the 100 page limit: Future addendums; Attachments E, F, H; Exhibit 3-Contractor Tax Certification?

Answer 33: Addendums, attachments E, F, H, and Exhibit 3 are not included within the 100 pages.

Question 34: MFG information does not match description: Rust-oleum Part# 2391300 - Description Marking Paint, White, Water-based, 1 Gal (Complies With South Coast Air Quality Management District VOC Limit of 100 g/l)

Answer 34: The requirements has been changed from 1 gallon to 5 gallon. See Attachment D-1 revised 12-2017.

Question 35: The RFP requests products that are listed on the market basket or their exact equivalents. If minor deviations occur, e.g., an 18 oz. container instead of a 17oz. container, how will that effect scoring? If a blank results in a loss of one point, would there be partial points or would there be a pass/ fail type arrangement where minor differences are waived? Additionally how will the state determine what is equal?

Answer 35: The Evaluation Team will score the exact match item, but the alternative item will be taken into consideration only DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 36: Must a state sign a participating addendum before any of its political subdivisions can use the contract, for example, if a city wishes to use the contract must the state join the contract before the city can act?

Answer 36: Yes.

Question 37: For many vendors, subcategories would benefit the state as they are able to give deeper discounts to GOM (Goods of Manufacture) than goods offered as a dealer. Will the state accept discounts broken into subcategories?

Answer 37: No.

Question 38: If a state has additional conditions that are not acceptable onerous to the vendor, does the vendor have the right to refuse the requesting state?

Answer 38: The terms and conditions can be negotiated for each state during the PA process. If the Contractor and state cannot reach an agreement, then the negotiations will be terminated.

Question 39: Per Page 20 of 109 Section 5.2 There are four groups,

- 1.) all categories throughout the country
- 2.) one category throughout the country
- 3.) all categories on a statewide basis
- 4.) one of more categories on a regional basis

Will the price sheets be compared within the groups or will all price sheets compete or a combination of these? If the best price (awarded 40 points) is only available in one state or region, it does not help every state, e.g., a good price in Massachusetts doesn't help agencies in Oregon if the products are not available.

Answer 39: See section 5.2 of RFP. The Proposals will be evaluated by appropriate group.

Question 40: Are the Preventative Maintenance and Repair Activities for compressors provided under this solicitation notice?

Answer 40: See Attachment D-1 revised 12-2017.

Question 41: Page 47; Section 7 (e): remove the phrase, "ownership of the media containing the reports".

Page 51; Section 14 (b): remove, "Inside deliveries refers to a delivery to other than a loading dock, front lobby or reception area."

Page 53; Section 18: remove, "(b) the product is suitable for the ordinary purposes for with such product is used (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgement (d) the product is designed and manufactured in a commercially reasonable manner.

Page 53; Section 18 (e): after the statement the product is free of defects add, "as determined by the manufacturer."

Page 53; Section 18 (e) Line 4 remove, "repaired and"

Page 53; Section 18 remove final statement of, "The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under law, to a prevailing party, reasonable attorney's fees and costs."

Answer 41: No. DASPS rejects the above requested changes.

Question 42: Page 53: Section 19; Remove entire section.

Page 54: Section 20; Remove entire section.

Page 54; Section 21(a) end of first paragraph add: "Contractor may fulfil these requirements through self insurance, blanket coverage or a combination of the two."

Page 54, Section 21(d): remove entire section.

Page 55: Section 21(e) start the paragraph with/add: "prior to performing any work" and substitute "upon request."

Answer 42: No. DASPS rejects the above requested changes.

Question 43: Page 55: Section 22(a): remove entire section

Page 55: Section 22(b): remove entire section

Page 58: Section 29: Line 1: add (except for payment obligations) after shall be held responsible.

Page 59: Section 30(c): remove sections 4, 5, and 6.

Page 59: Section: 32: Line 1 remove, "nor its principals"

Page 60: Section 34: remove entire section

Page 61: Section 36: remove entire section.

Answer 43: No. DASPS rejects the above requested changes.

Question 44: Format for response is Microsoft Word 2010 or higher, but RFP docs are in PDF. Can we send PDF docs back or does it need to be converted to a word doc?

Answer 44: PDF is fine, except Attachment D and D-1 are to be submitted electronic in excel.

Question 45: Exhibit B is blank. Do we need to provide anything for this section?

Answer 45: No, once awarded.

Question 46: Exhibit A & G are samples. Do this need to be filled out or once awarded?

Answer 46: No, once awarded.

Question 47: Multiple documents ask for Oregon Tax numbers. Do we need an Oregon Tax number?

Answer 47: Not unless you are awarded an Oregon Participated Addendum.

Question 48: Is it possible to see current contract pricing/volume discounts? Can we access a copy of an old proposal?

Answer 48: Any Proposer/Offeror who wishes to review the current contract pricing/volume discounts must submit a public records request to Nevada.

Question 49: Will an Addendum be posted before 12/21/17?

Answer 49: Yes.

Question 50: Page 12, "An Offeror shall also submit on a CD ROM or USB flash drive seven (7) electronic copies of its Proposal in MS Word 2010 or higher format." Please confirm you require seven electronic copies on one CD ROM or USB flash drive or should it be seven CD ROMs or USB flash drives with one copy on each?

Answer 50: Yes.

Question 51: Page 1, Due Date December 29, 2017. Given the holiday season, please consider extending the due date by 2 weeks.

Answer 51: See addendum 1 change to schedule.

Question 52: Section 4.1. Page 19. Cost Proposal, Is there a method of informing the Administrator that an alternative proposal(s) are being submitted other than completing one or more of the individual category spreadsheets?

Answer 52: No. Proposers/Offerors must fill out Attachment D-1 revised 12-2017.

Question 53: Phase 3. Page 21. How is the 5 points (Step 1) for Cost Proposal Attachment D evaluated and awarded to each responder?

Answer 53: See section 4.1 of RFP.

Question 54: Section 5.3. Page 22. Please clarify how the 35 points on the RFP Evaluation Scoresheet for Cost (Step 2) are calculated. Based on the formulas on Page 21, it appears the Cost Score (page 21) would be the same as Points (page 22)? Please confirm or clarify.

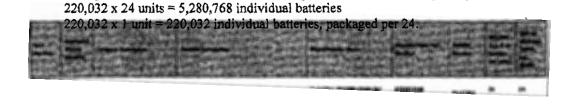
Answer 54: See section 4.1 of RFP.

Question 55: We would like to understand what expectations are for all Vendors to bid product. As stated at the meeting, we quote to product spec that is provided in the market basket descriptions however, some Vendors quote these to lesser quality and lesser spec'd product to give a lower price and have the bid look as if they are the lowest priced Vendor. Are all Vendors required to quote true spec in the product description and not a lesser quality spec description item?

Answer 55: Must be exact match item, but the alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 56: In the market basket we have a question on UOM and for an items within the Category Tab. For the below within the Battery Category is the Estimated Annual Quantity based on the UOM (column I) and #/UOM (column H), or individual units within the UOM? It appears you are looking for an EA price but them it states UOM is 24 (or a case). As this will dramatically impact

price, is the State looking for a case of 24 and the 1 UOM price, or, are we to price this with an each price?



Example: which is the correct understanding of Estimated Annual Quantity?

Answer 56: Changed UOM to PK see Attachment D-1 revised 12-2017.

Question 57; On Page 18 and Page 19 of the RFP under "Section 4: Market Basket Cost Proposal". It states you want a hard copy of the copy proposal to score overall Category Discounts however, I thought I heard at the meeting you only wanted the Cost Proposal on 7 UBS Drives. Could you clarify if you are looking for the Cost Proposal to be submitted only on UBS Drive (so we would need to include the overall Category Discounts on that file as well), or, do you want hard copies for the overall Category Discount Structure on Hard Copy and the Market Basket only on UBS Drives.

Answer 57: Attachment D and D-1 are to be electronic in excel format on a USB or CD, not hard copy. See section 2.14 of RFP.

Question 58: We are working on getting permission from our franchisor to use the 3rd party website, however we need to get some questions answered. Can you validate that the alternative website referenced in the document would only be visible to Participants in the state that we would be looking to get a master agreement for and only to NASPO entities? Basically that it would not be visible nationwide and to all NASPO entities if we were only looking for a one state agreement?

Answer 58: The catalog is only visible to a state and the eligible entities within that state who have a fully executed Participating Addendum and also utilize the eMarket Center.

Question 59: Attachment D-1 instruction line 11 instructs offerors as follows "Column N - Net Price of Unit of Measure after discount: This will be (Column J) X (Column L)." Column J calls for "Container size" or a non-numeric value that cannot be multiplied. Should this be column K (list price of UOM) x column M (Discount percentage off)?

Answer 59: Changed to (Column K) x (Column M) see Attachment D-1 revised 12-2017.

Question 60: Some items in the D-1 cost sheet are exclusively available to only certain offerors. Operating in good faith to quote exact items where possible, some offerors will be unable to quote exact items on some of the requested items. How will items that are alternatives to the exact match items be scored relative to the exact item?

Answer 60: The alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 61: Where do we find the product listing of current products that you are using under each category?

Answer 61: Have to submit a public records request to Nevada for current products.

Question 62: With respect to RFP 2183-17 Attached D-1, Market Basket, Offeror Instructions, columns P through AD, please answer the following questions:

- a. The offeror is told that "...Every effort must be made to come up with an item that is exact in product description and packaging." If the offeror does not have an item that is exact in product description and packaging and offers an alternative item, will the offeror be penalized or receive fewer evaluation points had the offeror provided an item that was exact in product description and packaging?
- b. If the offeror provides an item that is exact in product description and packaging AND also an alternative item for the same product and these two products are priced differently, what product net price will be used to evaluate the offeror's cost score to the cost proposal? In other words, will the lowest priced product offered be used to evaluate the offeror's cost score to the cost proposal or will the item that is exact in product description and packaging be used?

Answer 62: The exact match item will be scored, but the alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function) and different in manufacturer only. DASPS' decision is final.

Question 63: With respect to RFP 2183-17 Section 5.3 Sample Evaluation Score Sheet, what criteria within an offeror's proposal will be evaluated when assigning scores (Score of 0-5) to Cost Step One and Step Two lines? Additionally, how does an offeror achieve a score of "5 = Superior" in the Cost evaluation process?

Answer 63: See section 5 of RFP Evaluation and Award.

Question 64: I noticed in section 6.6.2 of the bid documents that it states "desirable" that the vendor have inside and outside sales reps as well as distribution facilities in each of the states that will be on the contract. We are based out of Maryland but ship all over the county. Would that completely disqualify us should we place a bid?

Answer 64: No.

Question 65: Within Addendum #1, #7. RFP, Section 4.1 Cost Proposal - it seems this scoring system has changed from a required 80 points to now 90 points. Can you please provide a rational of the change and a full breakout of all the points as they seem to have changed with no detail.

Answer 65: The changes are in the best interest of the States.

Question 66: Will solar panels and associated products may fall under any of these categories, and if not, whether it would be prudent to add to our value added services section?

Answer 66: If appropriate Proposer/Offeror can put in Attachment A section 6.7.4 value added solutions.

Question 67: If a state is not mentioned amongst the list included in the RFP, can we still mention that state as a place we would be interested in utilizing the contract?

Answer 67: Yes.

Question 68: If the State's do not turn in their intent to patriciate until a day before the due date how can the vendor certify reading the state's PA terms?

Answer 68: Some states may not require extra terms outside of this RFP.

Question 69: Can we offer products not listed on the bid or do we have to bid exactly what is on the RFP? Can we add products to this list?

Answer 69: Only products listed in Attachment D-1 revised 12-2017 will be evaluated.

Question 70: If we only quote on two tabs on Attachment D-1, do we still need to provide a discount off list for ALL categories listed on Attachment D or just for the matching categories we quoted?

Answer 70: The matching categories.

Question 71: On the item detail listed on Attachment D-1, do we have to follow the discount off list format or can we offer a deeper discount to these items that have been deemed high use? For example; on sanitation Janitorial Equipment and Supplies, we quote a discount of 20% off list but I have a deeper discount on Kimberly-Clark items and can quote these exact items with an average of 30% off list but I cannot do the same for Georgia-Pacific.

Answer 71: Percentage off list per category not sub categories.

Question 72: Item number 33, in the Power Source Category, has two different Estimated Annual Quantities ("EAQ"). In the Exact section the EAQ is 31,739. In the Alternate section, the EAQ is 6,800.

Answer 72: Changed from 31,739 to 6,800 see Attachment D-1 revised 12-2017.

Question 73: Can we include the answers to Attachment A after the questions on the same page?

Answer 73: Yes.

Question 74: Do we have to submit seven actual copies of USB's/CD's?

Answer 74: Yes.

Question 75: Is cost proposal Attachment D-1 to be submitted electronically?

Answer 75: Yes.

Question 76: Cost proposal doesn't need to be a hard copy, correct?

Answer 76: Correct.

Question 77 Is there a limit on how many awards will be given?

Answer 77: See section 5.4 of RFP, revised in addendum 1.

Question 78: Regarding awards - Does NASPO ValuePoint prioritize?

Answer 78: No.

Question 79: How many states are participating?

Answer 79: See section 1.6 of RFP, revised in addendum 1. States can still participate even if not named under this section.

Question 80: Can we see the ranking - who scored the highest?

Answer 80: Oregon will post the score sheet on the ORPIN system.

Question 81: Is there a Small business credit?

Answer 81: No, but see Attachment A regarding disadvantaged businesses.

Question 82: Attachment "D" - Percentage off list per Category. - List price is set by the manufacturer. One price doesn't really make sense. Can we create our own percentage off list price?

Answer 82: No modification to Attachment D by adding sub categories.

Question 83: Would it be appropriate to go in and make sub-categories in the Market Basket Attachment D-1?

Answer 83: No.

Question 84: Are there exceptions to the Master Contract?

Answer 84: See section 2.18 of RFP regarding exceptions.

Proposers must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 22, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum.
Authorized Signature:
Print name of signer:
Date:
Company Name of proposer:
(Please Print)



Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285 PHONE: 503-378-4642

PHONE: 503-378-4642 FAX: 503-373-1626

Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 1

This Addendum No. 1 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

1. RFP, Cover Page:



The State of Oregon ("State"), acting by and through its
Department of Administrative Services, Procurement Services ("DAS PS"), for member states of the
NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint") and other Purchasing
Entities,

Request for Proposals
Oregon Solicitation Number DASPS-2183-17

FOR

NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

Date of Issue: November 15, 2017 Closing Date and Time: December 29, 2017 January 5, 2018

RFP, List of Attachments:

ATTACHMENT I - OS ADDITIONAL PARTICIPATING STATES TERMS AND CONDITIONS

3. RFP, Section 1.3 Schedule of events:



RFF Addan

DASPS-2183-17 Addendum No. 1

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4. RFP, Section 2.18 Offeror exceptions to Terms and Conditions:

Offeror should identify or seek to clarify any problems with contract language or any other document contained within this RFP through its written inquiries about the RFP using the process in Section 2.1 2.3.

5. RFP, Section 1.6 Participating States.

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, Utah, Colorado, Delaware, Florida, Louisiana, Maryland, New Hampshire, South Dakota, Virginia, Illinois, Ohio, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments I – Q S, or may be incorporated into the Participating Addendum after award.

6. RFP, Section 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments $I - Q \subseteq S$ to this Solicitation.

7. RFP, Section 4.1 Cost Proposal (40 Points):

PLEASE NOTE: In the event Offeror fails to obtain a score of 80 90 points, as required under Section 5.4 of RFP for the Ali Categories category, if Offeror submits an alternative Proposal, Offeror could potentially obtain an award on one or more of the individual Categories. Therefore, Offeror may wish to submit an alternative Proposal on one or more of the individual categories listed in Tabs 2-16, as well.

8. RFP, Section 5.4 Award of Master Agreement(s):

The Lead State intents to award a Master Agreement(s) on both a National level or a Regional level, to each Proposer with a combined total score in excess of 80 90 points in either the National level (i.e. the Proposer will receive an award for a National Master Agreement) or on a Regional level (i.e. the Proposer will receive an award on a Regional level).

RFP, DASPS-2183-17Attachment D-1_Market Basket Final 11-15-17 Instructions TAB:

Tab 1 - All Categories: This spreadsheet is for those Offerors that are submitting a Proposal for ALL categories and can supply these products to all 50 States. If Offeror cannot submit a Proposal on the products in all categories, Offeror will submit an offer on the categories within the spreadsheets labeled as independent categories. If Offeror is submitting Offer on the All Categories spreadsheet, Offeror may submit Offer on the individual category spreadsheets as well. But if Offeror does not obtain a score of 80 20 per section 5.4 of RFP for the All Categories Tab 1 they could potentially obtain an award on individual Categories therefore Offeror may want to submit Offer on both Tab 1 and Tab's 2- 16 as well.

- 10. RFP, DASPS-2183-17_Addendum No. 1, Attachment A revised 11-2017 is incorporated as part of the RFP, as attached hereto.
- 11. RFP, DASPS-2183-17_Addendum No. 1, Attachment L, P, Q, R, and S revised Montana, Maryland, Virginia, Ohio, and Illinois State specific terms and conditions are added as part of the RFP, as attached hereto.
- 12. Questions and Answers.

Question 1: Are quasi-government (such as water or sewer boards or council of governments) political subdivisions eligible to sign a PA?

Answer 1: Each State's rules are applicable to their state entities.

Question 2: Page 5 Schedule of Events. The questions are to be submitted by 12/15 with answers/responses due back to 12/21 and the bid submitted on 12/29. This is a very compressed time frame and does not allow for questions or clarifications on the answers given by 12/21 before RFP submission. Can consideration be given to extend the due date to January to ensure the questions from all bidders have been answered and it is clear what needs to be submitted and the desired format?

Answer 2: Schedule has been changed via addendum No. 1.

Question 3: Page 2 of the RFP announcement states the payment terms are net 45 but the Attachment B NASPO ValuePoint Master Agreement, page 53, clause 17 states "Payment after acceptance is normally made within 30 days". Is the payment terms net 45 or net 30?

Answer 3: The ORPIN announcement is not part of the RFP it is a notice only. RFP Attachment B Section 17 clearly states "Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to the highest rate permitted by law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge."

Question 4: Page 11: 2.13 The proposal is limited to 100 pages, excluding excel spreadsheets. If the proposal pages are double-sided, would each side be counted as a page or would each sheet of paper be counted as a page?

Answer 4: 100 pages are to be submitted one page, one side. Not double sided.

Question 5: Page 12: 2.14 paragraph 5. Offer shall submit_Market Basket Cost proposal in a separate, sealed envelope, labeled accordingly and placed in sealed carton(s). Can the Market Basket Cost proposal be submitted in the same box as the remaining bid documents if the Market Basket Cost Proposal package is sealed and marked clearly "MARKET COST PROPOSAL"?

Answer 5: Yes.

Question 6: Page 19: paragraph 2. If offeror submits an alternative Proposal offer for one category and could potentially obtain an award on that one category/market basket. Will alternate proposals be compared and scored to other alternative proposals in the same market basket?

Answer 6: See Evaluation Process Section 5.2.

Question 7: Page 29 section 6.5.7. If products are available to be viewed online is a paper catalog required?

Answer 7: No.

Question 8: Page 31 section 6.5.5 (11). If you bid a market basket and also the categories that include the remainder of a suppliers MRO products would there be a requirement to block items from online purchases by a participating entity?

Answer 8: Each State may block certain products from being purchased.

Question 9: Page 20-21. Will the evaluation criteria be based on "Group 1" compared to "Group 1" and "Group 2" to "Group 2", in other words the bidders are being compared to similar size bidders?

Answer 9: See Evaluation Process section 5.2.

Question 10: Page 25 section 6.2.1.2. Growth Incentives; What is the criteria to be evaluated in the Growth Incentive category

Answer 10: See Attachment A section 6.6.11.

Question 11: Page 27 section 6.3.2. Cumulative Ordering Volume Discount; does the ordering volume discount include all NASPO States with PA's or is it measured by individual State sales?

Answer 11: By individual State.

Question 12: Page 27 section 6.5.1. If a vendor is awarded a market basket (D-1) and bids other categories by a discount off list (D), will the awarded supplier be able to sell all of its products in the selected categories to PA contract members?

Answer 12: Only awarded categories will be purchased by States.

Question 13: Page 24 section 6.1 – UNSPSC codes - Can the bidders get a list of the UNSPSC codes that would be in each of the 15 categories (not just what shows in the market baskets) so we can be sure what categories products should be in as full catalogs are bid? For example, Strut and connectors start with 3116 which could be under "Fasteners" or "Material Handling" and firestop products start with 4619 which show up under "Safety".

Answer 13: No.

Question 14: Page 37-38 under 6.6.8 Sustainability/Environmental Practices there is a #1, #2, (page 37) and #4, #5 (page 38) but no #3. Is there this a numbering error or is a portion of the RFP missing?

Answer 14: Yes number error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 15: Page 39 there appears to be a numbering or sequencing error starting with 6.6.9.2. It looks like the next six points should be sub set of 6.6.9.2 and would be numbered 6.6.9.2.1 (starting with Describe in detail how the Offeror will work with the registered companies...) ... through 6.6.9.2.6 (Community Rehabilitation program). This would make Retail Store Purchases/Will Call would be 6.6.10. Would this be correct?

Answer 15: Yes numbering error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 16: Page 78 Attachment E: Offer information-

- a. Is the State tax#; is it the sales tax payment number?
- b. Is the Secretary of State Corporations Division Registration #; is it the number assigned when we registered with our state of Incorporation?

Answer 16: (a) Yes, if applicable. (b) Yes.

*I hereby acknowledge having received this Addendum.

Question 17: Should exceptions to the FOB Destination terms for non-stocked items delivered to Alaska, Hawaii and Puerto Rico be stated as exceptions within section 6.5.2 of the technical proposal as instructed or should exceptions to freight terms be submitted as a Protest to the RFP?

Answer 17: See section 2.18 of RFP regarding exceptions.

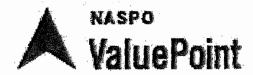
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Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 11, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

Authorized Signature:	_
Print name of signer:	
Date:	
Company Name of proposer:	
(Diago Drint)	
(Please Print)	





The State of Oregon ("State"), acting by and through its Department of Administrative Services, Procurement Services ("DAS PS"), for member states of the NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint") and other Purchasing Entities,

Request for Proposals
Oregon Solicitation Number DASPS-2183-17

FOR

NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

Date of Issue: November 15, 2017 Closing Date and Time: December 29, 2017

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LIST OF ATTACHMENTS

ATTACHMENT A DESCRIPTION OF PRODUCTS AND SERVICES: EVALUATION GUIDE

ATTACHMENT B NASPO ValuePoint MASTER AGREEMENT

eMarket Center Appendix

Exhibit A - Sample Participating Addendum

Exhibit B - Description of Products and Services

Exhibit C - Provisions Required by Federal Law

Exhibit D - NAPSO ValuePoint Detailed Sales Data Report Form

ATTACHMENT CHISTORICAL SALES REPORT

ATTACHMENT D MARKET BASKET COST PROPOSAL

ATTACHMENT D-1 MARKET BASKET COST PROPOSAL (Electronic Excel Spreadsheet)

ATTACHMENT E OFFEROR INFORMATION AND CERTIFICATION SHEET

ATTACHMENT FOREGON AFFIDAVIT OF TRADE SECRET

ATTACHMENT G OREGON SAMPLE PARTICIPATING ADDENDUM

ATTACHMENT H OREGON COBID CERTIFIED FIRM/ OUTREACH PLAN

ATTACHMENT I - O ADDITIONAL PARTICIPATING STATES TERMS AND CONDITIONS

SECTION 1: NASPO ValuePoint Solicitation - General Information

1.1 Purpose

The State of Oregon (Lead State), Department of Administrative Services, Procurement Services (DAS PS) is requesting proposals for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies on behalf of the members of the NASPO ValuePoint Cooperative Purchasing Program. The purpose of this Request for Proposals (RFP) is to establish one or more Master Agreement(s) with qualified offerors to provide Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material Handling, Plumbing, Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment) products, as more particularly described on Attachment A, for all Participating States/Participating Entities. The objective of this RFP is to obtain best value, and in some cases achieve more favorable pricing than is obtainable by an individual state or local government entity because of the collective volume of potential purchases by numerous state and local government entities. The Master Agreement(s) resulting from this procurement may be used by state governments (including departments, agencies, institutions), institutions of higher education, political subdivisions (i.e., colleges, school districts, counties, cities, etc.), the District of Columbia, territories of the United States, and other eligible entities subject to approval of the individual state procurement director and compliance with local statutory and regulatory provisions.

The initial term of the Master Agreement(s) is anticipated to be 1 year with options to renew up to a cumulative maximum of 5 years per the provisions outlined in Section 3 of the NASPO ValuePoint Master Agreement (Attachment B).

DAS PS anticipates that this RFP may result in Master Agreement awards to multiple contractors, in the Lead State's discretion. While the primary purpose of this solicitation is to select an Offeror(s) who can offer the Products or Services for all members participating in the NASPO ValuePoint Cooperative Purchasing Program, Offerors will be permitted to submit a Proposal on more limited geographical areas or regions, but not less area than one entire member State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all member States. If an Offeror elects to submit a Proposal for a single State or region, then the Offeror must be willing to supply the entire State or region and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) or any renewals.

The Lead State/Sourcing Team, with the assistance as deemed advisable of the relevant Participating State (or relevant group of Participating States), may evaluate and select an Offeror for award in more limited geographical areas (e.g. a single state or region) where judged to be in the best interests of the State or States involved.

This RFP is designed to provide interested Offerors with sufficient information to submit Proposals meeting minimum requirements, but is not intended to limit a Proposal's content or

exclude any relevant or essential data. Offerors are encouraged to expand upon the specifications to add service and value consistent with States requirements.

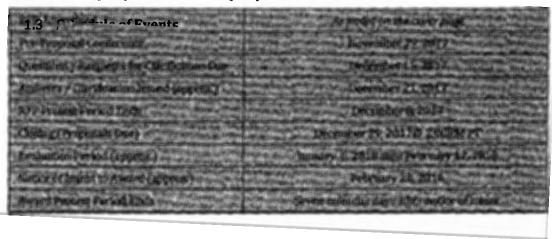
This State of Oregon Solicitation is for Master Agreement(s) intended to replace the expiring Master Agreements for the State of Nevada.

1.2 Lead State, Solicitation Number and Lead State Contract Administrator

The State of Oregon, acting by and through the Department of Administrative Services, Procurement Services, is acting as the Lead State and issuing office for this Solicitation, including all subsequent addenda relating to it and resulting Master Agreement (s). The reference number for the Solicitation is # DASPS-2183-17. This number must be referred to on all Proposals, correspondence, and documentation relating to the RFP.

The Lead State Contract Administrator identified below is the single point of contact during this procurement process. Offerors and interested persons must direct to the Lead State Contract Administrator all questions concerning the procurement process, technical requirements of this RFP, contractual requirements, requests for brand approval, changes, clarifications, protests, award process, and any other questions that may arise related to this solicitation and the resulting Master Agreement(s). The Lead State Contract Administrator designated by the State of Oregon is:

Shirley A. Smith, State Procurement Analyst State of Oregon, DAS PS 1225 Ferry St. SE Salem, Oregon 97301 Shirley.smith@oregon.gov Ph#(503) 378-5395 FX#(503) 373-1626



All times are Pacific Time unless indicated otherwise.

1.4 Definitions of Terms

The following definitions apply to this Solicitation. Additional terms also are defined within this Solicitation and in the NASPO ValuePoint Master Agreement (Attachment B).

"Cost Analysis" means a review and analysis of the cost elements that make up the price of the individual Maintenance and Facilities Repair & Operations and Industrial Supplies.

"Environmentally Preferable Product" or "EPP" means products and services that have a lesser or reduced effect on human health and the environment when compared to competing products or services that serve the same purpose.

"Lead State" means the State conducting this cooperative procurement, evaluation, and award. For this RFP, the State of Oregon, acting by and through the Department of Administrative Services, Procurement Services is the Lead State.

"MSRP" means the price at which the manufacturer suggests that retailers sell the product.

"Offeror" means the company or firm who submits a proposal in response to this Request for Proposal.

"Products" include, but are not limited to: Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material Handling, Plumbing, Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment)

"Proposal" means the official written response submitted by an Offeror in response to this Request for Proposal.

"Request for Proposals" or "RFP" means the entire solicitation document, including all parts, sections, exhibits, attachments, and Addenda.

"Services" means installation and additional services as defined in the Master Agreement.

"UNSPSC" means the United Nations Standard Products and Services Code (UNSPSC) is a taxonomy of products and services for use in eCommerce. It is a four-level hierarchy coded as an eight-digit number, with an optional fifth level adding two more digits.

1.5 NASPO ValuePoint Background Information

NASPO ValuePoint is a cooperative purchasing program of all 50 states, the District of Columbia and the territories of the United States. The Program is facilitated by the NASPO Cooperative Purchasing Organization LLC, a nonprofit subsidiary of the National Association of State Procurement Officials (NASPO), doing business as NASPO ValuePoint. NASPO is a non-profit association dedicated to strengthening the procurement community through education, research, and communication. It is made up of the directors of the central purchasing offices

in each of the 50 states, the District of Columbia and the territories of the United States. NASPO ValuePoint facilitates administration of the cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. For more information consult the following websites www.naspovaluepoint.org and www.naspovaluepoint.org and

1.6 Participating States

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments I - O, or may be incorporated into the Participating Addendum after award.

1.7 Anticipated Usage

Attachment C contains the historical usage data from the previous contracts and anticipated usage from additional states who have indicated an interest in participating. No minimum or maximum level of sales volume is guaranteed or implied. This historical data is based upon six (6) years of sales.

SECTION 2: Solicitation Requirements, Information and Instructions to Offerors

2.1 Offerors Requirements

The Proposal must address each of the items listed in this section and all other requirements set forth in this RFP.

This RFP is designed to provide interested Offerors with sufficient information to submit Proposals meeting minimum requirements, but is not intended to limit a Proposal's content or exclude any relevant or essential data. Offerors are encouraged to expand upon the specifications to add service and value consistent with state requirements. However, please do not include marketing or advertising material in the Proposal. Proposals should be straightforward and address the requests of the RFP.

2.2 Pre-Proposal Conference

A pre-Proposal conference will be held related to the RFP.

The purpose of the pre-Proposal conference is to:

- Provide additional description of the Products and Services;
- Explain the RFP process; and
- · Answer any questions Offerors may have related to the RFP or the process.

Statements made at the pre-Proposal conference are not binding upon DAS PS or any Participating State, Participating Entity, or Purchasing Entity. Offerors may be asked to submit questions in Writing. DAS PS will consider all comments, concerns, questions and protests. If, based upon the comments, questions, concerns or protests, DAS PS, in its sole discretion, believes it should make a change to the solicitation documents including the Sample Master Agreement, DAS PS will post an addendum in ORPIN.

2.2.1 Attendance at Pre-Proposal Conference

Attendance at Pre-Proposal Conference is **voluntary**. Prospective Offerors' participation in this conference is highly encouraged but not mandatory.

The pre-Proposal conference will be held on Wednesday, November 29, 2017, at 8:30 am PT at the Location listed below. Attendance at the conference is optional. Due to limited space, please limit attendance to 2 individuals from Offeror's company. Answers to questions asked during the pre-proposal conference will be provided via an addendum posted in http://orpin.oregon.gov/open.dll/welcome

THE THE STATE OF T		
November 29,	8:30am PT	Department of Administrative Services
2017		1225 Ferry Street SE, Salem, OR 97301-4285
		Mt. Mazama Conference Room, Check in with receptionist on 1st floor.
		Dial In Toll Free: 1-888-557-8511
		Access Code Passcode (Participant): 4659387

2.3 RFP Question and Answer Process

All questions, including those about Master Agreement, must be submitted, in writing, to the Lead State Contract Administrator, by the date and time noted above, in order to be considered. Questions must be submitted by the question deadline date and time shown in Section 1.3 (Schedule of Events). Official answers to all written questions shall be posted on the State of Oregon's electronic procurement system, the Oregon Procurement Information Network ("ORPIN") website.

http://orpin.oregon.gov/open.dll/welcome. The Lead State may refuse to answer questions received after the Question/Answer deadline.

The identity of potential Offerors will not be published with the answers, but the text of questions will be restated, so Offerors are cautioned about including context in questions that may reveal the source of questions.

2.4 RFP Addenda

Changes to this RFP including but not limited to the contractual terms and procurement requirements, shall be made only via formal written addenda issued by the Lead State.

The Lead State accepts no responsibility for a prospective Offeror not receiving solicitation documents and/or revisions to the Solicitation. It is the responsibility of the prospective Offeror to monitor the ORPIN website to obtain RFP addenda or other information relating to the RFP.

2.5 Protest of RFP

Prospective Offeror may submit a written protest of anything contained in this RFP, including but not limited to, the RFP process, Specifications, Scope of Work, and the proposed Master Agreement. This is prospective Offeror's only opportunity to protest the provisions of the RFP, except for protests of Addenda or the terms and conditions of the proposed Master Agreement, as provided below.

2.6 Protests must:

- Be emailed to the Sole of Contact
- Reference the RFP number
- Identify prospective Offeror's name and contact information
- Be sent by an authorized representative
- State the reason for the protest, including:
 - the grounds that demonstrate how the Procurement Process is contrary to law, Unnecessarily Restrictive, legally flawed, or improperly specifies a brand name;
 and
 - evidence or documentation that supports the grounds on which the protest is based
- State the proposed changes to the RFP provisions or other relief sought

- Protests to the RFP must be received by the due date and time identified in the Schedule
- Protests to Addenda must be received by the due date identified in the respective Addendum

2.7 Protest Response

DASPS will respond timely to all protests submitted by the due date and time listed in the Schedule. Protests that are not received timely or do not include the required information may not be considered.

2.8 Proposal Due Date

Proposal and all required submittal items must be received by the Lead State Contract Administration on or before Closing in Section 1.3 (Schedule of Events) of this RFP. Proposals received after the Closing will not be accepted. All Proposal modifications or withdrawals must be completed prior to Closing.

Proposals received after Closing are considered LATE and will NOT be accepted for evaluation. Late Proposals will be returned to the respective Offeror or destroyed.

2.9 Cancellation of Procurement

This RFP may be canceled at any time prior to award of the Master Agreement(s) if the Lead State determines such action to be in the collective best interests of Participating States.

2.10 Governing Laws and Regulations

This procurement is conducted by the Lead State DAS PS, in accordance with the Lead State Procurement Code. These are available at

http://arcweb.sos.state.or.us/pages/rules/oars 100/oar 137/137 tofc.html

This procurement shall be governed by the regulations and laws of the Lead State. Venue for any administrative or judicial action relating to this procurement, evaluation, and award shall be in Oregon. The provisions governing choice of law and venue for issues arising after award and during contract performance are specified in section 35 of the NASPO ValuePoint Master Agreement (Attachment B).

2.11 Firm Offers

Responses to this RFP, including proposed costs, will be considered firm for one hundred eighty (180) days after the Proposal due date.

2.12 Right to Accept All or Portion of Proposal

Unless otherwise specified in the Solicitation, the Lead State may accept any item or combination of items as specified in the Solicitation or of any Proposal unless the Offeror expressly restricts an item or combination of items in its Proposal and conditions its response

on receiving all items for which it provided a proposal. In the event that the Offeror so restricts its Proposal, the Lead State may consider the Offeror's restriction and evaluate whether the award on such basis will result in the best value to the Lead State and the members of the NASPO ValuePoint program. The Lead State may otherwise determine at its sole discretion that such restriction is non-responsive and renders the Offeror ineligible for further evaluation.

2.13 Proposal Content and Format Requirements

Proposals must be detailed and concise. Each Proposal must be labeled and organized in a manner that is congruent with the requirements and terminology used in this RFP and must include a point by point response, structured in form and reference to the RFP, addressing all requirements. Proposals shall be limited to 100 pages, excluding electronic excel Spreadsheets for the Cost Proposal Attachments D and D-1. Hard copy Proposal shall be on white 8 ½" x 11" Paper.

Offers are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Expensive color displays, promotional materials, etc., are not necessary or desired. Emphasis shall be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.

A representative authorized to bind the Offeror shall sign the Proposal. Failure of the authorized representative to sign the Proposal may subject the Proposal to rejection.

2.14 Proposal Submission Instructions

Offeror is solely responsible for ensuring its Proposal is received by the Lead State Contract Administrator in accordance with the RFP requirements before Closing. DAS PS is not responsible for any delays in mail or by common carriers or by transmission errors or delays or mistaken delivery. Proposal submitted by any means not authorized will be rejected.

The Proposal may be submitted through the mail or via parcel carrier, and must be clearly labeled and submitted in a sealed envelope, package or box. The Proposal may be hand delivered, and must be clearly labeled and submitted in a sealed envelope, package or box. Proposals will be accepted, prior to Closing, during DAS PS' normal Monday – Friday business hours of 8:00 am to 5:00 pm Pacific Time, except during State of Oregon holidays and other times when DAS PS is closed. The outside of the sealed submission must clearly identify the Offeror's name, RFP Number, and Closing date and time. It must be sent to the attention of the Lead State Contract Administrator at the address listed on the Cover Page.

An Offeror shall submit to the Lead State Contract Administrator one (1) original and six (6) copies of the Proposal (less Proposal Pricing Page) and all required supporting information and documents on or before the Closing Date and Time. Offerors shall submit one (1) original Proposal marked "MASTER." Envelopes, packages or boxes containing the original and the copies must be clearly labeled and submitted in a sealed envelope, package, or box bearing the following information:

\boxtimes	Name of Offeror RFP Number
\boxtimes	RFP Number
\boxtimes	Closing Date and Time

If discrepancies are found between the copies, or between the original and copy or copies, the original "MASTER" will provide for the basis for resolving discrepancies. If one document is not clearly marked "MASTER," the Lead State reserves the right to use the original as the Master. If no document can be identified as an original, Offeror's Proposal may be rejected at the discretion of the Lead State. An Offeror shall also submit on a CD ROM or USB flash drive seven (7) electronic copies of its Proposal in MS Word 2010 or higher format.

An Offeror shall submit its Market Basket Cost Proposal in a separate, sealed envelope, labeled accordingly and placed in sealed carton(s) or package(s) as described above. Prices must be submitted on a pricing matrix Attachment D and D-1 in Microsoft Excel format. Offerors shall submit their prices in electronic form using Microsoft Excel on a CD-ROM or USB flash drive. Do not include Proposal Pricing Page on the same CD-ROM or USB flash drive as the technical proposal.

Offerors are solely responsible for ensuring that their Proposals are received by the Lead State in accordance with these Solicitation requirements, before the Closing Date and Time, and at the place specified on the cover sheet of this RFP. The Lead State shall not be responsible for any delays in mail or by common carriers or by transmission errors or delays or mistaken delivery. Proposal deliveries made to another location other than to the address identified on the cover sheet of this RFP will be considered non-responsive unless re-delivery is made to the address identified on the cover sheet of this RFP before the Closing Date and Time. **Proposals may NOT be submitted by facsimile.**

Proposals must be received by the posted Closing date and time. Proposals received after the deadline will be late and rejected.

2.15 Required Format

All Proposals must be submitted in the following format. Detailed information on submitting each of these sections is contained in later sections of this RFP. Offeror shall submit its Proposal without extensive art work, unusual printing or other materials not essential to the utility and clarity of the Proposal.

- 1. Offeror Information and Certification Sheet. A completed and signed Offeror Information and Certification Sheet (Attachment E).
- 2. Executive Summary. The one or two page executive summary is to briefly describe the Offeror's Proposal. This summary should highlight the major features of the Proposal. Offeror must indicate any requirements that Offeror cannot meet. The Lead State should be able to determine the essence of the Proposal by reading the executive summary.
- 3. **Technical Response.** This section should include a description of the Products and Services to be delivered, including:

- a. A complete narrative of the Offeror's assessment of the Services to be provided, the Offeror's ability and approach, and the resources necessary to fulfill the requirements. This should demonstrate the Offeror's understanding of the desired overall performance expectations and clearly indicate any options or alternatives proposed.
- b. A complete description of the Products to be provided, in the order of criteria listed, to each evaluation requirement in the RFP and scope of work.
- 4. Affidavit of Trade Secret. If Offeror believes any of its Proposal is exempt from disclosure under Oregon Public Records Law (ORS 192.410 through 192.505), Offeror shall complete and submit the Affidavit of Trade Secret (Attachment F) and submit a fully redacted version of its Proposal, clearly identified as the redacted version.
- 5. Cost Proposal. Cost will be evaluated independently from the technical proposal. Please enumerate all costs on the attached Market Basket Cost Proposal Form and Percentage off List (Attachments D and D-1). Proposer shall follow the instructions set forth in Attachments D and D-1.

The Market Basket Cost Proposal is to be submitted as a separate document. Inclusion of any cost or pricing data within the technical proposal may result in the Proposal being deemed non-responsive.

Description of Products and Services. A completed submission of Offeror's Information
 Attachment A.

2.16 Ownership or Disposition of Proposals and other Materials submitted

All Proposals submitted in response to this RFP become the Property of DAS PS. By submitting an Proposal in response to this RFP, Offeror grants the State a non-exclusive, perpetual, irrevocable, royalty-free license for the rights to copy, distribute, display, prepare derivative works of and transmit the Proposal solely for the purpose of evaluating the Proposal, negotiating an Agreement, if awarded to Offeror, or as otherwise needed to administer the RFP process, and to fulfill obligations under Oregon Public Records Law (ORS 192.410 through 192.505). Proposals, including supporting materials, will not be returned to Offeror unless the Proposal is submitted late.

2.17 Public Record/Confidential or Proprietary Information

2.17.1 Public Record/Trade Secrets

All Proposals are public record and are subject to public inspection after DAS PS issues the Notice of the Intent to Award. If Offeror believes that any portion of its Proposal contains any information that is a trade secret under ORS Chapter 192.501(2) or otherwise is exempt from disclosure under the Oregon Public Records Law (ORS 192.410 through 192.505), Offeror shall complete and submit the Affidavit of Trade Secret (Attachment F) along with a fully redacted version of its Proposal.

Offeror is cautioned that cost information generally is not considered a trade secret under Oregon Public Records Law (ORS 192.410 through 192.505) and identifying the Proposal, in whole, as exempt from disclosure is not acceptable. DAS PS advises each Offeror to consult with its own legal counsel regarding disclosure issues.

If Offeror fails to identify the portions of the Proposal that Offeror claims are exempt from disclosure, Offeror has waived any future claim of non-disclosure of that information.

2.17.2 Confidential Information

All information identified in the CONFIDENTIAL AND PROPRIETARY INFORMATION section will be subject to review by the Lead State in accordance with the procedures prescribed by the Lead State's open records statute, freedom of information act, or similar law.

2.18 Offeror Exceptions to Terms and Conditions

The Lead State discourages exceptions to terms and conditions in the RFP, or the attached Participating State or Participating Entity terms and conditions (if any), and the terms and conditions of the Master Agreement. Exceptions may cause a Proposal to be rejected as nonresponsive when, in the sole judgment of the Lead State (and its evaluation team), the Proposal appears to be conditioned on the exception or correction of what is deemed to be a deficiency or unacceptable exception would require a substantial Proposal rewrite to correct

Offeror should identify or seek to clarify any problems with contract language or any other document contained within this RFP through its written inquiries about the RFP using the process in Section 2.1.

Moreover, Offerors are cautioned that award may be made on receipt of initial Proposals without clarification or an opportunity for discussion, and the nature of exceptions would be evaluated. Further, the nature of exceptions will be considered in the competitive range determination if one is conducted. In the sole discretion of the Lead State, exceptions may be evaluated to determine the extent to which the alternative language or approach poses unreasonable, additional risk to the State or Participating State/Entity or Purchasing Entity, is judged to inhibit achieving the objectives of the RFP, or whose ambiguity makes evaluation difficult and a fair resolution (available to all offerors) impractical given the timeframe for the RFP. The Lead State is under no obligation to consider exceptions.

2.19 Certification of Non-Debarment

Offeror must certify that neither the Offeror nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (Master Agreement) by any governmental department or agency. If the Offeror cannot certify this statement, attach a written explanation for review by the Lead State.

2.20 Delivery(s)

All deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order.

2.21 Certified Firm Participation

Pursuant to Oregon Revised Statute (ORS) Chapter 200, Lead State encourages the participation of small businesses, certified by the Oregon Certification Office for Business Inclusion and Diversity ("COBID") in all contracting opportunities. This includes certified small businesses in the following categories: disadvantaged business enterprise, minority-owned business, woman-owned business, a business that a service-disabled veteran owns or an emerging small business (ESB/MBE/WBE/DV & DBE). Agency also encourages joint ventures or subcontracting with certified small business enterprises. For more information please visit https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp?XID=6787&T N=oregon4biz

If the Master Agreement has potential subcontracting opportunities, the successful Offeror may be required to submit a completed Certified Disadvantaged Business Outreach Plan (Attachment H) prior to execution.

SECTION 3: Administrative and Technical Response Requirements

3.1 Mandatory Minimum Administrative Proposal Requirements

This section contains the minimum requirements that must be met in order to be considered for the evaluation phase. All of the items described in this section are non-negotiable. All Offerors must state willingness and demonstrate ability to satisfy these requirements in the proposal submitted for consideration.

3.2 NASPO ValuePoint Master Agreement Statement of Compliance

NASPO ValuePoint Master Agreement(s) resulting from this RFP will constitute the final agreement except for negotiated terms and conditions specific to a Participating State's or a Participating Entity's Participating Addendum.

This section highlights particular terms and conditions of NASPO ValuePoint Master Agreement, although Offerors will be bound to all the terms and conditions when executing a Master Agreement as shown in Attachment B. Offeror must include a statement in its Proposal that it has read and understands all of the terms and conditions as shown in the Master Agreement (Attachment B).

3.2.1 Insurance

To be eligible for award, the Offeror agrees to acquire insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state at the prescribed levels set forth in Section 21 of the NASPO ValuePoint Master Agreement. Offeror must describe its insurance or plans to obtain insurance satisfying the requirements in Section 21.

In addition, Participating States/Entities may request additional insurance or other coverages for their State within their specific Participating Addendum.

3.2.2 NASPO ValuePoint Administrative Fee and Reporting Requirements

To be eligible for award, Offeror agrees to pay a NASPO ValuePoint administrative fee as specified in Section 6 of the NASPO ValuePoint Master Agreement. Moreover, specific summary and detailed usage reporting requirements are prescribed by Section 7 of NASPO ValuePoint Master Agreement.

Offeror shall identify the person responsible for providing the mandatory usage reports. This information must be kept current during the contract period. Contractor will be required to provide reporting contact within fifteen (15) calendar days of Master Agreement execution.

3.2.3 NASPO ValuePoint eMarket Center

To be eligible for award, the Offeror agrees, by submission of a Proposal, to cooperate with NASPO ValuePoint and SciQuest (and any authorized agent or successor entity to SciQuest)

with uploading a hosted catalog or integrating a punchout site. Refer to Attachment B, Section 9 and eMarket Center Appendix, NASPO ValuePoint Master Agreement for the prescribed requirements.

3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments I - O to this Solicitation. These will be negotiated with individual Participating States after award of the Master Agreement(s). Each State reserves the right to negotiate additional terms and conditions in its Participating Addendums, including environmentally preferable products. Offeror shall submit a statement that it has read and understands all the Terms and Conditions as shown in the attached State specific Participating Addenda.

3.4 Technical Requirements

This section contains technical requirements pertaining to the Maintenance and Facilities Repair & Operations (MRO) industrial Supplies. Other sections of this RFP contain additional requirements that must be met in order to be considered responsive. Offeror must identify in its Proposal how it will meet (or exceed) all requirements listed in this Section 3, Section 4, and Attachments A, B, and D-1 of this RFP solicitation.

3.4.1 Offeror Profile

Provide the following information specific to Offeror's company:

- a. Company's full legal name
- b. Primary business address
- c. Describe company ownership structure
- d. Employee size (number of employees)
- e. Website
- f. Sales contact information
- g. Company's client retention rate during the past 3 years
- h. A brief history of the company and the year it was founded
- i. Describe the company's growth during the past three years.

3.4.2 Customer Service

- a. What are Offeror's hours of operation and when are key account people available to Participating States/Entities and Purchasing Entities?
- b. Describe how problem identification and resolution will be handled.
- c. How does Offeror propose to service the NASPO account? Describe the system Offeror will use to manage the account.
- d. How does Offeror respond to customer complaints and service issues?
- e. How does Offeror assess customer satisfaction?
- f. Describe Offeror's quality assurance measures and how are they handled within the organization.

3.4.3 Technology

- a. Describe Offeror's online system that Purchasing Entities would use to place orders and receive results? Include all methods of order submission.
- b. Describe Offeror's ability and process to support a decentralized system of orders submitted from many end users in multiple states and locations.

3.4.4 Products and Services

Offeror must review the Product and Services Descriptions and requirements set forth in (Attachment A) and submit with its Proposal. Offeror shall indicate which categories Offeror intends to provide; which Products and Services Offeror intends to provide; and whether Offeror intends to provide the Products and Services on a national, regional or one state only basis.

3.5 Data Security

What measures does Offeror take to protect sensitive customer information?

SECTION 4: Market Basket Cost Proposal

Market Basket Cost Proposal will be evaluated independent of the technical evaluation. Offeror shall submit the Market Basket Cost Proposal to the Lead State as a separate document. Do not embed the Market Based Cost Proposal in the technical response.

4.1 Cost Proposal (40 Points)

In its Proposal, Offeror must indicate if Offeror intends to submit a Proposal for all Products and Services (all categories) or if Offeror intends to submit a Proposal for one or more of the Products and Services. Offeror also must indicate whether Offeror intends to offer Products and Services on a national, regional or one state basis.

Cost for the NASPO ValuePoint Master Agreements shall be based on the following:

The Cost Proposal includes two parts: (1) the Percentage off list per category description (Attachment D for a total potential score of 5 points) and (2) the market basket spreadsheet (Attachment D-1 for a total potential score of 35 points).

Offeror must submit cost, prices, rates and discounts as required by Cost Spreadsheets Attachments D and D-1. Prices and rates shall include all anticipated charges, including but not limited to, freight and delivery, cost of materials and product, travel expenses, transaction fees, overhead, profits, and other costs or expenses incidental to the Offeror's performance.

(1) Offeror shall completed and submit the Percentage off list per category set forth in Attachment D.

(2) Offeror also shall complete and submit an electronic Excel Spreadsheet that includes detailed costs for all Products per Attachment D-, including EPP products. If Offeror is submitting a Proposal for all categories on the Attachment D-1, Tab 1, All Categories spreadsheet, Offeror also may wish to submit an alternative Proposal on one or more of the individual category spreadsheets as well.

PLEASE NOTE: In the event Offeror fails to obtain a score of 80 points, as required under Section 5.4 of RFP for the All Categories category, if Offeror submits an alternative Proposal, Offeror could potentially obtain an award on one or more of the individual Categories. Therefore, Offeror may wish to submit an alternative Proposal on one or more of the individual categories listed in Tabs 2-16, as well.

4.2 Price and Rate Guarantee Period

The prices, rates and costs proposed in the Offeror's response will be valid for an initial term of one year after any resulting Master Agreement is signed. Offeror's cost proposal must describe how future cost increases will be minimized and capped and how both increases and decreases will be passed on to the Lead State if the Master Agreement is renewed after the initial term. The Offeror must explain the proposed process to implement cost changes, and how the Lead State will be notified. Any request for price or rate adjustment following the initial Master Agreement term, is detailed in Section 11 of the Master Agreement.

SECTION 5: Evaluation and Award

5.1 Additional Rounds for Evaluation: Discussions with Offerors - Oral Presentations

The Lead State may elect to conduct further evaluation and discussions with Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and/or written revisions of proposals. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Offerors.

The Lead State reserves the right to award on receipt of initial proposals without an opportunity for discussion or proposal revision, so Offerors are encouraged to submit their most favorable Proposal at the time established for receipt of Proposals.

5.2 Evaluation Process

Upon completion of the submittals and discussions, if any, the Proposals will be evaluated. The Lead State and an Evaluation Committee will score the Proposals. The Evaluation Committee currently consists of five members. The Lead State may, in its sole discretion, change the Evaluation Committee and may increase or decrease the number of evaluators.

Phase 1 of the Evaluation (Meets Minimum Requirements set forth is Section 3 of RFP (Pass/Fail)):

In the initial phase of the evaluation process, the Lead State will review all Proposals timely received, as set forth below:

```
Section 3.1 Yes___No__
Section 3.2 Yes___No__ (all subsections)
Section 3.3 Yes___No__ (all subsections)
Section 3.5 Yes___No__
```

In addition, the Lead State also shall separate the Proposals into the following groups based upon the submittals:

- Group 1: those Offerors submitting a Proposal for all Categories on a nationwide basis.
- Group 2: those Offerors submitting a Proposal for one or more Categories on a nationwide basis.
- Group 3: those Offerors submitting a Proposal for one or more Categories on a state basis.
- Group 4: those Offerors submitting a Proposal for one or more Categories on a regional basis.

The Proposals will be evaluated by appropriate group.

Right to Waive Minor Irregularities: Proposals received prior to Closing will be reviewed for Responsiveness to all RFP requirements including compliance with Minimum Requirements section and Proposal Content Requirements section. If the Proposal is unclear, the Lead State Contract Administrator may request clarification from Offeror. However, clarifications may not be used to rehabilitate a non-Responsive Proposal. If the Lead State Contract Administrator finds the Proposal non-Responsive, the Proposal may be rejected, however, the Lead State may waive mistakes in accordance with OAR 125-247-0470.

At any time prior to award, the Lead State may reject an Offeror found to be not Responsible.

Phase 2 of the Evaluation: Technical Proposal Evaluation (85 points)

The Evaluation Committee will score the Technical Proposals. Evaluators will assign a score for each evaluation criterion listed below up to the maximum points available in the Point and Score Calculation section and as further described in Attachments A, D, and D-1.

Proposals will be evaluated against the following Proposal evaluation criteria and scored as follows:

From Attachment A:	Possible Points		
6.2 Experience and Capabilities	20 pts		
6.3 Volume Discounts	10 pts		
6.5 Scope of Work	30 pts		
6.6 Administration and Marketing	20 pts		
6.7 Additional Services	5 pts		

Deserble Detate

Phase 3 of the Evaluation: Evaluation of Market Basket Cost Proposals: (40 points)

Each Offeror shall complete the Market Basket Cost Proposal, (Attachments D and D-1). The Evaluation of the Cost Proposal will be in two steps:

- · Step one will be based upon the responses on Attachment D.
- Step two will be based upon the responses on Attachment D-1. The Lead State will
 compare the total extended total offer price for all items in each category. The lowest
 cost will receive the maximum 35 points. All other Offerors will receive points as
 determined by the ratio* of their costs to the lowest cost. Final cost scores will be
 calculated based on the following:

Evaluation Criteria

Possible Points

Cost Proposal Attachment D
Cost Attachment D-1

5 pts 35 pts

The Lead State will compare the total extended total offer price for all items in each category. The lowest cost will receive the maximum 40 points. All other Offerors will receive points as determined by the ratio* of their costs to the lowest cost. Final cost scores will be calculated based on the following:

Offerors shall submit pricing on all line items listed for each category. If Offeror does not submit a price on a line item listed in each category under the "Extended Total Offer Price" column "O" listed in Tab 1 – 16 of Attachment D-1, the Lead State will deduct 1 point per line item left blank from the cost proposal score total given that Offeror.

*Ratio Calculation: Lead State will award a cost score to each Cost Proposal based upon the percentage of the proposed cost as compared to the lowest Offerors cost using the following formula:

Scoring of cost of Offerors who submit proposal Offer on Tab 1 for all categories:

lowest cost of all		anat mainta		cost
Offerors	X	cost points	=	cost
	^	possible	_	score
cost being scored		,		

Scoring cost of Offerors who submit proposal on "each" individual Tab 2 – 16 per category:

lowest cost of all Offerors	X	cost points possible	=	cost score
cost being scored		•		

The Lead State will total the two Cost Proposal Scores.

Offerors shall submit pricing on all line items listed for each category. If Offeror does not submit a price on a line item listed in each category under the "Extended Total Offer Price" column "0" listed in Tab 1-16 of Attachment D-1, the Lead State will deduct 1 point per line item left blank from the cost proposal score total given that Offeror.

Total Score: The Lead State will combine the scores from Phase 2 and Phase 3.

5.3 Sample Evaluation Score Sheet

Sample RFP Evaluation Score Sheet

TITLE OF SOLICITATION # Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

RFP EVALUATION SCORESHEET

		0 = Failure, no response
		o - Fallure, no response
		1 = Poor, inadequate, fails to meet requirement
Firm Name	t 1	2 = Fair, only partially responsive
Evaluator:		3 = Average, meets minimum requirement
Date:		4 = Above average, exceeds minimum requirement
		5 = Superior

	Evaluator (No)	Score (0-5)	Weight	Points
Demonstrated Ability to meet Products and Services Attachment A (85 points possible)				4
Section 6.2	20 pts possible		X 4	
Section 6.3	10 pts possible		X 2	
Section 6.5	30 pts possible		Χđ	
Section 6.6	20 pts possible		X 4	
Section 6.7	5 pts possible		X 1	
5. Cost (40 points possible)	40 pts possible			* Inserted by Lead State
Step One	5 pts possible		X 1	
Step Two	35 pts possible		X 7	
TOTAL EVALUATION POINTS	(125 pts possible)		Total	

5.4 Award of Master Agreement(s)

The Lead State intents to award a Master Agreement(s) on both a National level or a Regional level, to each Proposer with a combined total score in excess of 80 points in either the National level (i.e. the Proposer will receive an award for a National Master Agreement) or on a Regional level (i.e. the Proposer will receive an award on a Regional level).

Score will be assigned as follows:

5.5 Notice of Intent to Award

After a final selection(s) is made, the Lead State will issue a notice of intent-to-award announcement in ORPIN. Proposal files are public records and available for review at the offices of the Lead State by appointment.

5.6 Protest

A protest must be submitted in writing to the Lead State Contract Administrator identified in Section 1.2 of this RFP and must be received within seven (7) calendar days after the date of the notice of intent to award. Award protests must meet the requirements of Lead State's statutes, regulations and rules to be considered. The Lead State will not consider any protests that are received after this deadline.

The Lead State will address all timely submitted protests that are in accordance with their statutes, regulations and rules within a reasonable time following the Lead State's receipt of the protest and the Lead State will issue a written decision to the Offeror who submitted the protest. Protests that do not include the information required by the Lead State's statutes, regulations and rules may be rejected by Lead State. Lead State will receive protests in the following forms:

5.6.1 Protests must:

- Be emailed to the Lead State Contract Administrator
- Reference the RFP number
- Identify prospective Offeror's name and contact information
- Be sent by an authorized representative
- State the reason for the protest, including:
- The grounds that demonstrate how the procurement process is contrary to law, unnecessarily restrictive, legally flawed, or improperly specifies a brand name; and
- Evidence or documentation that supports the grounds on which the protest is based

5.6.2 Protest Response

DAS will respond timely to all protests submitted by the due date and time listed in the Schedule. Protests that are not received timely or do not include the required information may not be considered.

5.7 Post Award Formalization of the Master Agreement

The Lead State reserves the right during contract negotiation of the Master Agreement(s) to adjust terms and conditions that would not (in the Lead State's judgment) have a material effect on price, schedule, scope of work, or risk to the Lead State and Participating States, with materiality defined in terms of the effect on the evaluation and award. The Lead State reserves the right to accept contract or pricing changes that are more favorable to the Lead State.

Attachment A Description of Products and Services- Evaluation Criteria

THESE SECTIONS ARE MANDATORY- OFFERORS MUST MEET THE FOLLOWING CRITERIA FOR THEIR PROPOSAL TO BE ACCEPTED AND SCORED BY THE SOURCING TEAM

6.1. Categories

The scope of work consists of 15 categories. This proposal has been divided into categories with items that generally represent those most frequently purchased during the previous contract period including environmentally preferable options. Proposals will be considered from qualified offerors that can provide all products at minimum of one entire category listed below and be able to supply the products to a minimum of one entire State.

The United Nations Standard Products and Services Code (UNSPSC) codes are identified on Attachment D-1 to further describe each category.

Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)
Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)
Fasteners
Material Handling
Plumbing
Power Sources
Outdoor Garden
Lamps, Lighting, Ballasts
HVAC
Hand Tools
Power Tools (excluding automotive related tools and products)
Electrical
Paint
Security

6.2. Experience and Capabilities

This procurement contemplates a multi-state scope and may result in more than one award. The following are the weighted evaluation criteria for this procurement.

6.2.1. Experience in performance of comparable engagements/References;

Safety (does not include any public safety equipment)

- 6.2.1.1 ESB/MBE/WBE/DV & DBE Programs;
- 6.2.1.2 Growth Incentives;
- 6.2.1.3 The quality and availability of recycling or other sustainability programs, including products or services offered:
- 6.2.1.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered;
- 6.2.1.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products;

6.2.2. Conformance with the terms of this RFP;

- 6.2.2.1 Return Policy:
- 6.2.2.2 Distribution points;
- 6.2.2.3 Delivery;
- 6.2.2.4 Shipping;
- 6.2.2.5 Range of commodities offered;
- 6.2.2.6 Scope of geographical coverage offered:
- 6.2.2.7 Accurate and meaningful marking of green products in the on-line catalog when applicable;

6.2.3. Expertise and availability of key personnel;

- 6.2.3.1 Contract Management Retail Store/Will Call Availability;
- 6.2.3.2 The favorability of the terms under which the offeror will do business;

6.2.4. Demonstrated Competence;

- 6.2.4.1 Reporting Capabilities Disaster Recovery Plan;
- 6.2.4.2 Web based ordering System;
- 6.2.4.3 The number of available green environmentally preferable products that meet the solicitations specifications available, showing a robust supply of green products.

6.2.5. Reasonableness of pricing.

While the primary purpose of this solicitation is to select a offeror(s) who can offer the supplies for all Participating States, offerors are permitted to submit a proposal on more limited geographical areas, however, not less than one entire Participating State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all Participating States. However, if a Offeror elects to submit a Proposal for a single State then the Offeror must be willing to

supply the entire State and will not be allowed to add additional States following award or at any time during the term of the contract or any renewals.

A Participating State may evaluate and select an offeror for award in more limited geographical areas (e.g. A single state) where judged to be in the best interests of the State or States involved. Administration of any such award(s) will be done by the Participating State(s) involved unless the awarded contract includes the Lead State in its geographical area.

Participating States, and Purchasing Entities reserve the right to competitively solicit for additional sources for commodities during the contract term, where deemed to be in the best interests of the State(s) or entities involved. Further, Participating States may have existing awards for commodities within the scope of this solicitation.

Any Participating State reserves the right to award partial commodity categories or not participate in the award if deemed to not be in the best interests of that Participating State.

All pricing listed shall be ceiling prices with the option for Participating States to negotiate more favorable discounts for large orders.

Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

Products may be changed with thirty (30) day notice every six (6) months after initial term.

The Participating States and Purchasing Entities reserve the right to update product specifications based on changes in regulations, in addition to third party certification criteria.

The Participating State may elect to designate the resulting contracts as permissive, or mandatory.

6.3. VOLUME DISCOUNTS

6.3.1. General

Additional volume and other price discount options are encouraged, which can distinguish between individual order minimum quantities, cumulative volume discounts, and other discount terms that may be defined by the offeror. Extensions of additional discounts are not required but may be evaluated if offered.

6.3.2. Cumulative Ordering Volume Discounts

The offeror is invited to identify additional percentage discounts if total cumulative ordering volumes (by all Purchasing Entities) exceed an amount specified by the offeror. If the volume of total orders exceeds that amount in any quarter, the offered discount will apply to future orders during the term of the award(s), as extended through option exercises.

6.3.3. Additional Volume Discount for Minimum Order Quantity

The offeror is also invited to identify additional discounts for minimum order quantities. Purchasing Entities may consolidate purchases in order to take advantage of any volume discount extended by offeror for minimum orders, so long as a single delivery location at the discretion of the Purchasing Entity is specified.

6.3.4. Minimum Orders

No minimum dollar or item count is allowed on orders from Authorized Purchasers. Participating States reserves the right to authorize a minimum via their Participating Addendums.

6.4. ESTIMATED PURCHASES

The total purchase of any individual item on the contract is not known. The Purchasing Division has attempted to give an accurate estimate of probable purchases of each item for the contract period. The Purchasing Division does not guarantee that the Participating States will buy any or all estimated amounts of any specified item or any total amount.

6.5. SCOPE OF WORK

6.5.1. Ordering Capabilities

Orders resulting from this contract will be placed directly with the Offeror by the individual Purchasing Entity. The offeror must have toll free telephone, fax numbers and email address for use by those entities located outside of the offeror's toll free area. The offeror will ship and bill as requested by the purchasing agency. The purchasing agency will remit payment directly to the offeror. As an example, there are approximately 1,000 possible separate delivery locations within the State of Nevada. The number of locations will vary by Participating States.

Please supply your toll free telephone, facsimile number and email address.

In addition to the market basket items, Purchasing Entities will be allowed to order from a successful offeror's catalog(s) and website for delivery anywhere within the Participating States. NASPO ValuePoint requires internet catalogs.

6.5.2. F.O.B. Destination

Prices for all items associated with this contract are to be FOB Destination anywhere within the Participating State or geographic area offered. Any exceptions to this provision must be clearly stated as an exception to this document.

6.5.3. On-line Ordering

6.5.3.1 Successful offeror shall provide Internet Catalogs for all agencies as described below.

On-line	Catalogs	available?	Yes	No

- 6.5.3.2 Provide a descriptive narrative for the type of internet catalog offered, and a URL link.
- 6.5.3.3 Offerors must designate market basket items in their online catalogs for ease of ordering. What symbol or marking will you use to identify market basket items?
- 6.5.3.4 Offerors shall designate all environmental preferable products (EPP) in their on-line catalogs. Describe the designation (symbol) that you will use to identify these EPP products.
- 6.5.3.5 Offerors shall provide accurate and meaningful labeling of environmentally preferable products offered in the on-line catalog when applicable.
- 6.5.3.6 Offerors shall explain or describe what they do to clearly identify in their online catalogs and on their shelves how they designate all environmentally preferable products (EPP) that have received any of the following appropriate 3d-party designation certifications:

- (1) Biodegradable Products Institute (compostable bags, food service ware);
- (2) Consortium for Energy Efficiency (lamps);
- (3) Cradle to Cradle (building materials, construction adhesives, etc.);
- (4) Design Lights Consortium (LED lighting equipment);
- (5) ENERGY STAR (HVAC and lighting equipment);
- (6) Forest Stewardship Council (wood and paper products);
- (7) Green Seal (cleaners, hand soap, janitorial paper products, paint);
- (8) Master Painters Institute (MPI) Green Performance Standard (paints and coatings);
- (9) NEMA Premium Efficiency (motors, ballasts);
- (10) Scientific Certification Systems (SCS) Indoor Advantage Gold (building materials, furniture);
- (11) Scientific Certification Systems (SCS) FloorScore (carpet, flooring, flooring adhesives, underlayment, etc.);
- (12) UL GREENGUARD (adhesives, flooring, insulation, sealants, etc.);
- (13) UL EcoLogo (cleaners, deodorizers, hand soaps and sanitizers, floor polish and strippers, etc.);
- (14) USDA Biobased (lubricants, building materials, etc.);
- (15) USDA Organic;
- (16) US EPA Safer Choice (cleaners, hand soaps, deicers, floor maintenance chemicals);
- (17) WaterSense (water efficient fixtures, toilets, etc.);

Offerors shall also explain or describe how products meet the following standards are clearly identified:

- (18) Restriction of hazardous Substances (RoHS)
 Directive:
- (19)South Coast Air Quality Management District (SCAQMD) limits on volatile organic compounds (VOCs, which apply to adhesives, sealants, coatings, etc.)
- (20) US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs);
- (21) Rechargeable Batteries; and
- (22) Solar Powered Equipment.

Offerors may suggest other 3rd party certifications as applicable and include a description.

In addition, offer shall describe the designation (symbol) that you will use to identify these EPP products provided, including the certification or standard that it meets, and where a buyer would find clarification on the website about what the designation means.

6.5.4. E-commerce description

The successful offeror shall have a proven record of E Commerce capabilities, with the technology and support personnel to provide content deployment or punch out access to their online catalog, for the purpose of supporting the purchasing web sites of the Participating States. Provide a clear narrative addressing the statement above. Integration of a punch out site is required per Section 9d of the NASPO ValuePoint eMarket Center Section of Attachment B, NASPO ValuePoint Master Agreement Terms and Conditions.

- 6.5.5. E- Commerce and Web Catalog Capabilities
 - (1) Multiple search options from narrow options to specific search criteria;
 - (2) Display contract pricing;
 - (3) Have workflow management controls;

(4) On-line ordering capability;				
5) Order status and order tracking capabilities;				
(6) Order history;				
(7) Allow users to develop personal lists and profiles, and a secure means for storing procurement card information;				
(8) Online help to use site should be available at minimum during normal work hours.				
(9) Technical data, illustrations, Material Safety Data Sheets, parts availability, and access to web-based product sourcing is required;				
(10) Allow viewers to view on line Offeror's product availability by location;				
(11) Ability to block certain items or categories.				
(12)Ability to accept "P-Card" payments.				
(13)Web-based Catalog available?				
Yes No				
(14)Contract pricing available on line?				
YesNo				
15)Online workflow management?				
YesNo				
16)Order Status/Tracking Online?				
YesNo				
(17)Order History?				
YesNo				
(18) Personal Lists?				
Yes No				

	(19)On	line Availe	ability?			
			_Yes _	_No		
				nsure that your ed in your Catal	EPP products a logs?	are
	prioritiz	ing the Ef ite conver	PP products	in the online ca greener produc	s either through atalog, or by off fs?	
6.5.6	Storag	e Of Elec	tronic Data			
	6.5.6.1			ow the electronal be stored.	nic information	for each
					kup in the unlike mes unusable?	ely event
				escription of security and data	curity protocol i file security.	ncluding
6.5.7	Catalo	gs				
	catalog contra	gs to all ct. Offero	agencies u r to explain	pon request for	and/or compute or the duration entifies environ ertifications.	of this
6.5.8	Procui	ement Ca	rd Policy			
	6.5.8.1	procurem		as an accepta	the capability to able form of p	
	Procur	ement Ca	rds Accepte	ed?	Yes N	0
	6.5.8.2	Explain in card trans		reporting capa	abilities for proc	urement
6.5.9	Force	Substitu	tions			
	6.5.9.1				d. If an ordere	

for prior approval before substituting for the out of stock item. Explain your methodology for items that are discontinued or out of stock. This must include your substitution policy.

6.5.9.2 Explain how you will notify customers about out of stock items and how you will provide information about how the substituted product compares with the product that is out of stock.

6.5.10. Customer Service Representatives

- 6.5.10.1 Offerors shall provide each authorized purchaser with customer service representatives assigned to handle questions and resolve all problems that arise.
- 6.5.10.2 Service representatives shall be available, at a minimum, from 8:00 am to 5:00 pm in EACH time zone, Monday through Friday. Service representatives shall be available by phone (via local or toll free number), fax, or email during the required times for each participating state.
- 6.5.10.3 This solicitation is for all States and all time zones.

 Describe how you will manage the servicing of the contract for each time zone.
- 6.5.10.4 Provide an Emergency number and contact for afterhours use.
- 6.5.10.5 All service representatives shall have online access to account information and provide a timely response to inquiries concerning the status of orders (shipped or pending), delivery information, back-order information, contract pricing, category discounts, product availability, product information, account and billing questions, and contract compliance requirements.
- 6.5.10.6 Describe in detail the process that shall be used to ensure adequate service representatives will be available.

6.6. Administration and Marketing

6.6.1. Return Policy

What is your standard return policy?

6.6.2. Distribution Points

It is desirable that a successful offeror has inside and outside sales staff and distribution facilities located in all Participating States or geographic area offered. Offerors must provide the locations of their distribution points and information regarding sales staff for each Participating States or geographic area offered.

6.6.3. Contract Management

- 6.6.3.1 Describe the Offeror's strategy for contract management and sales support including roles and responsibilities as they relate to each participating state for each of the proposed account teams that will handle contract management issues.
- 6.6.3.2 It is desired that offerors have a representative(s) that has the sole responsibility of management of this NASPO ValuePoint contract. Provide a list the name(s) and title(s) of the dedicated representative(s) per region or State.
- 6.6.3.3 Does your contract management include customer training? Please provide a detailed narrative including, at a minimum, the following:
- 6.6.3.4 Sustainable Products (e.g., energy efficient, water efficient, low toxicity, recycled content, etc.);
- 6.6.3.5 Review of environmentally preferable products with third party certifications (see section 6.5.3.6 above for a list of some of the 3rd party certifications).
- 6.6.3.6 New products;
- 6.6.3.7 Equipment and operation- Manufacturer/certified set up and training;
- 6.6.3.8 Seminars and other learning opportunities;

6.6.4. Delivery

6.6.4.1 Delivery time for in-stock items should not exceed 24-48 hours for all points within in the Participating States. Non-stocked items must be delivered within 10 working days. The Participating States reserve the right to impose restrictions. Explain in detail your delivery policy.

- 6.6.4.2 Specify Guaranteed Delivery Time for In-Stock Items.
- 6.6.4.3 Specify Guaranteed Delivery Time for Non-Stock Items.
- 6.6.4.4 SDS must accompany all orders at the time of delivery (where applicable).
- 6.6.4.5 The Participating States expect high delivery standards from all contractors. Penalties may be imposed on contractors that have continual late deliveries. These penalties may include but are not limited to cancellation of orders, request for discounted pricing, non-use of an offending contractor or cancellation of the contractor's participating addendum(s).

6.6.5. Shipping

6.6.5.1 All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package:

> Authorized Purchaser; Delivery Address; Purchasing entity and floor; Contact; and Telephone number.

6.6.5.2 A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order:

Line item description;
Date ordered;
Quantity ordered;
Quantity included in shipment;
Any backordered items;
Unit Price and extension;
Number of parcels;
Purchase Order Number;
Purchasing entity name; and
F.O.B. Destination.

6.6.5.3 Describe in detail how your company has implemented environmentally sound shipping and transportation

practices. For example:

- Is your company a US EPA SmartWay Partner?
- Does your company use alternative fuel vehicles (e.g., electric, battery hybrid electric, bio-based diesel, etc.?
- Does your company reduce energy usage or other environmental impacts during shipping?

6.6.6. Implementation

- 6.6.6.1 Implementation of this contract is vital to the Participating States. Describe in detail your implementation program including an estimated time line to include at minimum the following points.
- 6.6.6.2 Describe in detail the Offeror's implementation plan, including all process steps.
- 6.6.6.3 Detail the specific information, resources, and assistance the offeror will require from each Participating State to implement the contract.
- 6.6.6.4 Describe how soon from execution of the Participating Addendum the online ordering system will be available to each Participating State. If a phased implementation is planned in terms of limited functionality vs. complete functionality, please specify.
- 6.6.6.5 Describe in detail the Offeror's experience when implementing customer relationships of equivalent size and complexity.
- 6.6.6.6 Describe any customization abilities for different States or political subdivisions within a Participating State.

6.6.7. Reporting Capabilities

6.6.7.1 The offeror shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. If there are other reports available at additional pricing, information on these reports is also required. Please note the reporting requirement in the NASPO ValuePoint terms and conditions; in addition states may have additional reporting requirements.

- 6.6.7.2 Explain your company auditing policy to ensure that pricing and services are in compliance with the contract. Explain your policy for revenue recovery in the event that any auditing reveals incorrect pricing.
- 6.6.7.3 Does your company provide a green product spend report? Please describe how your company reports environmentally preferable product purchases.

6.6.8. Sustainability/Environmental Practices

Sustainability and sound environmental practices are important to many of the Participating States. Thoroughly describe your sustainability and environmental practices that you currently have in place. This description should include the following:

(1) Sustainability Program

- a. Does your company have a corporate-wide sustainability policy? If yes, attach or provide a link to your sustainability policy as well as any related policy initiatives such as a Climate Action Plan, a Zero Waste Policy, a Toxics Reduction Strategy, or a Green Fleet Policy. Also, please summarize what your corporate sustainability policy directs your company to do.
- b. Describe the key elements of your company's sustainability program including sustainability staff positions, qualifications and training.
- c. Describe Proposer's environmental practices that are applicable to items that Proposer markets. Provide links to your published statements, policies and reports and summarize key accomplishments.

(2) Product Take Back/End of Life:

- a. Provide a list of products for which you provide end of life take-back and recycling (e.g. fluorescent lamps, batteries, solvents, metals, etc.). List subcontractors if any you use for these services. List any fees or conditions for these services. Certificates of Disposal must be provided for hazardous waste. This is an EPA requirement.
- b. Proposers are to minimize or eliminate the use of disposable containers; is made from recycled content or other bio-based fibers; is easily recyclable, contains a minimum of 25% by weight of post-consumer materials;

and/or meets or exceeds the minimum post-consumer content level for respective packaging in the U.S. Environmental Protection Agency Comprehensive Procurement Guidelines.

- c. Proposers are to provide packaging that does not contain inks, dyes, pigments, adhesives, stabilizers, or any other additives to which any lead, cadmium, mercury or hexavalent chromium has been included as an element during manufacture or distribution in such a way that the sum of the concentrations levels of such lead, cadmium, mercury or hexavalent chromium exceed the following concentration level: 100 parts per million by weight (0.01%).
- d. All drums shall remain the property of the supplier. Empty drums shall not become the property of the affected state entity under any circumstance or condition. All empty drums, including their respective caps, plugs, or bungs, shall be collected by the supplier within a reasonable time frame specified by the affected state entity for reuse or recycling via the most reasonable transport method.

(4) Product Choice:

a. Proposers green claims are consistent with the Federal Trade Commission's Green Guides. (for more information visit: https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides)

Yes	No
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- (5) Other Sustainability Practices:
 - a. Offerors may provide additional information their company's sustainability policies, practices and/or achievements. Attach appropriate documentation to substantiate claim.
- 6.6.9. Emerging Small Business, Minority Business Enterprise, Women Business Enterprise, And Disabled Veteran Owned Business.
 - 6.6.9.1 Some Participating States, may desire to purchase products and services from ESB/MBE/WBE/DV & DBE companies. Some Participating States may or may not have an ESB/MBE/WBE/DV & DBE program and therefore each state will integrate this desirable into its Participating Addendum, if applicable. In some Participating States, to qualify as an ESB/MBE/WBE/DV

& DBE supplier the listed companies must be registered with either the government or a recognized certifying entity and provide a certification type and number. Registered ESB/MBE/WBE/DV & DBE companies must be operating from a legitimate commercial site, carry all applicable insurance policies, required business licenses, and have operated continuously for at least two years. Please explain how the Offeror will provide opportunity for, ESB/MBE/WBE/DV & DBE companies.

- 6.6.9.2 At a minimum, the following policies and practices must be described in detail:
- 6.6.9.3 Describe in detail how the Offeror will work with the registered companies to determine what products can be a part of the contract.
- 6.6.9.4 Describe in detail how the Offeror will track all ESB/MBE/WBE/DV & DBE Products and services, including ordering, delivery, and invoicing.
- 6.6.9.5 Provide a list of Products that may be available to be purchased from ESB/MBE/WBE/DV & DBE companies under the proposed Contract.
- 6.6.9.6 Describe how Offeror will make best efforts to increase the number of Products available to Authorized Purchasers under the Contract acquired from ESB/MBE/WBE/DV & DBE businesses.
- 6.6.9.7 Describe what other products or services the Offeror can offer within a category that supports ESB/MBE/WBE/DV & DBE suppliers.
- 6.6.10. Community Rehabilitation Program (CRP) / Qualified Rehabilitative Facilities (QRF):

Describe how the Offeror supports the use of products and/or services sourced from QRF and the CRP programs.

- 6.6.11. Retail Store Purchases/Will Call:
 - 6.6.11.1 Describe the availability of contracted items through Offeror's branch locations. Please provide a list of branch

locations that provide a will call service in each of the Participating States.

6.6.11.2 Provide a narrative that explains how authorized purchasers will be able to make purchases at will call branch locations, make payment for those items and have those items included in the reporting.

6.6.12. Growth Incentives:

- 6.6.12.1 Describe in detail any contract growth incentives, e.g. larger revenue, different levels of discounts for large orders that may be offered to the Participating States/purchasing agency.
- 6.6.12.2 Describe in detail any incremental pricing incentives for on-line ordering verses fax or call in ordering.

6.7. Additional Services

6.7.1. Training

- 6.7.1.1. Offeror shall provide all training as necessary at no additional pricing to all Participating States on all aspects of ordering, online ordering, product delivery, product returns, EPP's, and customer service processes.
- 6.7.1.2 Describe in detail the Offeror's ability to offer training that may be required to ensure purchasing entities have a thorough understanding of all ordering processes including any online systems. No pricing for product training, safety training, or travel and per Diem.

6.7.2. Disaster Recovery

Please describe your emergency management plan to aid States during an emergency or disaster recovery. Be specific as to response time, supplies availability and other goods and services that you offer.

6.7.3. Installation, if applicable

Please describe Offeror's ability to provide installation services of products or equipment that Participating States may chose, if applicable to their States rules.

6.7.4. Value added solutions

Offerors are encouraged to suggest value added solutions that may improve the States use of the contracts and products offered. One such value-add is product sourcing.

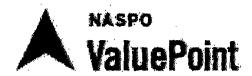
6.7.4.1 Sourced Products

- (1) Supplier sourced products is a product which is not currently listed in the suppliers contract catalog or on-line ordering system at the time of order receipt but is capable of being supplied through the offeror.
- (2) If the offeror is capable of supplying sourced products they must be direct line extension products which have a similar item to an established product category and the offeror must already have a publically recognized business partnership with the "brand".
- (3) The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge.

6.7.4.2 Vending Machines

- (1) Vending style machines that can dispense singular or multiple products with control type methods.
- (2) Offerors are encouraged to list their vending solutions.

Attachment B



NASPO ValuePoint Master Agreement

This NASPO ValuePoint Master Agreement ("Master Agreement") is between the State of Oregon, acting by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("DAS PS"), as the Lead State, on behalf of the member states of the NASPO ValuePoint Cooperative Purchasing Program and other Participating Entities and ______ ("Contractor"). This Master Agreement is effective on the date that it has been signed by the parties and has been approved as required by applicable law ("Effective Date").

1. Master Agreement Order of Precedence

- a. Any Order placed under this Master Agreement shall consist of the following documents:
 - (1) A Participating Entity's Participating Addendum ("PA"), substantially in the form attached hereto as Exhibit A;
 - (2) NASPO ValuePoint Master Agreement and its exhibits:

eMarket Center Addendum

Exhibit A - Sample Participating Addendum

Exhibit B - Description of Products and Services

Exhibit C - Provisions Required by Federal Law

Exhibit D - NASPO ValuePoint Detailed Sales Data Report Form

- (3) A Purchase Order issued against the Master Agreement;
- (4) Any terms and conditions provided electronically or online or as part of Product materials or descriptions or guidelines; and
- (5) Any Offeror's online or third party terms and conditions.
- b. These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above. Contractor terms and conditions that apply to this Master Agreement are only those that are expressly accepted by the Lead State and must be in writing and attached to this Master Agreement as an Exhibit or Attachment.

2. Definitions

Acceptance means a written notice from a Purchasing Entity to Contractor advising Contractor that the Product has passed its Acceptance Testing. Acceptance of a Product for which acceptance testing is not required shall occur following the completion of delivery, installation, if required, and a reasonable time for inspection of the Product, unless the Purchasing Entity provides a written notice of rejection to Contractor.

Acceptance Testing means the process for ascertaining that the Product meets the standards set forth in the section titled Standard of Performance and Acceptance, prior to Acceptance by the Purchasing Entity.

Contract means any Order or Purchase Order or other agreed upon ordering instrument issued by a Purchasing Entity under this Master Agreement, together with the terms and conditions of this Master Agreement.

Contractor means the person or entity delivering Products or performing services under the terms and conditions set forth in this Master Agreement.

Embedded Software means one or more software applications which permanently reside on a computing device.

Environmentally Preferable Product means products and services that have a lesser or reduced effect on human health and the environment when compared to competing products or services that serve the same purpose.

Intellectual Property means any and all patents, copyrights, service marks, trade marks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.

Lead State means the State centrally administering any resulting Master Agreement(s).

Master Agreement means the underlying agreement executed by and between the Lead State, acting on behalf of the members of the NASPO ValuePoint Cooperative Purchasing Program, and the Contractor, as now or hereafter amended.

NASPO ValuePoint is the NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, a 501(c)(3) limited liability company that is a subsidiary organization the National Association of State Procurement Officials (NASPO), the sole member of NASPO ValuePoint. NASPO ValuePoint facilitates administration of the NASPO cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. NASPO ValuePoint is identified in the Master Agreement as the recipient of reports and may perform contract administration functions relating to collecting and receiving reports as well as other contract administration functions as assigned by the Lead State.

Order or Purchase Order means any purchase order, sales order, contract or other document used by a Purchasing Entity to order the Products.

Participating Addendum means a bilateral agreement executed by a Contractor and a Participating Entity incorporating this Master Agreement and any other additional Participating Entity specific language or other requirements, e.g. ordering procedures specific to the Participating Entity, other terms and conditions.

Participating Entity means a state, or other legal entity, properly authorized to enter into a Participating Addendum.

Participating State means a state, the District of Columbia, or one of the territories of the United States that is listed in the Request for Proposal as intending to participate. Upon execution of the Participating Addendum, a Participating State becomes a Participating Entity; however, a Participating State listed in the Request for Proposals is not required to later participate in the Master Agreement

Product means any equipment, software (including embedded software), supplies, materials, commodities, goods, documentation or other deliverable supplied, offered, or created by the Contractor pursuant to this Master Agreement. The term Products, supplies, and products are used interchangeably in this Master Agreement.

Purchasing Entity means a state (as well as the District of Columbia and U.S territories), city, county, district, other political subdivision of a State, and a nonprofit organization under the laws of some states if authorized by a Participating Addendum, who issues a Purchase Order against the Master Agreement and becomes financially committed to the purchase.

Services means installation and additional services as defined in the Master Agreement.

3. Term of the Master Agreement; Non-exclusivity

- a. The initial term of this Master Agreement is for one (1) year. This Master Agreement may be extended beyond the original contract period for four (4) additional years at the Lead State's discretion and by mutual agreement and upon review of requirements of Participating Entities, current market conditions, and Contractor performance.
- b. This Master Agreement is not exclusive. Purchasing Entities retain the right to contract for Products or Services or both through any selection process authorized by law, or to perform the Services themselves. Neither NASPO ValuePoint nor the Lead State guarantees that any specific number of Contracts will be issued or that any specific amount of Products or Services will be required.

4. Amendments

The terms of this Master Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of the Lead State and Contractor.

5. Participants and Scope

- a. Contractor may not deliver Products under this Master Agreement until a Participating Addendum acceptable to the Participating Entity and Contractor is executed. The NASPO ValuePoint Master Agreement Terms and Conditions are applicable to any Order by a Participating Entity (and other Purchasing Entities covered by their Participating Addendum), except to the extent altered, modified, supplemented or amended by a Participating Addendum. By way of illustration and not limitation, this authority may apply to unique delivery and invoicing requirements, confidentiality requirements, defaults on Orders, governing law and venue relating to Orders by a Participating Entity, indemnification, and insurance requirements. Statutory or constitutional requirements relating to availability of funds may require specific language in some Participating Addenda in order to comply with applicable law. The expectation is that these alterations, modifications, supplements, or amendments will be addressed in the Participating Addendum or, with the consent of the Purchasing Entity and Contractor, may be included in the ordering document (e.g. purchase order or contract) used by the Purchasing Entity to place the Order.
- b. Use of specific NASPO ValuePoint cooperative Master Agreements by state agencies, political subdivisions and other Participating Entities (including cooperatives) authorized by individual state's statutes to use state contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the respective State Chief Procurement Official.
- c. Obligations under this Master Agreement are limited to those Participating Entities who have signed a Participating Addendum and Purchasing Entities within the scope of those Participating Addenda. States or other entities permitted to participate may use an informal competitive process to determine which Master Agreements to participate in through execution of a Participating Addendum. Financial obligations of Participating Entities who are states are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating Entities who are states incur no financial obligations on behalf of other Purchasing Entities. Contractor shall email a fully executed PDF copy of each Participating Addendum to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.
- d. NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, is not a party to the Master Agreement. It is a nonprofit cooperative purchasing organization assisting states in administering the NASPO cooperative purchasing program for state government departments, institutions, agencies and political subdivisions (e.g., colleges, school districts, counties, cities, etc.) for all 50 states, the District of Columbia and the territories of the United States.
- e. Participating Addenda shall not be construed to amend the following provisions in this Master Agreement between the Lead State and Contractor that prescribe NASPO ValuePoint Program requirements: Term of the Master Agreement; Amendments; Participants and Scope; Administrative Fee; NASPO ValuePoint Summary and Detailed Usage Reports; NASPO ValuePoint Cooperative Program Marketing and Performance

Review; NASPO ValuePoint eMarketCenter; Right to Publish; Price and Rate Guarantee Period; and Individual Customers. Any such language shall be void and of no effect.

- f. Participating Entities who are not states may under some circumstances sign their own Participating Addendum, subject to the consent to participation by the Chief Procurement Official of the state where the Participating Entity is located. Coordinate requests for such participation through NASPO ValuePoint. Any permission to participate through execution of a Participating Addendum is not a determination that procurement authority exists in the Participating Entity; they must ensure that they have the requisite procurement authority to execute a Participating Addendum.
- g. Resale. "Resale" means any payment in exchange for transfer of tangible goods, software, or assignment of the right to services. Subject to any specific conditions included in the solicitation or Contractor's proposal as accepted by the Lead State, or as explicitly permitted in a Participating Addendum, Purchasing Entities may not resell Products (the definition of which includes services that are deliverables). Absent any such condition or explicit permission, this limitation does not prohibit: payments by employees of a Purchasing Entity for Products; sales of Products to the general public as surplus property; and fees associated with inventory transactions with other governmental or nonprofit entities and consistent with a Purchasing Entity's laws and regulations. Any sale or transfer permitted by this subsection must be consistent with license rights granted for use of intellectual property.

6. Administrative Fees

- a. The Contractor shall pay to NASPO ValuePoint, or its assignee, a NASPO ValuePoint Administrative Fee of one-quarter of one percent (0.25% or 0.0025) no later than sixty (60) days following the end of each calendar quarter. The NASPO ValuePoint Administrative Fee shall be submitted quarterly and is based on all sales of products and services under the Master Agreement (less any charges for taxes or shipping). The NASPO ValuePoint Administrative Fee is not negotiable. This fee is to be included as part of the pricing submitted with proposal.
- b. Additionally, some states may require an additional fee be paid directly to the state only on purchases made by Purchasing Entities within that state. For all such requests, the fee level, payment method and schedule for such reports and payments will be incorporated into the Participating Addendum that is made a part of the Master Agreement. The Contractor may adjust the Master Agreement pricing accordingly for purchases made by Purchasing Entities within the jurisdiction of the state. All such agreements shall not affect the NASPO ValuePoint Administrative Fee percentage or the prices paid by the Purchasing Entities outside the jurisdiction of the state requesting the additional fee. The NASPO ValuePoint Administrative Fee in subsection 6a shall be based on the gross amount of all sales (less any charges for taxes or shipping) at the adjusted prices (if any) in Participating Addenda.

7. NASPO ValuePoint Summary and Detailed Usage Reports

In addition to other reports that may be required by this solicitation, the Contractor shall provide the following NASPO ValuePoint reports:

- a. Summary Sales Data. The Contractor shall submit quarterly sales reports directly to NASPO ValuePoint using the NASPO ValuePoint Quarterly Sales/Administrative Fee Reporting Tool found at http://www.naspo.org/WNCPO/Calculator.aspx. Any/all sales made under this Master Agreement shall be reported as cumulative totals by state. Even if Contractor experiences zero sales during a calendar quarter, a report is still required. Reports shall be due no later than thirty (30) days following the end of the calendar quarter (as specified in the reporting tool).
- b. Detailed Sales Data. Contractor shall also report detailed sales data by: (1) state; (2) entity/customer type, e.g. local government, higher education, K12, non-profit; (3) Purchasing Entity name; (4) Purchasing Entity bill-to and ship-to locations; (4) Purchasing Entity and Contractor Purchase Order identifier/number(s); (5) Purchase Order Type (e.g. sales order, credit, return, upgrade, determined by industry practices); (6) Purchase Order date; (7) Ship Date; (8) and line item description, including product number if used. The report shall be submitted in any form required by the solicitation. Reports are due on a quarterly basis and must be received by the Lead State and NASPO ValuePoint Cooperative Development Team no later than thirty (30) days after the end of the reporting period. Reports shall be delivered to the Lead State and to the NASPO ValuePoint Cooperative Development Team electronically through a designated portal, email, CD-ROM, flash drive or other method as determined by the Lead State and NASPO ValuePoint. Detailed sales data reports shall include sales information for all sales under Participating Addenda executed under this Master Agreement. The format for the detailed sales data report is in shown in Exhibit D.
- c. Reportable sales for the summary sales data report and detailed sales data report includes sales to employees for personal use where authorized by the solicitation and the Participating Addendum. Report data for employees should be limited to ONLY the state and entity they are participating under the authority of (state and agency, city, county, school district, etc.) and the amount of sales. No personal identification numbers, e.g. names, addresses, social security numbers or any other numerical identifier, may be submitted with any report.
- d. Contractor shall provide the NASPO ValuePoint Cooperative Development Coordinator with an executive summary each quarter that includes, at a minimum, a list of states with an active Participating Addendum, states that Contractor is in negotiations with and any Participating Addendum roll out or implementation activities and issues. NASPO ValuePoint Cooperative Development Coordinator and Contractor will determine the format and content of the executive summary. The executive summary is due thirty (30) days after the conclusion of each calendar quarter.
- e. Timely submission of these reports is a material requirement of the Master Agreement. The recipient of the reports shall have exclusive ownership of the media containing the reports. The Lead State and NASPO ValuePoint shall have a perpetual, irrevocable, non-exclusive, royalty free, transferable right to display, modify, copy, and otherwise use reports, data and information provided under this section.

8. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review

- a. Contractor agrees to work cooperatively with NASPO ValuePoint personnel. Contractor agrees to present plans to NASPO ValuePoint for the education of Contractor's contract administrator(s) and sales/marketing workforce regarding the Master Agreement contract, including the competitive nature of NASPO ValuePoint procurements, the Master agreement and participating addendum process, and the manner in which qualifying entities can participate in the Master Agreement.
- b. Contractor agrees, as Participating Addendums become executed, if requested by ValuePoint personnel to provide plans to launch the program within the participating state. Plans will include time frames to launch the agreement and confirmation that the Contractor's website has been updated to properly reflect the contract offer as available in the participating state.
- c. Contractor agrees, absent anything to the contrary outlined in a Participating Addendum, to consider customer proposed terms and conditions, as deemed important to the customer, for possible inclusion into the customer agreement. Contractor will ensure that their sales force is aware of this contracting option.
- d. Contractor agrees to participate in an annual contract performance review at a location selected by the Lead State and NASPO ValuePoint, which may include a discussion of marketing action plans, target strategies, marketing materials, as well as Contractor reporting and timeliness of payment of administration fees.
- e. Contractor acknowledges that the NASPO ValuePoint logos may not be used by Contractor in sales and marketing until a logo use agreement is executed with NASPO ValuePoint.
- f. The Lead State expects to evaluate the utilization of the Master Agreement at the annual performance review. Lead State may, in its discretion, cancel the Master Agreement pursuant to section 28, or not exercise an option to renew, when Contractor utilization does not warrant further administration of the Master Agreement. The Lead State may exercise its right to not renew the Master Agreement if vendor fails to record or report revenue for three consecutive quarters, upon 60-calendar day written notice to the Contractor. Cancellation based on nonuse or under-utilization will not occur sooner than two years after award (or execution if later) of the Master Agreement. This subsection does not limit the discretionary right of either the Lead State or Contractor to cancel the Master Agreement pursuant to section 28 or to terminate for default pursuant to section 30.
- g. Contractor agrees, within 30 days of their effective date, to notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-part contracts or agreements that may affect the promotion of this Master Agreements or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this master agreement. Upon request of the Lead State or NASPO

ValuePoint, Contractor shall provide a copy of any such provisions.

9. NASPO ValuePoint eMarket Center

- a. In July 2011, NASPO ValuePoint entered into a multi-year agreement with SciQuest, Inc. (doing business as JAGGAER) whereby JAGGAER will provide certain electronic catalog hosting and management services to enable eligible NASPO ValuePoint's customers to access a central online website to view and/or shop the goods and services available from existing NASPO ValuePoint Cooperative Contracts. The central online website is referred to as the NASPO ValuePoint eMarket Center.
- b. The Contractor will have visibility in the eMarket Center through Ordering Instructions. These Ordering Instructions are available at no cost to the Contractor and provide customers information regarding the Contractors website and ordering information. The Contractor is required at a minimum to participate in the eMarket Center through Ordering Instructions.
- c. At a minimum, the Contractor agrees to the following timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin Ordering Instruction process. The Contractor shall have thirty (30) days from receipt of written request to work with NASPO ValuePoint to provide any unique information and ordering instructions that the Contractor would like the customer to have.
- d. If the solicitation requires either a catalog hosted on or integration of a punchout site with eMarket Center, or either solution is proposed by a Contractor and accepted by the Lead State, the provisions of the eMarket Center Appendix to these NASPO ValuePoint Master Agreement Terms and Conditions apply.

10. Right to Publish

Throughout the duration of this Master Agreement, Contractor must secure from the Lead State prior approval for the release of information that pertains to the potential work or activities covered by the Master Agreement. This limitation does not preclude publication about the award of the Master Agreement or marketing activities consistent with any proposed and accepted marketing plan. The Contractor shall not make any representations of NASPO ValuePoint's opinion or position as to the quality or effectiveness of the services that are the subject of this Master Agreement without prior written consent. Failure to adhere to this requirement may result in termination of the Master Agreement for cause.

11. Price and Rate Guarantee Period

All prices and rates must be guaranteed for the initial term of the Master Agreement. Following the initial Master Agreement period, any request for price or rate adjustment must be for an equal guarantee period, and must be made at least (30) days prior to the effective date. Requests for price or rate adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the Master Agreement shall not be effective unless approved by the Lead State. No retroactive adjustments to prices or rates will be allowed.

12. Individual Customers

Except to the extent modified by a Participating Addendum, each Purchasing Entity shall follow the terms and conditions of the Master Agreement and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement, including but not limited to, any indemnity or right to recover any costs as such right is defined in the Master Agreement and applicable Participating Addendum for their purchases. Each Purchasing Entity will be responsible for its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Purchasing Entity individually.

Administration of Orders

13. Ordering

- a. Master Agreement order and purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.
- b. Purchasing Entities may define entity or project-specific requirements and informally compete the requirement among companies having a Master Agreement on an "as needed" basis. This procedure may also be used when requirements are aggregated or other firm commitments may be made to achieve reductions in pricing. This procedure may be modified in Participating Addenda and adapted to the Purchasing Entity's rules and policies. The Purchasing Entity may in its sole discretion determine which Master Agreement Contractors should be solicited for a quote. The Purchasing Entity may select the quote that it considers most advantageous, cost and other factors considered.
- c. Each Purchasing Entity will identify and utilize its own appropriate purchasing procedure and documentation. Contractor is expected to become familiar with the Purchasing Entities' rules, policies, and procedures regarding the ordering of supplies and/or services contemplated by this Master Agreement.
- d. Contractor shall not begin work without a valid Purchase Order or other appropriate commitment document under the law of the Purchasing Entity.
- e. Orders may be placed consistent with the terms of this Master Agreement during the term of the Master Agreement.
- f. All Orders pursuant to this Master Agreement, at a minimum, shall include:
 - (1) The Products, Services or Supplies being delivered;
 - (2) The place and requested time of delivery:
 - (3) A billing address;
 - (4) The name, phone number, and address of the Purchasing Entity representative;
 - (5) The price per hour or other pricing elements consistent with this Master Agreement and the contractor's proposal;

- (6) A ceiling amount of the order for services being ordered; and
- (7) The Master Agreement identifier.
- g. All communications concerning administration of Orders placed shall be furnished solely to the authorized purchasing agent within the Purchasing Entity's purchasing office, or to such other individual identified in writing in the Order.
- h. Orders must be placed pursuant to this Master Agreement prior to the termination date thereof, but may have a delivery date or performance period up to 120 days past the then-current termination date of this Master Agreement. Contractor is reminded that financial obligations of Purchasing Entities payable after the current applicable fiscal year are contingent upon agency funds for that purpose being appropriated, budgeted, and otherwise made available.
- i. Notwithstanding the expiration, cancellation or termination of this Master Agreement, Contractor agrees to perform in accordance with the terms of any Orders then outstanding at the time of such expiration or termination. Contractor shall not honor any Orders placed after the expiration, cancellation or termination of this Master Agreement, or otherwise inconsistent with its terms. Orders from any separate indefinite quantity, task orders, or other form of indefinite delivery order arrangement priced against this Master Agreement may not be placed after the expiration or termination of this Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.

14. Shipping and Delivery

- a. The prices are the delivered price to any Purchasing Entity. All deliveries shall be F.O.B. destination, freight pre-paid, with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage shall remain the Contractor's until final inspection and acceptance when responsibility shall pass to the Purchasing Entity except as to latent defects, fraud and Contractor's warranty obligations. The minimum shipment amount, if any, will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an Order to be shipped without transportation charges that is back ordered shall be shipped without charge.
- b. All deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the Order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order. Any damage to the building interior, scratched walls, damage to the freight elevator, etc., will be the responsibility of the Contractor. If damage does occur, it is the responsibility of the Contractor to immediately notify the Purchasing Entity placing the Order.
- c. All products must be delivered in the manufacturer's standard package. Costs shall include all packing and/or crating charges. Cases shall be of durable construction, good condition, properly labeled and suitable in every respect for storage and handling of contents. Each shipping carton shall be marked with the commodity, brand, quantity, item code number and the Purchasing Entity's Purchase Order number.

15. Laws and Regulations

Any and all Products offered and furnished shall comply fully with all applicable Federal and State laws and regulations, including the Federal Terms and Conditions set forth in Exhibit C.

16. Inspection and Acceptance

- a. Where the Master Agreement or an Order does not otherwise specify a process for inspection and Acceptance, this section governs. This section is not intended to limit rights and remedies under the applicable commercial code.
- b. All Products are subject to inspection at reasonable times and places before Acceptance. Contractor shall provide right of access to the Lead State, or to any other authorized agent or official of the Lead State or other Participating or Purchasing Entity, at reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance requirements under this Master Agreement. Products that do not meet specifications may be rejected. Failure to reject upon receipt, however, does not relieve the contractor of liability for material (nonconformity that substantial impairs value) latent or hidden defects subsequently revealed when goods are put to use. Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked.
- c. If any Services do not conform to contract requirements, the Purchasing Entity may require the Contractor to perform the services again in conformity with contract requirements, at no increase in Order amount. When defects cannot be corrected by reperformance, the Purchasing Entity may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and reduce the contract price to reflect the reduced value of services performed.
- d. The warranty period shall begin upon Acceptance.
- e. Acceptance Testing may be explicitly set out in a Master Agreement to ensure conformance to an explicit standard of performance. Acceptance Testing means the process set forth in the Master Agreement for ascertaining that the Product meets the standard of performance prior to Acceptance by the Purchasing Entity. If Acceptance Testing is prescribed, this subsection applies to applicable Products purchased under this Master Agreement, including any additional, replacement, or substitute Product(s) and any Product(s) which are modified by or with the written approval of Contractor after Acceptance by the Purchasing Entity. The Acceptance Testing period shall be thirty (30) calendar days or other time period identified in this Master Agreement or the Participating Addendum, starting from the day after the Product is delivered or, if installed, the day after the Product is installed and Contractor certifies that the Product is ready for Acceptance Testing. If the Product does not meet the standard of performance during the initial period of Acceptance Testing, Purchasing Entity may, at its discretion, continue Acceptance Testing on a day-to-day basis until the standard of performance is met. Upon

rejection, the Contractor will have fifteen (15) calendar days to cure the standard of performance issue(s). If after the cure period, the Product still has not met the standard of performance, the Purchasing Entity may, at its option: (a) declare Contractor to be in breach and terminate the Order; (b) demand replacement Product from Contractor at no additional cost to Purchasing Entity; or, (c) continue the cure period for an additional time period agreed upon by the Purchasing Entity and the Contractor. Contractor shall pay all costs related to the preparation and shipping of Product returned pursuant to the section. No Product shall be deemed Accepted and no charges shall be paid until the standard of performance is met. The warranty period shall begin upon Acceptance.

17. Payment

Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to a maximum rate of one percent per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge.

18. Warranty

Warranty provisions govern where specified elsewhere in the documents that constitute the Master Agreement; otherwise this section governs. The Contractor warrants for a period of one year from the date of Acceptance that: (a) the Product performs according to all specific claims that the Contractor made in its response to the solicitation, (b) the Product is suitable for the ordinary purposes for which such Product is used, (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgment, (d) the Product is designed and manufactured in a commercially reasonable manner, and (e) the Product is free of defects. Upon breach of the warranty, the Contractor will repair or replace (at no charge to the Purchasing Entity) the Product whose nonconformance is discovered and made known to the Contractor. If the repaired and/or replaced Product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

19. Title of Product

Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Product free and clear of all liens, encumbrances, or other security interests. Transfer of title to the Product shall include an irrevocable and perpetual license to use any Embedded Software in the Product. If Purchasing Entity subsequently transfers title of the Product to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Product title. A subsequent transfer of this software license shall be at no additional cost or charge to either Purchasing Entity or Purchasing Entity's transferee.

20. License of Pre-Existing Intellectual Property

Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the Intellectual Property, and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). The Contractor shall be responsible for ensuring that this license is consistent with any third party rights in the Pre-existing Intellectual Property.

General Provisions

21. Insurance

- a. Unless otherwise agreed in a Participating Addendum, Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state and having a rating of A, Class VII or better, in the most recently published edition of A.M. Best's Insurance Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a Participating Entity's option, result in termination of its Participating Addendum.
- b. Coverage shall be written on an occurrence basis. The minimum acceptable limits shall be as indicated below:
 - (1) Commercial General Liability covering premises operations, independent contractors, products and completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence/\$2 million general aggregate;
 - (2) Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.
- c. Contractor shall pay premiums on all insurance policies. Contractor shall provide notice to a Participating Entity who is a state within five (5) business days after Contractor is first aware of expiration, cancellation or nonrenewal of such policy or is first aware that cancellation is threatened or expiration, nonrenewal or expiration otherwise may occur.
- d. Prior to commencement of performance, Contractor shall provide to the Lead State a written endorsement to the Contractor's general liability insurance policy or other documentary evidence acceptable to the Lead State that (1) names Oregon, and the Participating States identified in the Request for Proposal as additional insureds, (2) provides that written notice of cancellation shall be delivered in accordance with the policy provisions, and (3) provides that the Contractor's liability insurance policy shall be primary, with any liability insurance of any Participating State as secondary and noncontributory. Unless otherwise agreed in any Participating Addendum, other state Participating Entities' rights and Contractor's obligations are the same as those specified

in the first sentence of this subsection except the endorsement is provided to the applicable state.

- e. Contractor shall furnish to the Lead State copies of certificates of all required insurance in a form sufficient to show required coverage within thirty (30) calendar days of the execution of this Master Agreement and prior to performing any work. Copies of renewal certificates of all required insurance shall be furnished within thirty (30) days after any renewal date to the applicable state Participating Entity. Failure to provide evidence of coverage may, at the sole option of the Lead State, or any Participating Entity, result in this Master Agreement's termination or the termination of any Participating Addendum.
- f. Coverage and limits shall not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Purchase Order.

22. Records Administration and Audit

- a. The Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Agreement and Orders placed by Purchasing Entities under it to the extent and in such detail as shall adequately reflect performance and administration of payments and fees. Contractor shall permit the Lead State, a Participating Entity, a Purchasing Entity, the federal government (including its grant awarding entities and the U.S. Comptroller General), and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers and records directly pertinent to this Master Agreement or orders placed by a Purchasing Entity under it for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of five (5) years following termination of this Agreement or final payment for any order placed by a Purchasing Entity against this Agreement, whichever is later, or such longer period as is required by the Purchasing Entity's state statutes, to assure compliance with the terms hereof or to evaluate performance hereunder.
- b. Without limiting any other remedy available to any governmental entity, the Contractor shall reimburse the applicable Lead State, Participating Entity, or Purchasing Entity for any overpayments inconsistent with the terms of the Master Agreement or Orders or underpayment of fees found as a result of the examination of the Contractor's records.
- c. The rights and obligations herein exist in addition to any quality assurance obligation in the Master Agreement requiring the Contractor to self-audit contract obligations and that permits the Lead State to review compliance with those obligations.

23. Confidentiality, Non-Disclosure, and Injunctive Relief

a. Confidentiality. Contractor acknowledges that it and its employees or agents may, in the course of providing a Product under this Master Agreement, be exposed to or acquire information that is confidential to Purchasing Entity or Purchasing Entity's clients. Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Master Agreement, including, but not necessarily limited to (1) any Purchasing Entity's records, (2) personnel records, and (3) information concerning

individuals, is confidential information of Purchasing Entity ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information. Confidential Information does not include information that (1) is or becomes (other than by disclosure by Contractor) publicly known; (2) is furnished by Purchasing Entity to others without restrictions similar to those imposed by this Master Agreement; (3) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement; (4) is obtained from a source other than Purchasing Entity without the obligation of confidentiality, (5) is disclosed with the written consent of Purchasing Entity or; (6) is independently developed by employees, agents or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

- b. Non-Disclosure. Contractor shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance of Orders placed under this Master Agreement. Contractor shall advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise Purchasing Entity, applicable Participating Entity, and the Lead State immediately if Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Master Agreement, and Contractor shall at its expense cooperate with Purchasing Entity in seeking injunctive or other equitable relief in the name of Purchasing Entity or Contractor against any such person. Except as directed by Purchasing Entity, Contractor will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at Purchasing Entity's request, Contractor shall turn over to Purchasing Entity all documents, papers, and other matter in Contractor's possession that embody Confidential Information. Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits and evidence of the performance of this Master Agreement.
- c. Injunctive Relief. Contractor acknowledges that breach of this section, including disclosure of any Confidential Information, will cause irreparable injury to Purchasing Entity that is inadequately compensable in damages. Accordingly, Purchasing Entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Purchasing Entity and are reasonable in scope and content.

- d. Purchasing Entity Law. These provisions shall be applicable only to extent they are not in conflict with the applicable public disclosure laws of any Purchasing Entity.
- e. The rights granted Purchasing Entities and Contractor obligations under this section shall also extend to the cooperative's Confidential Information, defined to include Participating Addenda, as well as Orders or transaction data relating to Orders under this Master Agreement that identify the entity/customer, Order dates, line item descriptions and volumes, and prices/rates. This provision does not apply to disclosure to the Lead State, a Participating State, or any governmental entity exercising an audit, inspection, or examination pursuant to section 23. To the extent permitted by law, Contractor shall notify the Lead State of the identify of any entity seeking access to the Confidential Information described in this subsection.

24. Public Information

This Master Agreement and all related documents are subject to disclosure pursuant to the Purchasing Entity's public information laws.

25. Assignment/Subcontracts

- a. Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Master Agreement, in whole or in part, without the prior written approval of the Lead State.
- b. The Lead State reserves the right to assign any rights or duties, including written assignment of contract administration duties to NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint and other third parties.

26. Changes in Contractor Representation

The Contractor must notify the Lead State of changes in the Contractor's key administrative personnel managing the Master Agreement in writing within 10 calendar days of the change. The Lead State reserves the right to approve changes in key personnel, as identified in the Contractor's proposal. The Contractor agrees to propose replacement key personnel having substantially equal or better education, training, and experience as was possessed by the key person proposed and evaluated in the Contractor's proposal.

27. Independent Contractor

The Contractor shall be an independent contractor. Contractor shall have no authorization, express or implied, to bind the Lead State, Participating States, other Participating Entities, or Purchasing Entities to any agreements, settlements, liability or understanding whatsoever, and agrees not to hold itself out as agent except as expressly set forth herein or as expressly agreed in any Participating Addendum.

28. Cancellation

Unless otherwise stated, this Master Agreement may be canceled by either party upon 60 days written notice prior to the effective date of the cancellation. Further, any Participating Entity may cancel its participation upon 30 days written notice, unless otherwise limited or stated in the Participating Addendum. Cancellation may be in whole

or in part. Any cancellation under this provision shall not affect the rights and obligations attending orders outstanding at the time of cancellation, including any right of a Purchasing Entity to indemnification by the Contractor, rights of payment for Products delivered and accepted, rights attending any warranty or default in performance in association with any Order, and requirements for records administration and audit. Cancellation of the Master Agreement due to Contractor default may be immediate.

29. Force Majeure

Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, unusually severe weather, other acts of God, or war which are beyond that party's reasonable control. The Lead State may terminate this Master Agreement after determining such delay or default will reasonably prevent successful performance of the Master Agreement.

30. Defaults and Remedies

- a. The occurrence of any of the following events shall be an event of default under this Master Agreement:
 - (1) Nonperformance of contractual requirements; or
 - (2) A material breach of any term or condition of this Master Agreement; or
 - (3) Any certification, representation or warranty by Contractor in response to the solicitation or in this Master Agreement that proves to be untrue or materially misleading; or
 - (4) Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
 - (5) Any default specified in another section of this Master Agreement.
- b. Upon the occurrence of an event of default, the Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of 15 calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure shall not diminish or eliminate Contractor's liability for damages, including liquidated damages to the extent provided for under this Master Agreement.
- c. If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Master Agreement and the Lead State shall have the right to exercise any or all of the following remedies:
 - (1) Exercise any remedy provided by law; and
 - (2) Terminate this Master Agreement and any related Contracts or portions thereof; and

- (3) Impose liquidated damages as provided in this Master Agreement; and
- (4) Suspend Contractor from being able to respond to future bid solicitations; and
- (5) Suspend Contractor's performance; and
- (6) Withhold payment until the default is remedied.

d. Unless otherwise specified in the Participating Addendum, in the event of a default under a Participating Addendum, a Participating Entity shall provide a written notice of default as described in this section and shall have all of the rights and remedies under this paragraph regarding its participation in the Master Agreement, in addition to those set forth in its Participating Addendum. Unless otherwise specified in a Purchase Order, a Purchasing Entity shall provide written notice of default as described in this section and have all of the rights and remedies under this paragraph and any applicable Participating Addendum with respect to an Order placed by the Purchasing Entity. Nothing in these Master Agreement Terms and Conditions shall be construed to limit the rights and remedies available to a Purchasing Entity under the applicable commercial code.

31. Waiver of Breach

Failure of the Lead State, Participating Entity, or Purchasing Entity to declare a default or enforce any rights and remedies shall not operate as a waiver under this Master Agreement or Participating Addendum. Any waiver by the Lead State, Participating Entity, or Purchasing Entity must be in writing. Waiver by the Lead State or Participating Entity of any default, right or remedy under this Master Agreement or Participating Addendum, or by Purchasing Entity with respect to any Purchase Order, or breach of any terms or requirements of this Master Agreement, a Participating Addendum, or Purchase Order shall not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement, Participating Addendum, or Purchase Order.

32. Debarment

The Contractor certifies 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. This certification represents a recurring certification made at the time any Order is placed under this Master Agreement. If the Contractor cannot certify this statement, attach a written explanation for review by the Lead State.

33. Indemnification

a. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, and Purchasing Entities, along with their officers and employees, from and against third-party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to tangible property arising from act(s), error(s), or omission(s) of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to the performance under the Master Agreement.

b. Indemnification – Intellectual Property. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, Purchasing Entities, along with their officers and employees ("Indemnified Party"), from and against claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of the claim that the Product or its use, infringes Intellectual Property rights ("Intellectual Property Claim") of another person or entity.

- (1) The Contractor's obligations under this section shall not extend to any combination of the Product with any other product, system or method, unless the Product, system or method is:
 - (a) provided by the Contractor or the Contractor's subsidiaries or affiliates;
 - (b) specified by the Contractor to work with the Product; or
 - (c) reasonably required, in order to use the Product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available product, system or method capable of performing the same function; or
 - (d) It would be reasonably expected to use the Product in combination with such product, system or method.
- (2) The Indemnified Party shall notify the Contractor within a reasonable time after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party fails to provide reasonable notice, the Contractor shall not be relieved from its obligations unless the Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to the Contractor. If the Contractor promptly and reasonably investigates and defends any Intellectual Property Claim, it shall have control over the defense and settlement of it. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible. The Indemnified Party shall furnish, at the Contractor's reasonable request and expense, information and assistance necessary for such defense. If the Contractor fails to vigorously pursue the defense or settlement of the Intellectual Property Claim, the indemnified Party may assume the defense or settlement of it and the Contractor shall be liable for all costs and expenses, including reasonable attorneys' fees and related costs. incurred by the Indemnified Party In the pursuit of the Intellectual Property Claim. Unless otherwise agreed in writing, this section is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.

34. No Waiver of Sovereign Immunity

In no event shall this Master Agreement, any Participating Addendum or any contract or any Purchase Order issued thereunder, or any act of the Lead State, a Participating Entity, or a Purchasing Entity be a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh

Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

This section applies to a claim brought against the Participating Entities who are states only to the extent Congress has appropriately abrogated the state's sovereign immunity and is not consent by the state to be sued in federal court. This section is also not a waiver by the state of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

35. Governing Law and Venue

- a. The procurement, evaluation, and award of the Master Agreement shall be governed by and construed in accordance with the laws of the Lead State sponsoring and administering the procurement. The construction and effect of the Master Agreement after award shall be governed by the law of the state serving as Lead State. The construction and effect of any Participating Addendum or Order against the Master Agreement shall be governed by and construed in accordance with the laws of the Participating Entity's or Purchasing Entity's State.
- b. Unless otherwise specified in the RFP, the venue for any protest, claim, dispute or action relating to the procurement, evaluation, and award is in the Lead State. Venue for any claim, dispute or action concerning the terms of the Master Agreement shall be in the state serving as Lead State. Venue for any claim, dispute, or action concerning any Order placed against the Master Agreement or the effect of a Participating Addendum shall be in the Purchasing Entity's State.
- c. If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): the Lead State for claims relating to the procurement, evaluation, award, or contract performance or administration if the Lead State is a party; a Participating State if a named party; the state where the Participating Entity or Purchasing Entity is located if either is a named party.

36. Assignment of Antitrust Rights

Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or a Participating Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided in that state for the purpose of carrying out the Contractor's obligations under this Master Agreement or Participating Addendum, including, at the Participating Entity's option, the right to control any such litigation on such claim for relief or cause of action.

37. Contract Provisions for Orders Utilizing Federal Funds

Pursuant to Appendix II to 2 Code of Federal Regulations (CFR) Part 200, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Orders funded with federal funds may have additional contractual requirements or certifications that must be

satisfied at the time the Order is placed or upon delivery. These federal requirements may be proposed by Participating Entities in Participating Addenda and Purchasing Entities for incorporation in Orders placed under this Master Agreement.

38. Leasing or Alternative Financing Methods

Authorized Signatures:

The procurement and other applicable laws of some Purchasing Entities may permit the use of leasing or alternative financing methods for the acquisition of Products under this Master Agreement. Where the terms and conditions are not otherwise prescribed in an applicable Participating Addendum, the terms and conditions for leasing or alternative financing methods are subject to negotiation between the Contractor and Purchasing Entity.

Contractor:	
Ву:	-
Title:	Date:
The State of Oregon acting by and through its Departm Administrative Services, Enterprise Goods and Service Procurement Services	
Ву:	-
Title:	Date:
Approved pursuant to ORS 291.047	
Oregon Department of Justice	
By: Sr. Assistant Attorney General	
Date:	

eMarket Center Appendix

- a. This Appendix applies whenever a catalog hosted by or integration of a punchout site with eMarket Center is required by the solicitation or either solution is proposed by a Contractor and accepted by the Lead State.
- b. Supplier's Interface with the eMarket Center. There is no cost charged by JAGGAER to the Contractor for loading a hosted catalog or integrating a punchout site.
- c. At a minimum, the Contractor agrees to the following:
- (1) Implementation Timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin enablement process. The Contractor shall have fifteen (15) days from receipt of written request to work with NASPO ValuePoint and JAGGAER to set up an enablement schedule, at which time JAGGAER's technical documentation shall be provided to the Contractor. The schedule will include future calls and milestone dates related to test and go live dates. The contractor shall have a total of Ninety (90) days to deliver either a (1) hosted catalog or (2) punch-out catalog, from date of receipt of written request.
- (2) NASPO ValuePoint and JAGGAER will work with the Contractor, to decide which of the catalog structures (either hosted or punch-out as further described below) shall be provided by the Contractor. Whether hosted or punch-out, the catalog must be strictly limited to the Contractor's awarded contract offering (e.g. products and/or services not authorized through the resulting cooperative contract should not be viewable by NASPO ValuePoint Participating Entity users).
 - (a) Hosted Catalog. By providing a hosted catalog, the Contractor is providing a list of its awarded products/services and pricing in an electronic data file in a format acceptable to JAGGAER, such as Tab Delimited Text files. In this scenario, the Contractor must submit updated electronic data [Insert Time Frame Here] to the eMarket Center for the Lead State's approval to maintain the most upto-date version of its product/service offering under the cooperative contract in the eMarket Center.
 - (b) Punch-Out Catalog. By providing a punch-out catalog, the Contractor is providing its own online catalog, which must be capable of being integrated with the eMarket Center as a. Standard punch-in via Commerce eXtensible Markup Language (cXML). In this scenario, the Contractor shall validate that its online catalog is up-to-date by providing a written update every six months to the Lead State stating they have audited the offered products/services and pricing listed on its online catalog. The site must also return detailed UNSPSC codes (as outlined in line 3) for each line item. Contractor also agrees to provide e-Quote functionality to facilitate volume discounts.
- d. Revising Pricing and Product Offerings: Any revisions to product/service offerings (new products, altered SKUs, new pricing etc.) must be pre-approved by the Lead State and shall be subject to any other applicable restrictions with respect to the frequency or

amount of such revisions. However, no cooperative contract enabled in the eMarket Center may include price changes on a more frequent basis than once per quarter. The following conditions apply with respect to hosted catalogs:

- (1) Updated pricing files are required by the 1st of the month and shall go into effect in the eMarket Center on the 1st day of the following month (i.e. file received on 1/01/13 would be effective in the eMarket Center on 2/01/13). Files received after the 1st of the month may be delayed up to a month (i.e. file received on 11/06/09 would be effect in the eMarket Center on 1/01/10).
- (2) Lead State-approved price changes are not effective until implemented within the eMarket Center. Errors in the Contractor's submitted pricing files will delay the implementation of the price changes in eMarket Center.
- e. Supplier Network Requirements: Contractor shall join the JAGGAER Supplier Network (SQSN) and shall use JAGGAER's Supplier Portal to import the Contractor's catalog and pricing, into the JAGGAER system, and view reports on catalog spend and product/pricing freshness. The Contractor can receive orders through electronic delivery (cXML) or through low-tech options such as fax. More information about the SQSN can be found at: www.sciquest.com or call the JAGGAER Supplier Network Services team at 800-233-1121.
- f. Minimum Requirements: Whether the Contractor is providing a hosted catalog or a punch-out catalog, the Contractor agrees to meet the following requirements:
- (1) Catalog must contain the most current pricing, including all applicable administrative fees and/or discounts, as well as the most up-to-date product/service offering the Contractor is authorized to provide in accordance with the cooperative contract; and
- (2) The accuracy of the catalog must be maintained by Contractor throughout the duration of the cooperative contract; and
 - (3) The Catalog must include a Lead State contract identification number; and
 - (4) The Catalog must include detailed product line item descriptions; and
 - (5) The Catalog must include pictures when possible; and
- (6) The Catalog must include any additional NASPO ValuePoint and Participating Addendum requirements. Although suppliers in the SQSN normally submit one (1) catalog, it is possible to have multiple contracts applicable to different NASPO ValuePoint Participating Entities. For example, a supplier may have different pricing for state government agencies and Board of Regents institutions. Suppliers have the ability and responsibility to submit separate contract pricing for the same catalog if applicable. The system will deliver the appropriate contract pricing to the user viewing the catalog.

- g. Order Acceptance Requirements: Contractor must be able to accept Purchase Orders via fax or cXML. The Contractor shall provide positive confirmation via phone or email within 24 hours of the Contractor's receipt of the Purchase Order. If the Purchasing Order is received after 3pm EST on the day before a weekend or holiday, the Contractor must provide positive confirmation via phone or email on the next business day.
- h. UNSPSC Requirements: Contractor shall support use of the United Nations Standard Product and Services Code (UNSPSC). UNSPSC versions that must be adhered to are driven by JAGGAER for the suppliers and are upgraded every year. NASPO ValuePoint reserves the right to migrate to future versions of the UNSPSC and the Contractor shall be required to support the migration effort. All line items, goods or services provided under the resulting statewide contract must be associated to a UNSPSC code. All line items must be identified at the most detailed UNSPSC level indicated by segment, family, class and commodity.
- i. Applicability: Contractor agrees that NASPO ValuePoint controls which contracts appear in the eMarket Center and that NASPO ValuePoint may elect at any time to remove any supplier's offering from the eMarket Center.
- j. The Lead State reserves the right to approve the pricing on the eMarket Center. This catalog review right is solely for the benefit of the Lead State and Participating Entities, and the review and approval shall not waive the requirement that products and services be offered at prices (and approved fees) required by the Master Agreement.
- k. Several NASPO ValuePoint Participating Entities currently maintain separate JAGGAER eMarketplaces, these Participating Entities do enable certain NASPO ValuePoint Cooperative Contracts. In the event one of these entities elects to use this NASPO ValuePoint Cooperative Contract (available through the eMarket Center) but publish to their own eMarketplace, the Contractor agrees to work in good faith with the entity and NASPO ValuePoint to implement the catalog. NASPO ValuePoint does not anticipate that this will require substantial additional efforts by the Contractor; however, the supplier agrees to take commercially reasonable efforts to enable such separate JAGGAER catalogs.

(August 2017)

Exhibit A to NASPO ValuePoint Master Agreement

SAMPLE PARTICIPATING ADDENDUM

MASTER AGREEMENT # _____
Exhibit ___
FORM PARTICIPATING ADDENDUM

NASPO ValuePoint
PARTICIPATING ADDENDUM

Maintenance and Facilities Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #:	
Contractor:	(Contractor)
Participating Entity:	State of XXXXX

The following Goods or services are included in this Addendum:

 <u>Removable Example</u>: All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

The following Goods or services are not included in this Addendum:

- Removable Example: Product modifications.
- · Removable Example: Installation services.

Master Agreement Terms and Conditions:

 Scope: This addendum covers the Maintenance and Facilities Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State [or State Entity] authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.

[Removable Instruction: Participating States should ensure that paragraph 2 properly defines the scope of participation. The model language in paragraph enables participation by all political subdivisions, institutions of higher education, and other entities included in the state's statewide contract program.]

Participation: This NASPO ValuePoint Master Agreement may be used by all state
agencies, institutions of higher institution, political subdivisions and other entities
authorized to use statewide contracts in the State of [xxxxxxx]. Issues of
interpretation and eligibility for participation are solely within the authority of the State
Chief Procurement Official.

as follows (or their nar	eprimary contact individuals for this Participating Addendum are med successors):
Contractor	
Name:	
Address:	
Telephone:	
Fax:	
Email:	
Participating Entity	
Name:	
Address:	
Telephone:	
Fax:	
Email:	
These modifications or a Participating Entity.	fications Or Additions To The Master Agreement additions apply only to actions and relationships within the sheck one of the boxes below.
No changes to the te	rms and conditions of the Master Agreement are required.
The following change and conditions.	s are modifying or supplementing the Master Agreement terms
conditions. Indicate which	nsert text here to address specific changes to the terms and section numbers of the Master Agreement are modified. If no eck the box above and delete this paragraph.]
5. Lease Agreements: [If lease agreement terms	applicable, insert a statement about whether or not equipment s and conditions included in the Master Agreement have been

- 5. Lease Agreements: [If applicable, insert a statement about whether or not equipment lease agreement terms and conditions included in the Master Agreement have been approved for use by the Participating State and any restrictions or requirements for the use of the lease agreement language in the Master Agreement. If not applicable, mark Section 4 as "Reserved".]
- 6. <u>Subcontractors</u>: All contactors, dealers, and resellers authorized in the State of [xxxxxx], as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.

7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor:
Signature:	Signature:
Name:	Name;
Title:	Title:
Date:	Date:

[Additional signatures may be added if required by the Participating Entity] For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator:	Shannon Berry
Telephone:	775-720-3404
Email:	sberrry@naspovaluepoint.org

[Please email fully executed PDF copy of this document to

PA@naspovaluepoint.org
to support documentation of participation and posting in appropriate data bases.]

Exhibit B to NASPO ValuePoint Master Agreement Description of Products and Services

Exhibit C to NASPO ValuePoint Master Agreement PROVISIONS REQUIRED BY FEDERAL LAW

Without limiting the generality of Section 15 of the Master Agreement, if applicable, Contractor shall comply and, as indicated, cause all subcontractors to comply with the following federal requirements. For purposes of this Master Agreement, all references to federal laws are references to federal laws as they may be amended from time to time.

- 1. Equal Employment Opportunity. If this Master Agreement, Including amendments, is for more than \$10,000, then Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- 2. Clean Air, Clean Water, EPA Regulations. If this Master Agreement, including amendments, exceeds \$100,000 then Contractor shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)), the Federal Water Pollution Control Act as amended (commonly known as the Clean Water Act) (33 U.S.C. 1251 to 1387), specifically including, but not limited to Section 508 (33 U.S.C. 1368). Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15), which prohibit the use under nonexempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to the Participating Entity or Purchasing Entity, HHS and the appropriate Regional Office of the Environmental Protection Agency. Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving more than \$100,000 in Federal Funds, language requiring the subcontractor to comply with the federal laws identified in this section.
- 3. Energy Efficiency. Contractor shall comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163).
- 4. Truth in Lobbying. The Contractor certifies, to the best of the Contractor's knowledge and belief that:
 - 4.1. No federal appropriated funds have been paid or will be paid, by or on behalf of Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
 - 4.2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or

cooperative agreement, the Contractor shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

4.3. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this Master Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Master Agreement imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 5. HIPAA Compliance. If the work performed under this Master Agreement are covered by the Health Insurance Portability and Accountability Act or the federal regulations implementing the Act (collectively referred to as HIPAA), Contractor agrees to perform the work in compliance with HIPAA. Without limiting the generality of the foregoing, work performed under this Master Agreement is covered by HIPAA. Contractor shall comply and cause all subcontractors to comply with the following:
 - 5.1. Privacy and Security Of Individually Identifiable Health Information. Individually Identifiable Health Information about specific individuals is confidential. Individually Identifiable Health Information relating to specific individuals may be exchanged between Contractor and Participating Entity or Purchasing Entity for purposes directly related to the provision of services to clients which are funded in whole or in part under this Master Agreement. However, Contractor shall not use or disclose any Individually Identifiable Health Information about specific individuals in a manner that would violate the Participating Entity or Purchasing Entity Privacy Rules, OAR 407-014-0000 et. seq., or the Participating Entity or Purchasing Entity Notice of Privacy Practices, if done by Participating Entity or Purchasing Entity. A copy of the most recent Participating Entity or Purchasing Entity Notice of Privacy may be obtained from Participating Entity or Purchasing Entity
 - 5.2. Data Transactions Systems. If Contractor intends to exchange electronic data transactions with Participating Entity or Purchasing Entity in connection with claims or encounter data, eligibility or enrollment information, authorizations or other electronic transaction, Contractor shall execute an EDI Trading Partner Agreement with Participating Entity or Purchasing Entity and shall comply with the Participating Entity or Purchasing Entity EDI Rules.
 - 5.3. Consultation and Testing. If Contractor reasonably believes that the Contractor's or the Participating Entity's or Purchasing Entity's data transactions system or other application of HIPAA privacy or security compliance policy may result in a violation of HIPAA requirements, Contractor shall promptly consult the Participating Entity's or Purchasing Entity's HIPAA officer. Contractor or Participating Entity or Purchasing

Entity may initiate a request for testing of HIPAA transaction requirements, subject to available resources and the Participating Entity's or Purchasing Entity's testing schedule.

- 5.4. If Contractor is deemed to be a business associate of Participating Entity or Purchasing Entity under HIPAA's Privacy Rule, 45 CFR Parts 160 and 164, Contractor hereby provides Participating Entity or Purchasing Entity with satisfactory assurances that if it receives from Participating Entity or Purchasing Entity or any trading partner any protected health information of any individual, it shall maintain the security and confidentiality of such information as required by the HIPAA's Privacy Rule, and other applicable laws and regulations. Without limiting the foregoing, Contractor agrees that:
 - 5.4.1. Contractor will not use or further disclose Protected Health Information otherwise than as permitted or required by this Master Agreement or as required by law:
 - 5.4.2. Contractor will use appropriate safeguards to prevent use or disclosure of PHI otherwise than as provided for by this Master Agreement;
 - 5.4.3. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of the requirements of the Master Agreement;
 - 5.4.4. Contractor will report to Participating Entity or Purchasing Entity any use or disclosure of PHI not provided for by this Master Agreement of which Contractor becomes aware;
 - 5.4.5 Contractor agrees to ensure that any agents, including subcontractors, to whom it provides PHI, agree to the same restrictions and conditions that apply to Contractor with respect to such information;
 - 5.4.6. Contractor shall make available to Participating Entity or Purchasing Entity such information as they may require to fulfill their obligations to account for disclosures of such information;
 - 5.4.7. Contractor shall make its internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from the Participating Entity or Purchasing Entity or trading partner (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partner) available to Participating Entity or Purchasing Entity and to the Secretary of the United States Department of Health and Human Services, for purposes of determining Participating Entity's or Purchasing Entity's or trading partners' compliance with HIPAA; and
 - 5.4.8. If feasible, upon termination of this Master Agreement, Contractor shall return or destroy all PHI received from Participating Entity or Purchasing Entity or trading partners (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partners) that Contractor still maintains in any form, and shall retain no copies of such information or, if return or destruction is not feasible, Contractor shall continue to extend the protections of this Master Agreement to such information, and limit further use of the information to those purposes that make the return or destruction of the information infeasible.

Subject to the foregoing restrictions, Participating Entity or Purchasing Entity agrees that

Contractor may use such PHI in the process of providing transaction mapping, trading partner profiling and training and mentoring services for Participating Entity or Purchasing Entity and trading partners under this Master Agreement.

- 6. Resource Conservation and Recovery. Contractor shall comply and cause all subcontractors to comply with all mandatory standards and policies that relate to resource conservation and recovery pursuant to the Resource Conservation and Recovery Act (codified at 42 USC 6901 et. seq.). Section 6002 of that Act (codified at 42 USC 6962) requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency. Current guidelines are set forth in 40 CFR Parts 247-253.
- 7. Substance Abuse Prevention and Treatment. Contractor shall comply with federal rules and statutes pertaining to the Substance Abuse, Prevention, and Treatment Block Grant, including the reporting provisions of the Public Health Services Act (42 USC 300x through 300x-64).
- 8. Audits. Contractor shall comply and, if applicable, cause a subcontractor to comply, with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."
- 9. Debarment and Suspension. Contractor shall not permit any person or entity to be a subcontractor if the person or entity is listed on the non-procurement portion of the General Service Administration's "List of Parties Excluded from Federal Procurement or Nonprocurement Programs" in accordance with Executive Orders No. 12,549 and No. 12,689, "Debarment and Suspension". (See 45 CFR part 76). This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory authority other than Executive Order No. 12549. Subcontractors with awards that exceed the simplified acquisition threshold shall provide the required certification regarding their exclusion status and that of their principals prior to award.
- 10. Medicaid Compliance. To the extent Contractor performs any work whose costs are paid in whole or in part by Medicaid, Contractor shall comply with and cause its subcontractors to comply with the federal and State Medicaid statutes and regulations applicable to the work, including but not limited to:
 - 10.1.Keeping such records as may be necessary to disclose the extent of services furnished to clients and, upon request, furnish such records or other information to Participating Entity or Purchasing Entity, the Secretary of Health and Human Services, and as otherwise directed by Participating Entity or Purchasing Entity;
 - 10.2.Complying with all applicable disclosure requirements set forth in 42 CFR Part 455, Subpart B:
 - 10.3.Complying with any applicable advance directive requirements specified in 42 CFR section 431.107(b)(4); and

10.4.Complying with the certification requirements of 42 CFR sections 455.18 and 455.19.

Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving Medicaid, language requiring the subcontractor to comply with the record keeping and reporting requirements set forth in this section and with the federal laws identified in this section.

- 11. Americans with Disabilities Act. Contractor shall comply and cause all subcontractors to comply with Title II of the Americans with Disabilities Act of 1990 (codified at 42 USC 12131 et. seq.) in the construction, remodeling, maintenance and operation of any structures and facilities, and in the conduct of all programs, services and training associated with the performance of work.
- 12. Pro-Children Act. Contractor shall comply and cause all subcontractors to comply with the Pro-Children Act of 1995 (codified at 20 USC section 6081 et. seq.).
- 13. Federal Tax Information. Contractor shall comply with the provisions of Section 6103(b) of the Internal Revenue Code, the requirements of IRS Publication 1075, and the Privacy Act of 1974, 5 U.S.C. §552a et. seq. related to federal tax information.
- 14. Educational Records. Contractor shall comply with the provisions of the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99).

EXHIBIT D to NASPO VALUEPOINT MASTER AGREEMENT NASPO ValuePoint DETAILED SALES DATA REPORT FORM

Field Name	Field Description
VENDOR	The awarded Contractor's name
VENDOR CONTRACT NUMBER	Lead State assigned contract number (using Lead State's numbering protocol)
STATE	State postal abbreviation code (Alaska = AK, Missouri = MO, etc.)
CUSTOMER TYPE (SEGMENT)	State Gov't, Education-K12, Education-HED, Local Gov't, Medical, Other - are acceptable segments. [determined by industrial practice for each contract - uniform for each contract]
BILL TO NAME	Customer (agency) Bill to name
BILL TO ADDRESS	Customer (agency) Bill to address
BILL TO CITY	Customer (agency) Bill to city
BILL TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]
SHIP TO NAME	Customer (agency) Ship to name
SHIP TO ADDRESS	Customer (agency) Ship to address
SHIP TO CITY	Customer (agency) Ship to city
SHIP TO ZIPCODE	Zip code in standard 5-4 format (standard 5 digits is acceptable, formatted as a zip code)
ORDER NUMBER	Vendor assigned order number
CUSTOMER PO NUMBER	Customer provided Purchase Order Number
CUSTOMER NUMBER	Vendor assigned account number for the purchasing entity
ORDER TYPE	Sales order, Credit/Return, Upgrade/Downgrade, etc. [determined by industrial practice for each contract - uniform for each contract]
PO DATE (ORDER DATE)	(mm/dd/ccyy)
SHIP DATE	(mm/dd/ccyy)
INVOICE DATE	(mm/dd/ccyy)
INVOICE NUMBER	Vendor assigned invoice Number
PRODUCT NUMBER	Product number of purchased product
PRODUCT DESCRIPTION	Product description of purchased product
UNSPSC	Commodity-level code based on UNSPSC code rules (8 Digits)
LIST PRICE/MSRP/CATALOG PRICE	Ust Price - US Currency (\$99999.999) [determined by industrial practice for each contract - uniform for each contract)
NASPO ValuePoint PRICE	NASPO ValuePoint Price- US Currency (\$99999.999)
QUANTITY	Quantity invoiced (99999,999)
TOTAL PRICE	Extended Price (unit price multiplied by the quantity invoiced) - US Currency (\$9999999999999)
Discount Percentage	Percent off of List Price- example=20%
NASPO ValuePoint ADMIN FEE	Administrative Fee based on Total Price - US Currency (\$999999.999)
VAR/Reseller/Distributor	If a VAR/Reseller/Distributor, name of VAR/Reseller/Distributor and state where located
Optional	More Information

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#### Attachment C HISTORICAL SALES

1				ORICA	L SAL	ES			
Fee's deposited for WBC/	RFP 1862 Instus	tial Tools, Lighting Consensitions	and Equipment	Drs Inger	Industrial Sply	MBC	No,Coast	Orna Raine Fetal	Admin the Totals
0, 2- Apr-Jun 2011 Apr-Jun 2011 A. Fee	\$304,122.11 \$1,620.61	40.00 00.08	\$1,857,883,23 \$9,286,82	84.200,116,818 10.308,9718	\$272,622.88 \$1,863.11	\$860,092,00 \$3,360,46	\$185,0\$3,96 \$926,42	\$20,194,900,00	\$156,064,84
G. 5 Jul - Sep 2011 Jul - Sep 2011 A. Fes	\$347,664.00 \$1,739.27	\$179,510.25 \$892,00	43,780,118,66 518,760,89	\$59,815,683.25 \$349,078.42	08.608,8119 16.600\$	\$1,742,623,16 \$5,713.12	\$278,844.01 \$1,378.22	\$74,596,351,DE	8381,444.76
0. 4 Oct-Dec 2011 Oct-Dec 2011 A Fee Total polender sales yea	\$357,008.00 \$1,765.33 (ene 9 1962	\$1277.13	\$5,879,815.17 \$26,999.08	874,860,896.83 \$374,762,48	\$147,250.23 \$738.26	82,828,481.81 812,842.44	\$236,429.84 \$1,182.16	\$84,564,183,44 \$164,582,463,86	4H,77841
Total adırın flees year cer Quarter	Codele :	Conservitori	Festeral	Garinger	Industrial Sply	MBC	No.Comt	Orosa Sales Total	Admin ten Tetals
Calendar Year 2012 O. 1 Jan-Mar 2012 Jan-Mar 2012 A. Fee	8212,401.61 62,664.01	\$409,667.00 \$2,047,83	\$7,548,308.07 \$37,741,63	96,080,916,080,36 94,048,080,40	\$194,495.45 \$672.48	\$3,387,089.51 \$18,838.45	\$240,986.84 \$1,205.00	87,034,175,008	54H,0H.74
Q. 2- Apr-Am 2019 Apr-Jun 2012 A. Fea	\$486,832.93 \$2,834.17	\$416,417.03 \$2,082.00	64,771,865.86 \$40,356.35	\$103,016,439.50 \$318,502.20	\$169,721.20 \$7\$6.81	\$3,802,487,97 \$17,812,44	\$169,018.18 \$780,08	\$117,893,331.8	\$517,064,05
G. 3- Juli Sep 2012 Juli - Sep 2012 A. Fee	\$331,860,84 \$1,859.98	\$215,788.69 \$1,078,94	\$11,263,194.78 \$66,266.87	\$115,804,429.86 \$829,442.15	\$121,943,80 \$607,82	84,086,740,89 826,333,78	\$178,884.51 \$484.42		\$418,272.01
0.4 Oct-Dec 2013 Oct-Dec 2012 A Fee	\$1,000.15	\$237,809,83 \$1,189,05	\$49,864.24	\$60,793,035.74 \$446,616.76	\$193,940.00 \$960.70	\$4,507,622.24 \$21,647,81	\$154,772,20 \$773.88		\$124,696.79
Total admit feet year him								8486,718,814,87	11,312, <del>0</del> 43,43
Querter Calenda: Year 2013	Codale	Consensivett	Featenal	Oraloger	Industrial Sply	MSO	No.Coesi	Gross Bales Folial	Admyn See Totals
Q 1 Jan-Mar 2013 Jan-Mar 2013 A. Pee	\$274,889.41 81,374.86	\$225,045,06 £8.14£8,13	\$11,227,488.30 \$56,267.29	844,726,292.21 8478,631.46	\$124,096.72 \$680.46	84,849.939,77 822,749.70	\$40,514,23 \$434,85	\$112,545,747.65	\$61,751.71
Q. 2- Apr-Jun 2013 Apr-Jun 2012 A. Fee	\$275,831.96 \$1,979.18	\$596,890.17 \$2,683,46	\$12,928,065,30 \$64,645.33	\$110,706,093.64 \$503,030.47	\$178,83\$.10 \$\$94.19	\$4,607,254.96 \$34,608.27	73.187,8112 36.1456	\$157,672,704. <del>00</del>	<b>##</b> ,#43.61
G. 3- Jul Bep 2013 Jul - Sep 2013 A. Fee	\$357,50d.10 61,787.62	\$366,637.25 \$1,633,19	\$13,214,740.84 \$89,573.70	\$118,460,826,22 84,82,304.14	\$181,123,67 \$556,67	\$7,110,078.37 \$38,640.16	\$180,432.56 \$902.16		1437,694.44
Q. 4 Oct-Dec 2013 Cot-Dec 2013 A. Fee Total extender gates year	\$291,175.52 81,486.65	\$487,041.74 \$2,448.21	\$14,368,001.93 \$71,828.91	\$102,809.665.80 \$512,847.81	\$162,751.63 \$752.81	628,687,42	\$122,301.70 \$811.81	\$123,690,362,33 \$512,610,143.17	\$414,444.92
Total adma fees year thr	# F 1M1								\$4,044,166,5\$
Quarter Calendar Year 2014	Codale	Consumitions	Fastenal	Oreleger	Industrie! Sply	MSC	No.Comt	Oross Sales Total	Admin foe Totals
O. 1 Jan-Mer 2014 Usn-Har 2014 A. Fee	\$1,609.24	\$362,049.48 \$1,780.25	\$18,572,664,60 \$77,662,92	\$102,806,888.90 E512,847.98	\$120,063.80 \$800.32	\$5,812,137,48 \$34,080,89	\$102,808,80 \$612.88	\$124,808,878.84	14.NO,1764
Q. 2- Apr-Jun 2014 Apr-Jun 2014 A. Pas Q. 2- Jul Bap 2014	\$277,074.37 \$1,386.37 \$387,805.28	\$377,398,65 \$1,896,99 \$424,775,38	816,693,313.01 893,476.37 817,881,485,80	8118,645,113,02 8882,726,87	\$2(8,307.60 \$1,0\$1.64 \$117.418.85	\$7,666,690,68 \$39,783,46 \$8,846,428,28	\$73,630.29 \$307.64 \$125,711.22	\$142,141,432,35 \$140,490,210,73	\$710, <del>70</del> 7,17
Jul - Sep 2014 A. Fee Q. 4 Oct-Dec 2014	\$1,760.03 \$385,847,81	\$2,123.86 \$460,048.36	\$49,867,31	\$562,654,04 \$64,453,690,21	\$587.08 \$118.884.83	\$44,732.14 87,814,027.82	\$808.50		6702,451.04
Oct-Dec 2014 A. Fee Youri esterniar sales year	\$1,428.24	82,300.23	\$62,106,26	\$4 B2,200 A6	4514.27	\$27,870.14	8461.64	881(890,743,74	\$417,241.11
Total admir fees year fou	7 0 1943								\$2,630,413.72
Cultural Year 2018	Codela	Conservisio	Fastenal	Oreinger	Industrial Sply	MBG	No.Comes	Great Bales Folal	Admis for Totals
Q. 1 Jan-Mar 2018 Jen-Mar 2018 A. Fee	\$304,857,22 \$1,843,29	\$1,447.05	\$17,344,822.44 \$80,223.(1	6101,024,301.16 6405,121.51	\$97,279.48 \$496.40	\$4,545,643.81 \$42,747,74	8112,#36.17 8564.68	\$127,864,784.82	4530,823.7%
0. 2- Apr-Jun 2015 Apr-Jun 2015 A. Pee	8312,500,21 \$1,882.65	\$341,559,26 \$1,708,30	919,918,960,07 \$98,084,80	14.058,060 61.058,1060	\$191,184.12 \$905.77	\$15,365,51E,48 \$66,827.50	\$100,814.82 \$502.87	\$182,305,430.72	8781,823.80
Q, \$-3xt Bep 2015 Jul = Bep 2015 A. Fee Q, A Oct-Dep 2013	\$378,226,48 \$1,891.14 \$254,491.60	\$1,870.35 \$1,103.78	\$10,125,654,81 895,577,47 817,865,642,40	8114,185,029.85 8570,876,16 8100,089,677.48	\$1\$7,292.87 \$7\$6.50 \$140,307.42	\$11,438,637,31 \$87,194,86 86,513,790,74	\$85,642.37 \$427.71 \$81,140.04	\$145,784,602.15 \$127,883,801.13	\$728,922.£1
Cor-Dec 2018 A. Fee Total catendar sales yes	\$5,472.48	\$1,806.62	\$80,234,43	\$503,348.36	\$741.84	\$43,068.85	\$486.70	\$643,749,447,87	\$439,930.90
Yotal admir foce year free	F 1842							1	42,760,706.24
Guarter Calenda Year 2015	Cadale	Conservicett	Fasienel	Oraleger	Industrial Sply	MSC	No.Comt	Omes Bales Total	Admin the Yotale
0, 1 Jan-Met 2018 Jan-Met 2016 A. Fee	\$349,270.18 \$1,740.33	\$367,652.67 \$1,957.51	14,955,914,94 76 off,148	800,903,762.26 8499,816.76	1340.38	810.321,163.66 851,606.87	\$47,832.18 \$237.86		\$450,234.50
0.2-Aprilin 2016 Aprilin 2016 A. Fee	8375,746,10 81,878,93	\$2\$9,651.42 \$1,449.78	\$20,436,154,81 \$102,180.67	8117,006,718.86 8588,033,60	\$1,037.19	\$11,741,030.00 \$58,700.16	\$43,064,03 \$416.32		\$780,760.40
Q. 3- At Sep 2018 Ad - Sep 2016 A. Fee Q. 4 Oct-Dep 2018	\$1,999,12	\$14,782.34 \$1,879.74	\$20,336,470,03 \$101,654,35 \$18,657,244,13	\$112,650,625,46 \$563,404.82 \$98,822,021.81	121506	\$13,538,301,37 \$67,944.60 \$14,843,012.62	\$140,743.24 \$763.72 \$143,881.63		F787,844.20
Oct-Dec 2018 A Pay Total Salandar sales yes.	\$283,221.51 \$1,415.11	\$325,928,35 \$1,634.18	\$20,286,44	\$484,610,11	\$502.70	974,717.68	\$718.A1	\$1\$2,977,004.50 \$801,072,001,78	F465,A15A1
Your selms for a year sho	9 164 X							***************************************	\$2,006,714,93
Quarter Calendar Year 2017	Codale	Consern/Arts	Fastenal	Oreinger	industrial Sply	MBC	No.Coasi	Grots Bales Total	Admo fee Tatals
Q. § Jan-Mar 2017 Jon-Mar 2017 A. Fan	\$349,174.22 \$1,700.87	4319,296.61 24.696,18	820,641,607,82 8103,205,04	18,579,691,500 36.812,6834	\$618.82	610,731,899.31 653,664.83	\$89,052.36 \$440.31		9636,943.17
Q. 2- Apr-An 2017 Apr-An 2017 A. 744	65,616,69 60,614,19	\$1,621,089.17 \$8,106.36	\$105,103,07		\$143,360.38 \$7.18.76	811,297,376,20 \$66,436,20		\$14,481,023.52	8178,410.13
O. 3-Jul Bep 2017 Jul - Sep 2017 A. Par G. 4 Ont-Dec 2017								\$0.00	40.00
Cat-Dec 2017 A. Fee Total columbar apiec yea								8185,811,011818	86,00
Total adiren fees year se	(en # 141)							a.usperper81	\$425,265.20

## Attachment D COST PROPOSAL and MARKET BASKET COST PROPOSAL

Offeror must submit cost, prices and rates as required by Attachment D-1, Cost Spread sheets. Prices and rates shall include all anticipated charges, including but not limited to, freight and delivery, cost of materials and product, travel expenses, transaction fees, overhead, profits, and other costs or expenses incidental to the Contractor's performance.

In addition, Offeror shall complete and submit the below discount information:

#### Percentage off list per category

Company Name	
Please provide the percentage off of list pricing for any of the categories Offe the table below. The proposed discount percentage must not exceed 4 digit the decimal point (i.e.10.3729% is acceptable while 10.37292% is not).	
Category  1. Janitorial Equipment & Supplies (does not include Sanitation Cleaning Chemicals)  2. Sanitation Cleaning Chemicals & Supplies (does not include Janitorial Equipment & Supplies	Discount
<ul><li>3. Fasteners</li><li>4. Material Handling</li><li>5. Plumbing</li></ul>	
6. Power Source 7. Outdoor Garden 8. Lamps & Lighting and Ballasts	
9. HVAC 10. Hand Tools	
<ul><li>11. Power Tools (excluding automotive related tools and products)</li><li>12. Electrical</li><li>13. Paint</li></ul>	
Security     Safety (does not include any public safety equipment)	

Note: This Price Schedule must be submitted together with Attachment D-1 (Market Basket Pricing Schedule) to the State as a <u>separate</u>, sealed package and clearly marked: "Pricing Proposal in Response to RFP No. DASPS-2183-17" per the Submittal Instructions.

The Offerors Percentage off list discount will not be reduced throughout the life of the Master Agreement except, Offeror can however provide a higher percentage off list discount by providing the Lead State a thirty (30) day notice and Lead State approving the discount.

## Attachment E OFFEROR INFORMATION AND CERTIFICATION SHEET

This form must be completed and returned with the Proposal in response to Section 2.21 of this RFP. Failure to submit this form with the Proposal may result in disqualification for non-responsiveness.

1. Offeror Information:		
Offeror/Firm Name (Printed):		
Address:		
Citizenship, if applicable: Non-resid	dent alien	
Business Designation (Check One)	:	,
<ul><li>□ Professional Corporation</li><li>□ Liability Company</li><li>□ Other</li></ul>	□Ltd. Liability Partnership	□Ltd. Partnership Ltd. □Sole Proprietorship
Federal Tax ID #:		•••
State Tax #:		_
Secretary of State Corporation		
2. Identify Individual with Author	ority to Obligate the Offeror	Contractually:
Name/Title:		
Telephone Number:		
Fax Number:		
E-mail Address:		•
3. Identify Person Authorized to Offeror:	o Negotiate the Master Agree	ement on Behalf of
Name/Title:		
Telephone Number:		
F-mail Address:		

Name/Title:	
Telephone Number:	Fax Number:
E-mail Address:	

4. Identify Person Authorized to be Contacted for Clarification of Proposal:

#### 5. CONTRACTOR CERTIFICATION CLAUSES IN RESPONSE TO RFP

- a. Offeror understands and accepts the requirements of this RFP. By Proposal submission, the Successful Offeror(s) agree(s) to be bound by the Master Agreement attached hereto as (Attachment B), as modified by Addendum, except for those terms and conditions that DAS PS has reserved for negotiation in the RFP.
- b. Offeror acknowledges receipt of any and all Addendum to this RFP.
- c. Proposal is FIRM for 180 days following the Closing.
- d. If awarded a Master Agreement, Offeror agrees to perform the scope of work and meet the performance standards set forth in the final negotiated scope of work of the Contract.
- e. Offeror does not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation or national origin. Nor has Offeror or will Offeror discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.
- f. Offeror certifies that, to the best of its knowledge, there exists no actual or potential conflict between the business or economic interests of Offeror, its employees, or its agents, on the one hand, and the business or economic interests of the State, on the other hand, arising out of, or relating in any way to, the subject matter of the RFP. Offeror shall provide prompt written notification to the State of any change occurring with respect to Offeror's business or interests which is reasonably likely to result in (or has resulted in) an actual or potential conflict between the business or economic interests of the Offeror and those of the State, arising out of, or relating in any way to, the subject matter of the RFP. In its notice, Offeror will describe the nature of such actual or potential conflict of interest or remuneration in question in reasonable detail.

Offeror and Offeror's employees and agents are not included on the list titled "Specially Designated Nationals and Blocked Persons" maintained by the Office of Foreign Assets Control of the United States Department of the Treasury and currently found at http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf.

- g. Offeror certifies that all contents of the Proposal (including any other forms or documentation, if required under this RFP) and this Proposal Certification Sheet, are truthful and accurate and have been prepared independently from all other Offerors, and without collusion, fraud, or other dishonesty. Offeror acknowledges these certifications are in addition to any certifications required in the Master Agreement (Attachment B) at the time of Master Agreement execution.
- h. Participating Entity Only: While the primary purpose of this RFP is to select one or more contractor(s) who can offer the Parks and Recreation Equipment and Related Services for all Participating States, Offerors are permitted to submit a Proposal for one or more State(s). However, if a Offeror elects to submit a Proposal for one or more State(s), then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) resulting from this RFP, including all optional renewals. Offerors must propose to all RFP Mandatory Requirements.

I, the undersigned, certify that I am duly authorized to legally bind the Offeror to the provisions of the RFP and the Master Agreement.

Authorized Signature	Date
Typed or Printed Name and Title of Signatory	

## Attachment F AFFIDAVIT OF TRADE SECRET

State of
State of) ) ss: County of)
(Affiant), being first duly sworn under oath, and representing [insert Offeror Name] (hereafter "Offeror"), hereby deposes and swears or affirms under penalty of perjury that:
<ol> <li>I am an employee of the Offeror, I have knowledge of the Request for Proposals referenced herein, and I have full authority from the Offeror to submit this affidavit and accept the responsibilities stated herein.</li> </ol>
I am aware that the Offeror has submitted a Proposal, dated on or about [insert date] (the "Proposal"), to the State of Oregon (State) in response to Request for Proposals [insert number], for [insert brief description of the goods and/or services sought in the RFP] and I am familiar with the contents of the RFP and Proposal.
3. I have read and am familiar with the provisions of Oregon's Public Records Law, Oregon Revised Statutes ("ORS") 192,410 through 192,505, and the Uniform Trade Secrets Act as adopted by the State of Oregon, which is set forth in ORS 646,461 through ORS 646,475. I understand that the Proposal is a public record held by a public body and is subject to disclosure under the Oregon Public Records Law unless specifically exempt from disclosure under that law

- 4. I have reviewed the information contained in the Proposal. The Offeror believes the information listed in Exhibit A is exempt from public disclosure (collectively, the "Exempt Information"), which is incorporated herein by this reference. It is my opinion that the Exempt Information constitutes "Trade Secrets" under either the Oregon Public Records Law or the Uniform Trade Secrets Act as adopted in Oregon because that information is either:
  - A. A formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information that:
    - i. is not patented,
    - ii. is known only to certain individuals within the Offeror's organization and that is used in a business the Offeror conducts,
    - iii. has actual or potential commercial value, and
    - iv. gives its user an opportunity to obtain a business advantage over competitors who do not know or use it.

Or

- B. Information, including a drawing, cost data, customer list, formula, pattern, compilation, program, device, method, technique or process that:
  - i. Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and
  - ii. Is the subject of efforts by the Offeror that are reasonable under the circumstances to maintain its secrecy.

judicial determinations made in accordance	or the information referenced in Exhibite with the Public Records Law.	at A may depend on omciai
Affiant's Signature	Management of the American State of the Amer	
Signed and sworn to before me onname).	(date) by	(Affiant's
Notary Public for the State of		

## Attachment G OREGON SAMPLE PARTICIPATING ADDENDUM

PARTICIPATING ADDENDUM NO. _____ ("Addendum") to

## NASPO VALUEPOINT FACILITIES MAINTENANCE AND REPAIR & OPERATIONS (MRO), INDUSTRIAL SUPPLIES

Administered by the State of Oregon (hereinafter "Lead State")

Master Agreement No: ____

(Insert Contractor Name)

(Hereinafter "Contractor")

for

State of Oregon, by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("Participating State")

On, the State of Oregon issued an Request for Proposal, #DASPS-2138-17, on behalf of
the member states of the NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint"),
and other purchasing entities seeking offers from qualified and responsible proposers to provide
Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material
Handling, Plumbing, Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating
Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and
products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment)
under executed Master Agreement No ("Master Agreement"), which consists
of contract terms and conditions and other attachments.

The State of Oregon ("State" or "Oregon") is a member of NASPO ValuePoint. The State, by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("DAS PS"), on behalf of the State of Oregon and its agencies and the Oregon Cooperative Procurement Program ("ORCPP") members (collectively "Authorized Purchasers" as defined in Exhibit No. 1), has elected to participate in the Master Agreement, subject to the terms and conditions of this Participating Addendum ("Addendum" or "Participating Addendum"). This Addendum is effective when all necessary approvals have been obtained and signed by the parties ("Effective Date").

1. <u>Scope: Order of Precedence</u>. This Addendum covers the purchase of Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material Handling, Plumbing,

Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment) products available to Authorized Purchasers under the Master Agreement. This Addendum consists of the following documents, which are incorporated herein as part of this Addendum:

- a) Exhibit No. 1 State Specific Terms and Conditions
- b) Exhibit No. 2 Insurance
- c) Exhibit No. 3 Contractor Tax Certification
- d) Exhibit No. 4 Form of Purchase Order
- e) Exhibit No. 5 Report form for Vendor Collected Administrative Fee (VCAF)/Volume Sales Report (VSR)

This Addendum contains additional terms and conditions specifically applicable to individual Contracts between Contractor and Authorized Purchasers. In the event of a conflict between the terms and conditions of this Addendum, the Master Agreement and Purchase Orders, the following descending order of precedence applies:

- a) This Addendum, less its exhibits;
- b) Exhibit No. 1 of this Addendum (State Specific Terms and Conditions);
- c) Exhibit No. 2 of this Addendum (Insurance) and Exhibit No. 3 of this Addendum (Contractor Tax Certification);
- d) Exhibit No. 5 (Vendor Collected Administrative Fee (VCAF)/Volume Sales Report (VSR); and
- f) Exhibit No. 4 of this Addendum (Purchase Order).

Nothing in this Addendum limits the Contractor's obligations under the Master Agreement unless otherwise noted herein. If a Contractor obligation in this Addendum conflicts with a Contractor obligation of the Master Agreement, the order of precedence in this Section 1 applies.

- 2. <u>Participation</u>: Use of specific NASPO ValuePoint cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use state/entity contracts are subject to the prior approval of the respective state chief procurement official. Issues of interpretation and eligibility for participation are solely within the authority of the respective state chief procurement official.
- 3. <u>Participating State Modifications or Additions to Master Agreement:</u>
  (These modifications or additions apply only to actions and relationships within the Participating

Entity.)

Participating Entity to check one box.

# RFP DASPS-2183-17 – (MRO), Industrial Supplies [___] No changes to the terms and conditions of the Master Agreement are required [X] In addition to the Exhibits identified above, the following changes are modifying or supplementing the Master Agreement terms and conditions.

#### 4. Authorized Purchaser - Contractor Selection:

This Addendum is not exclusive, Authorized Purchasers may acquire the products and services from other contractors. In the event DAS PS awards Addenda to more than one contractor under this solicitation, Authorized Purchasers who are State Agencies shall follow the selection process below.

Authorized Purchasers who are not State Agencies may select the Contractor of the Authorized Purchaser's choice in compliance with applicable statute and rules.

4.1 Contractor Selection Process, Large Purchases. From time to time, Authorized Purchasers (or Purchasing Entities), who are State Agencies, may purchase Products or Services from Contractor or other contractors and shall use one of the following three selection processes for all purchases over \$10,000:

#### 4.1.1 Brand Name Justification

A documented brand name justification in compliance with applicable statute and rule.

OR

#### 4.1.2 Best Value Analysis

Authorized Purchaser may conduct a comparison of the offers based upon a best value analysis. Authorized Purchaser shall:

- Contact at least 3 different Master Agreement Contractors via phone, e-mail or facsimile and request a quote for the anticipated Goods. Quoted rates must not exceed the most competitive rates and discounts set forth in the Master Agreement. However, a Contractor may agree to extend specialized, discounted pricing based on the requirements by providing a specific quote to the Authorized Purchaser.
- Determine which Contractor provides the best value for Authorized Purchaser based on Authorized Purchaser's application of some or all of the following factors:
  - Applicable discounts and incremental pricing options;
  - o Shipping costs;
  - Delivery process and service levels;
  - o EPP:
  - Applicable warranties;

- Contractor's past performance record through reference checks;
- Contractor's service area;
- Price comparison of the current market value of Good and services similar to the Products:
- Price comparison to past purchases and the goods similar to the products, taking the inflation rate into account;
- Cost analysis through an element-by-element examination of the estimated or actual cost
  of proposed goods to determine whether the supplier's costs are in line with what
  reasonably economical and efficient performance should cost. Some of the cost elements
  examined for necessity and reasonableness are materials' costs, labor costs, equipment
  and overhead;
- Comparison of pricing to MSRP;
- Market conditions and competition levels;
- General economic conditions;
- Life cycle costing including expected life, salvage value and discounted total cost of ownership.
- Document its procurement files describing the process, considerations, findings, and decisions used for determining the Contractor selected through the Best Value Analysis.
- 4.1.3 Contractor Selection Process, Small Purchases. For purchases under \$10,000, Authorized Purchaser who are State Agencies may select the Contractor of its choice in compliance with applicable statute and rule.

#### INTENTIONALY LEFT BLANK

5. <u>Primary Contacts</u>: The primary contact individuals for this Addendum are as follows (or their named successors):

Contractor

Name	
Address	
Telephone	
Fax	
E-mail	

Oregon, Contract Administrator

Name	Shirley A. Smith State of Oregon, Department of Administrative Services, Procurement Services
Address	1255 SE Ferry Street, Salem, OR 97301
Telephone	503-378-5395
Fax	503-373-1626
E-mail	Shirey.Smith@oregon.gov

- 6. <u>Subcontractors</u>: All Contractor dealers and resellers authorized in the State of Oregon, as shown on the dedicated ______ (cooperative contract) website, are approved to provide products and service support to Authorized Purchasers. The Contractor's authorized dealers and reseller's participation shall be in accordance with the terms and conditions set forth in this Addendum and the Master Agreement.
- 7. Orders: All Purchase Orders issued by Authorized Purchasers must include a reference to the Master Agreement, _____, and this Addendum, #____. All valid Purchase Orders issued by Authorized Purchasers are subject to the terms and conditions of this Addendum. All Authorized Purchasers issuing valid purchase orders shall be obligated to pay Contractor for goods and services when the terms of the Purchase Order have been completed and payment has been approved by the Authorized Purchaser.
- 8. Tax Compliance: As set forth on Exhibit No. 3, Contractor has complied with the tax laws of this state and the applicable tax laws of any political subdivision of this state. Contractor shall, throughout the duration of this Addendum and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of this state. For the purposes of this Section, "tax laws" includes: (i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Any violation of this Section 8 constitutes a material breach of this addendum and any contract issued under this Addendum. Further, any violation of Contractor's warranty set forth in Exhibit No. 3 also shall constitute a material breach of this Addendum and any Contract issued under this Addendum. Any violation shall entitle DASPS or Authorized Purchaser to terminate this Addendum or the applicable Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Addendum or the

applicable Contract, and to pursue any or all of the remedies available under this Addendum, a Contract, at law, or in equity, including but not limited to:

Termination of this Addendum or the applicable Contract, in whole or in part; Exercise of the right of setoff, and withholding of amounts otherwise due and owing to Contractor, in an amount equal to Authorized Purchaser's setoff right, without penalty; and Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. DASPS or Authorized Purchaser may recover any and all damages suffered as the result of Contractor's breach of this Addendum or the applicable Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement Goods or Services or both.

These remedies are cumulative to the extent the remedies are not inconsistent, and DASPS or Authorized Purchaser may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

8. Participating Addendum Integration: This Addendum and the Master Agreement set forth the entire agreement between Contractor and Participating State with respect to the subject matter. There are no understandings, agreements, or representations, oral or written, not specified herein. Any attempt to modify or add or incorporate terms and conditions inconsistent with, and contrary to, the terms and conditions of this Addendum and the Master Agreement through a Contract or other document is null and void and hereby rejected. The terms and conditions of this Addendum and the Master Agreement shall prevail and govern in case of any attempted modifications or inconsistent terms.

IN WINESSWHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating State: STATE OF OREGON, acting by and through the Department of Administrative Services	Contractor:
Ву:	By:
Name:	Name:
Title:	Title:
Date:	Date:
Approved Pursuant to ORS 291.047  By: Date: Sr. Assistant Attorney General	FEID:

#### EXHIBIT NO. 1

## Changes to Master Agreement State-Specific Constitutional, Statutory and Other Requirements

1. **Definitions.** The following terms have the meanings set forth below. Capitalized terms not defined in this Addendum have the meaning ascribed to them in the Master Agreement and its exhibits.

"Authorized Purchaser" means an agency of the State of Oregon or any ORCPP member that submits a Purchase Order to Contractor.

"DAS PS" means the State of Oregon acting by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services.

"ORCPP" means the Oregon Cooperative Purchasing Program Members, which recognizes certain agencies and organizations within the State of Oregon as authorized to purchase the goods and services available under a price agreement entered into by the State.

"Purchase Order" means the purchase order document / order document submitted to Contractor by an Authorized Purchaser that incorporates this Addendum by reference and specifies the quantity and type of goods or services that Contractor will provide to the Authorized Purchaser under the terms of the Master Agreement and this Addendum.

"State" for the purposes of this Participating Addendum, means the State of Oregon.

#### 2. Purchase Orders.

2.1 Purchase Orders. Authorized Purchasers may use their own forms for Purchase Orders. State agencies may also use the general State-approved Purchase Order referencing the Master Agreement Number, substantially in the form attached hereto as Exhibit No. 4. To the extent that the terms of any form differ from the terms of this Addendum, the terms of this Addendum supersede such contrary terms. Each Purchase Order from an Authorized Purchaser that is not a State agency must contain, on the front page, the following language:

THIS PURCHASE IS PLACED AGAINST THE STATE OF OREGON MASTER AGREEMENT NO.____
THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT AND THE ASSOCIATED PARTICIPATING ADDENDUM ENTERED INTO BY THE STATE OF OREGON, CONTRACT NO. ____APPLY TO THIS PURCHASE AND SUPERSEDE ALL CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED.

- 2.2 Effect of Purchase Orders. The State is only liable for purchases made by State of Oregon agencies that issue Purchase Orders. Other Authorized Purchasers are responsible for any purchases under Purchase Orders they issue. The State expressly disclaims any liability for purchases made by non-State agency Authorized Purchasers or any other entity.
- 2.3 Verification of Authorized Purchasers. Contractor shall verify that it provides goods and services under this Addendum only to Authorized Purchasers. Contractor may verify that a particular entity is an ORCPP member on-line at <a href="http://www.oregon.gov/das/Procurement/Pages/Orcppmember.aspx">http://www.oregon.gov/das/Procurement/Pages/Orcppmember.aspx</a> or by using the Oregon Procurement Information Network (ORPIN) at <a href="http://orpin.oregon.gov/open.dl/welcome">http://orpin.oregon.gov/open.dl/welcome</a>.
- 3. Payment Provisions; Buy Down Incentive Program. All payments are subject to ORS 293.462.

In addition to the prices or discounts offered in the Master Agreements, the State of Oregon may wish to participate with Contractors for specific energy efficient products and addition discounts that may be offered by the Energy Trust of Oregon for the Buy Down incentive program. The Buy Down incentive program provides instant pricing discounts for specific energy efficient products. Initially participation in the Buy Down program may be limited to State Agencies Authorized Purchasers ONLY, but DAS PS may elect to include other Authorized Purchasers (ORCPP members) if eligible for Energy Trust's Buy Down program at a later date. An Authorized Purchaser's participation will be subject to Energy Trust's terms and conditions and must include the Efficient Lighting Instant Incentives form "PI 190ELI currently v01."

#### Authorized Purchasers make note: 3.3 of current PI 190ELI v01 which states:

"Energy Trust may include some or all of the following information in reports or other documentation submitted to the Energy Trust Board of Directors, the Oregon Public Utility Commission, the Oregon Legislature or such State of Oregon agencies as necessary to meet Energy Trust responsibilities: Purchaser's name, city or county of business, a description of any Energy Trust services or incentives provided, or any resulting energy-savings or generation."

- "Purchaser will be installing the Promotion-qualifying lighting products at an existing building site receiving electric service from Portland General Electric or Pacific Power where the State owns the site or Purchaser otherwise has authority to perform the installation at the site..."
- 4. Funds available and authorized/non-appropriation. The State of Oregon's and its agencies' payment obligations under this Addendum are conditioned upon Authorized Purchaser's receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to meet its payment

obligations under any Purchase Order issued under this Addendum. Contractor is not entitled to receive payment under this Addendum or any Purchase Order from any part of Oregon state government other than Authorized Purchaser. Nothing in this Addendum or Purchase Order is to be construed as permitting any violation of Article XI, section 7 of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon. Authorized Purchaser represents that it has sufficient appropriations and limitation for the current biennium to make payments under any Purchase Order issued under this Addendum.

#### 5. Volume Sales Reports (VSRs) / Vendor Collected Administrative Fee (VCAF)

#### 5.1 Volume Sales Reports (VSRs):

5.1.1 Contractor shall submit a Volume Sales Report (VSR), in the form attached hereto as Exhibit No. 5, no later than thirty (30) calendar days from the end of each calendar quarter, which contains:

Complete and accurate details of all receipts (sales and refunds) for the reported period:

- The information as identified in the DAS PS document titled Volume Sales Report Template Data Requirement, Format and Layout (Exhibit 5); and
- Such other information as DAS PS may reasonably request.

Contractor shall send a VSR to DAS PS each quarter, whether or not there are sales. When no sales have been recorded for the quarter a report must be submitted stating "No Sales for the Quarter."

- **5.1.2** Data Medium and Delivery Medium: Contractor shall provide VSRs in MS Excel (.xls) format. VSRs must be submitted by e-mail. Delivered print outs of VSRs are not acceptable. Hard copies of VSRs on CDs are only acceptable if the size of the file precludes transmission by email. Approval from the Contract Administrator must be obtained for deviations from these requirements.
- 5.1.3 Receipt/Acceptance: The first VSR submitted by the Contractor must be submitted to the DAS PS Contract Administrator for review and approval. Approved first VSRs and subsequent VSRs must be submitted to <a href="mailto:vcaf.reporting@state.or.us">vcaf.reporting@state.or.us</a>. A separate section follows describing the administrative charge if it is applicable. The Contract Administrator's receipt or acceptance of any of the VSRs furnished pursuant to this Price Agreement shall not preclude DAS PS from challenging the validity thereof at any time.
- **5.1.4** DAS PS reserves the right to terminate this price agreement if volume sales reports are not received as scheduled on in the prescribed format.
- 5.2 Vendor Collected Administrative Fee (VCAF):
- 5.2.1 Vendor Collected Administrative Fee (VCAF) PERCENTAGE:

The Vendor Collected Administrative Fee (VCAF), is a charge equal to Two Percent (2.0 %) of

Contractor's Gross total sales, less any credits, made to Authorized Purchasers during the calendar quarter.

- **5.2.2 VCAF Amount / Payment Due Date:** During the term of this Price Agreement and for the sales during the last calendar quarter of the term of this Price Agreement, the Contractor shall remit VCAF payment to DAS PS within forty-five (45) calendar days after the end of each calendar quarter.
- **5.2.3** Contractors may not reflect the VCAF fee as a separate line item charge to Authorized Purchasers. Contractor's proposed prices shall reflect all Contractor's charges to Authorized Purchasers. For the purposes of this Price Agreement, quarters end March 31, June 30, September 30, and December 31. DAS PS will invoice the Contractor for the VCAF on a State generated invoice from the information submitted on the VSR. Contractor is responsible for timely reporting and payment, regardless of entity that actually reports or makes VCAF payment to DAS PS.
- **5.2.3.1 Payment Format:** The fee shall be in the form of a check remitted to:

State of Oregon
Department of Administrative Services
Attn: Shared Financial Services/PS
155 Cottage Street NE
Salem, Oregon 97301

Any other form of payment must be specifically approved by the Contract Administrator.

- **5.2.3.2 Interest**: Any payments Contractor makes or causes to be made to DAS PS after the due date as indicated on the invoice shall accrue interest at a rate of 18% per annum or the maximum rate permitted by law, whichever is less, until such overdue amount shall have been paid in full. DAS PS's right to interest on late payments shall not preclude DAS PS from exercising any of its other rights or remedies pursuant to this Price Agreement or otherwise with regards to Contractor's failure to make timely remittances.
- 5.3 Audit: DAS PS, as its own expense (except as provided herein), shall have the right during regular business hours, at Contractor's premises, and upon reasonable notice, by itself or by a person authorized by it, to audit Contractor's Records, as defined herein, and other pertinent data, to determine and verify the figures reported in any VSRs furnished by Contractor. In the event that any such audit reveals underpayment of administrative fees, Contractor shall immediately pay the amount of deficiency, together with interest thereon at the rate provided in Section 5.2.3.2. At DAS PS'S request, Contractor shall pay the reasonable cost of an audit, but only if such audit reveals that an underpayment may exist as determined by DAS PS.
- **5.4 Limitation of Liability**: Contractor acknowledges and agrees that the State shall bear no liability on Purchase Orders entered into for purchases by non-State Agencies, which liability the State expressly disclaims. With regard to non-State Agencies, Contractor agrees to look solely to the respective contracting party for any rights and remedies Contractor may have at law or in equity arising out of the sale and purchase of Contractor's Goods or Services and the resulting contractual relationship, if any, with each such contracting party.

- 6. Warranties. Authorized Purchasers are entitled to the warranties, rights, remedies, and benefits under the Master Agreement, including but not limited to those set forth in Section 18, and this Addendum for any purchases made by such Authorized Purchasers pursuant to Purchase Orders. Without limiting the generality of the warranty provisions of the Master Agreement, Contractor represents and warrants to Authorized Purchaser that:
- **6.1.** Contractor has the power and authority to enter into and perform this Addendum and that this Addendum, when executed and delivered, will be a valid and binding obligation of Contractor enforceable in accordance with its terms;
- 6.2 All Services to be performed under this Addendum will be performed in accordance with the highest applicable professional or industry standards, and that only workmanship of the first quality shall be employed in the performance of this Addendum;
- **6.3.** Contractor shall transfer to Authorized Purchaser all manufacturer warranties covering Goods or Products, if any at time of delivery at no charge, and
- 6.4. All Goods or Products, if any, are free and clear of any liens or encumbrances, and that Contractor has full legal title to such Goods or Products, and that no other person has any right, title or interest in the Goods or Products which is superior to or infringe upon the rights granted to Authorized Purchaser hereunder.

The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided in the Master Agreement. All warranties provided in this Addendum are cumulative and will be interpreted expansively so as to afford Authorized Purchaser the broadest warranty protection available.

#### 7. Indemnities.

- 7.1 General Indemnity. Contractor will defend, save, hold harmless and indemnify the Authorized Purchaser and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever resulting from, arising out of or relating to the activities of Contractor or its officers, employees, subcontractors or agents under the Addendum.
- 7.2 Infringement Indemnity. Contractor will, at Contractor's sole expense, defend, save, hold harmless and indemnify Authorized Purchasers and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against any and all costs, damages, attorneys' fees, and any and all costs incurred in any settlement negotiation or final settlement agreement resulting from, relating to, or arising out of a claim that any aspect of the goods or services furnished under a Purchase Order infringes a patent, utility model, industrial design, copyright, mask work, trademark, trade dress, or any other legally cognizable intellectual property right of any third party (an "Infringement Claim").

- 7.3 Participation. Control of Defense and Settlement. Contractor's obligation to indemnify Authorized Purchaser as set forth in Sections 7.1 and 7.2 is conditioned on Authorized Purchaser providing to Contractor prompt notification of any claim or potential claim of which Authorized Purchaser becomes aware that may be the subject of those Sections. Contractor shall have control of the defense and settlement of any claim that is subject to Section 7.1 or Section 7.2; however, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of Oregon or any Authorized Purchaser of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the approval of the Attorney General, nor shall Contractor settle any claim on behalf of the State of Oregon without the approval of the Attorney General. The State of Oregon may, at its election and expense, assume its own defense and settlement in the event that the State of Oregon determines that Contractor is prohibited from defending the State of Oregon, is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue and the State of Oregon desires to assume its own defense.
- 7.4 Remedies. If any goods or services furnished by Contractor are, in Contractor's opinion, likely to become the subject of an Infringement Claim, or if an Authorized Purchaser is prevented from exercising its rights under this Addendum based on any Infringement Claim or court order arising from any Infringement Claim, then Contractor may, at its option and expense, procure for the Authorized Purchaser the right to continue using the allegedly infringing goods or services, or replace or modify the goods or services so that they become non-infringing; provided that the replacement or modified good or service meets the specifications set forth in the applicable Purchase Order to the satisfaction of the Authorized Purchaser. If the foregoing remedies are not available, then Authorized Purchaser will return the allegedly infringing goods or services, and Contractor will refund Authorized Purchaser's payments, in full, for the allegedly infringing goods or services.

#### 8. Term and Termination of Participating Addendum.

- 8.1 Term. This Addendum remains in effect until the earlier of (a) the expiration or termination of the Master Agreement, or (b) termination of this Addendum in accordance with its terms.
- 8.2 Termination. DAS PS may terminate this Addendum, in whole or in part, at any time upon thirty (30) days prior notice to Contractor. In addition, DAS PS may terminate this Addendum, in whole or in part, immediately upon notice to Contractor, or at such later date as DAS PS may establish in such notice, for any reason, or upon the occurrence of any of the following events:
- 8.2.1 State fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for the goods to be purchased under the Addendum; or
- 8.2.2 Federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of goods under this Addendum is prohibited or the State is prohibited from paying for such goods from the planned funding source.

Upon receipt of written notice of termination, Contractor will stop performance under all Purchase Orders as directed by State.

8.3 Termination under any provision of this Addendum does not extinguish or prejudice State's or an Authorized Purchaser's right to enforce this Addendum or a Purchase Order with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of the State or an Authorized Purchaser to indemnification by Contractor. If this Addendum or a Purchase Order is so terminated, the State or an Authorized Purchaser will pay Contractor in accordance with the terms of this Addendum for goods delivered and accepted by the Authorized Purchaser.

#### 9. Termination of Individual Purchase Orders.

- 9.1 Individual Purchase Orders may be terminated at any time by written consent of Authorized Purchaser and Contractor or Authorized Purchaser may, at its sole discretion, terminate individual Purchase Orders, in whole or in part, upon 30 days written notice to Contractor.
- 9.2 Authorized Purchaser may terminate individual Purchase Orders, in whole or in part, immediately upon notice to Contractor, or at such later date as Authorized Purchaser may establish in such notice, upon the occurrence of any of the following events:
- 9.2.1 Authorized Purchaser fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for the goods to be purchased under the Purchase Order;
- 9.2.2 Federal or State laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of goods under the Purchase Order is prohibited or Authorized Purchaser is prohibited from paying for such goods from the planned funding source; or
- 9.2.3 Contractor commits any material breach of this Addendum or a Purchase Order.
- 9.3 Upon receipt of written notice of termination, Contractor will stop performance under the Purchase Order as directed by Authorized Purchaser.
- 9.4 Termination of a Purchase Order does not extinguish or prejudice Authorized Purchaser's right to enforce the Purchase Order with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of Authorized Purchaser to indemnification by Contractor. In addition, termination of a Purchase Order does not extinguish or prejudice Authorized Purchaser's right to enforce the warranty, indemnification, governing law, venue and consent to jurisdiction provisions of this Addendum. If a Purchase Order is so terminated, Authorized Purchaser will pay Contractor in accordance with the terms of this Addendum for goods delivered and accepted by Authorized Purchaser.
- 10. Compliance with Law. Contractor will comply with all federal, state and local laws, rules, regulations, executive orders and ordinances applicable to the Work under this Addendum or any Purchase Order, and an Authorized Purchaser's performance under a Purchase Order is conditioned on Contractor's compliance with the provisions of ORS 279B.220, 279B.235, 279B.230. and 279B.270. In addition, Contractor warrants good and services provided under this Addendum will comply with all

federal Occupational Safety and Health Administration (OSHA) requirements and with all Oregon safety and health requirements, including those of the State Workers' Compensation Division. Contractor also agrees to comply with (a) Title VI of the Civil Rights Act of 1964, (b) Section v of the Rehabilitation Act of 1973, (c) the Americans with Disabilities Act of 1990 and ORS 659.425, (d) all regulations and administrative rules established pursuant to the foregoing laws and (e) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

- 11. Application of Public Records Law. Contractor acknowledges that any disclosures Contractor makes to Authorized Purchaser under this Addendum are subject to application of the Oregon Public Records Law, including but not limited to ORS 192.410 192.505, the provisions for the Custody and Maintenance of Public Records, ORS 192.005 192.710, and of ORS 646.461 646.475. The non-disclosure of documents or of any portion of a document submitted by Contractor to Authorized Purchaser may depend upon official or judicial determinations made pursuant to the foregoing laws. Contractor will be notified prior to Authorized Purchaser's release of documents to Entities other than participating agencies or other State agencies. Contractor shall be exclusively responsible for defending Contractor's position concerning the confidentiality of the requested documents, at its own expense,
- 12. Recycled Products. Contractor will use, to the maximum extent economically feasible in the performance of this Addendum or any Purchase Order, recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh), and other recycled plastic resin products and recycled products (as "recycled product" is defined in ORS 279A.010(1)(ii).
- 13. Notices. Except as otherwise provided in a Purchase Order, any formal communications between the parties to or notices to be given under a Purchase Order will be given in writing by personal delivery of a facsimile transmission or the notice or mailing the notice, postage prepaid, at the address or number set forth on the Purchase Order. Any communication so addressed and mailed will be deemed to have been received five (5) calendar days after mailing. Any communication delivered by facsimile will be deemed to be given when a confirming report for the transmission is generated by the transmitting machine. To be effective against the receiving party, such facsimile transmission must be confirmed by telephone notice to the receiving party's authorized representative, as set forth in the Purchase Order. Any communication or notice by personal delivery will be deemed to be given when actually received by the appropriate authorized representative.

As between Contractor and State with respect to this Addendum, the Primary Contacts of Contractor and State are set forth above.

- 14. Governing Law. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Addendum and resulting Purchase Orders, including, without limitation, their validity, interpretation, construction, performance, and enforcement.
- 15. Jurisdiction and Venue. Any claim, action, suit or proceeding (collectively, "Claim") between State or any other agency or department of the State of Oregon, and Contractor, that arises from or relates to this Addendum or a Purchase Order under this Addendum, will be brought and conducted solely and exclusively in the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively in the United States District Court of the District of Oregon. CONTRACTOR, BY EXECUTION OF THIS

ADDENDUMOR ACCEPTANCE OF A PURCHASE ORDER SUBMITTED PURSUANT TO THIS ADDENDUM HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS. Nothing in this section will be construed as a waiver of the State of Oregon's sovereign immunity with respect to any Claim, whether brought under State or Federal law, or consent to jurisdiction in State or Federal Court.

Any Claims between Contractor and an Authorized Purchaser other than the State of Oregon or State agency that arise from or are related to individual Purchase Orders or this Addendum will be brought and conducted solely and exclusively within the Circuit Court of the county in the State of Oregon in which such Authorized Purchaser resides or has its principal office, or at Authorized Purchaser's option, within such other county as Authorized Purchaser will be entitled to proceed under the venue laws of Oregon to bring or defend Claims. If any such Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.

- 16. Foreign Contractor. If Contractor is not domiciled in or registered to do business in the State of Oregon as of the effective date of this Addendum, Contractor will promptly provide to the Oregon Department of Revenue all information required by that Department relative to the Addendum or any Purchase Order. An Authorized Purchaser may withhold final payment under a Purchase Order until Contractor has provided the Oregon Department of Revenue with the required information.
- 17. Merger Clause; Waiver. This Addendum, including the Master Agreement and the exhibits attached to this Addendum, constitutes the entire agreement between the parties on the subject matter hereof, and supersede all prior agreements, oral or written. There are no understandings, agreements, or representations, oral or written, between these parties that are not specified in this Addendum. No waiver, consent, modification or change of terms of this Addendum binds either party unless in writing and signed by both parties and all necessary State approvals have been obtained. Such waiver, consent, modification or change, if made is effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Addendum does not constitute a waiver by the State of that or any other provision.
- 18. Independent Contractor. Contractor shall act at all times as an independent contractor and not as an agent or employee of Authorized Purchaser. Contractor has no right or authority to incur or create any obligation for or legally bind Authorized Purchaser in any way. Contractor is not an "officer", "employee", or "agent" of Authorized Purchaser (or any other agency, office, or department of the State of Oregon), as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary. Neither party shall make any statements, representations, nor commitments of any kind or to take any action binding on the other except as provided for herein or authorized in writing by the party to be bound.
- 19. Access to Records. Contractor will maintain all fiscal records relating to Purchase Orders in accordance with generally accepted accounting principles and will maintain any other records relating to Purchase Orders in such a manner as to clearly document Contractor's performance thereunder. The Authorized Purchaser, the State and its agencies, the Oregon Secretary of State Audits Division and their duly authorized representatives will have access to such fiscal records and to all other books, documents, papers, plans and writings of Contractor which relate to this Addendum to perform examination and audits and make excerpts and transcripts. To the extent provided by law, the federal government will be entitled

to the same access as the State of Oregon and Authorized Purchasers. Contractor will retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of six years, or such longer period as may be required by applicable law following final payment and termination of this Addendum, or until the conclusion of any audit, controversy or litigation arising out of or related to this Addendum, whichever date is later.

- 20. Severability. If any term or provision of this Addendum is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the parties will be construed and enforced as if the Addendum did not contain the particular term or provision held to be invalid.
- 21. Survival. Any terms of this Addendum, which by their nature are intended to survive termination or expiration including but not limited to warranty, indemnification, access to records, governing law, venue, consent to jurisdiction, termination and remedies provisions survive the termination or expiration of this Addendum.
- 22. Insurance. Within ten (10) days of the Effective Date, Contractor must provide insurance as set forth on Exhibit No. 2. No Purchase Orders may be placed or accepted until proof is provided that these requirements have been met.
- 22. Amendments. This Addendum may be modified in writing once agreed to and signed by all parties.

## Exhibit No. 2 - INSURANCE

Contractor shall obtain at Contractor's expense the insurance specified in this Exhibit No. 2 prior to performing under this Addendum and shall maintain it in full force and at its own expense throughout the duration of this Addendum and all warranty periods. Contractor shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in State and that are acceptable to DAS PS. Coverage shall be primary and non-contributory with any other insurance and self-insurance. Contractor shall pay for all deductibles, self-insured retention and self- insurance, if any.

#### **WORKERS' COMPENSATION & EMPLOYERS' LIABILITY**

□ Required by DAS PS ☑ Not required by DAS PS.

All employers, including Contractor, shall provide workers' compensation insurance as required by applicable workers' compensation laws for persons performing work under this Addendum including Employers' Liability Insurance with limits not less than \$500,000 each accident. Contractor shall require and ensure that each of its subcontractors complies with these requirements.

COMMERCIAL GENERAL LIABILITY:   Required by DAS PS  Not required by DAS PS.
Commercial General Liability Insurance covering bodily injury, death and property damage in a form and with coverage that are satisfactory to the State. This insurance shall include personal injury liability, products and completed operations, and contractual liability coverage. Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000.00 per occurrence. Annual aggregate limit shall not be less than \$2,000,000.00.
AUTOMOBILE LIABILITY INSURANCE:
□ Required by DAS PS □ Not required by DAS PS.
Automobile Liability Insurance covering all owned, non-owned, or hired vehicles with a combined single imit of not less than \$1,000,000.00 for bodily injury and property damage.
PROFESSIONAL LIABILITY:

Professional Liability insurance covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Addendum in an amount not less than \$_per occurrence. Annual aggregate limit shall not be less than \$. If coverage is on a claims made basis, then either an extended reporting period of not less than 24 months shall be included in the Professional Liability insurance coverage, or the Contractor shall provide Tail Coverage as stated below.

#### ADDITIONAL INSURED:

The Commercial General Liability insurance and Automobile Liability insurance required under this Addendum shall include the State of Oregon, its officers, employees and agents as Additional

Insureds but only with respect to Contractor's activities to be performed under this Addendum.

#### TAIL COVERAGE:

If any of the required insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, Contractor shall maintain either tail coverage or continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of this Addendum, for a minimum of 24 months following the later of (i) Contractor's completion and DAS PS's acceptance of all Services required under this Addendum, or, (ii) The expiration of all warranty periods provided under this Addendum.

#### **CERTIFICATE(S) AND PROOF OF INSURANCE:**

Contractor shall provide to DAS PS Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Addendum. The Certificate(s) shall list the State of Oregon, its officers, employees and agents as a Certificate holder and as Additional Insured, specify that Contractor shall pay for all deductibles, self-insured retention and self-insurance, if any, that all coverage shall be primary and non-contributory with any other insurance and self-insurance, and confirm that either an extended reporting period of at least 24 months is provided on all claims made policies or that tail coverage is provided. As proof of insurance DAS PS has the right to request copies of insurance policies relating to the insurance requirements in this Addendum.

#### NOTICE OF CHANGE OR CANCELLATION:

The contractor or its insurer must provide at least 30 days' written notice to DAS PS before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

#### INSURANCE REQUIREMENT REVIEW:

Contractor agrees to periodic review of insurance requirements by DAS PS under this Addendum and to provide updated requirements as mutually agreed upon by Contractor and DAS PS.

#### INTENTIONALY LEFT BLANK

#### **EXHIBIT NO. 3**

#### CONTRACTOR TAX CERTIFICATION

The Individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury to the best of the individual's knowledge that:

1. The number shown on this form is Contractor's correct taxpayer identification;

Federal	Tax	Number	
Oregon	Тах	Number	

- 2. Contractor is not subject to backup withholding because:
  - (i) Contractor is exempt from backup withholding,
  - (ii) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or
  - (iii) The IRS has notified Contractor that Contractor is no longer subject to backup withholding.
- 3. S/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes,
- 4. For a period of no fewer than six calendar years preceding the Effective Date of this Addendum and any Contract, Contractor faithfully has complied with:
  - (i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
  - (ii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor;
  - (iii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and
  - (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Contractor:	
Signature	
Date	

### EXHIBIT NO. 4 SAMPLE PURCHASE ORDER

	PURCHASE ORDER (PO) NO.	PAGE#							
Authorized Purchaser's Authorized	Authorized Purchaser's Authorized Representative Purchase Order Date								
Contractor Name and Address			Authorized Purchaser's Invoicing Address						
Contractor FEIN	Price Agreement n MA #XXXX, PA		Authorized Purchaser's Authorized Representative Email Address						
Deliver to Address	Deliver to Address				Authorized Purchaser's Authorized Representative Phone and Fax Number				
			Delivery Scheo	lule or Del	livery Date				
ljem p	escripti OR		Quantity	Y/M	Unit Price				
		,							
		ar i respersivemblications		201-127-112-120-					
					Sub Total				
					Freight				
					Total				
This Purchase Order is subject to Master Agreement #XXXX, and Participating Addendum #XXXX. The terms and conditions contained in the Participating Addendum apply to this purchase and take precedence over all other conflicting terms and conditions, express or implied. There are no understandings, agreements or representations, oral or written, not specified herein.									
Authorized Purchaser's Authorized Representative to Make Purchase					Date				

# EXHIBIT NO. 5 VENDOR COLLECTED ADMINISTRATIVE FEE (VCAF)/VOLUME SALES REPORT (VSR)

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# Attachment H COBID CERTIFIED FIRM / OUTREACH PLAN

"Certified Firm"_means a small business certified under ORS 200.055 by the Oregon Certification Office for Business Inclusion and Diversity ("COBID") as "disadvantaged business enterprise", "minority-owned business", "woman-owned business", "emerging small business" or "business that a service-disabled veteran owns".

#### **Certified Firm Participation**

As noted in Governor Kitzhaber's Executive Order 12-03: "Minority-owned and Woman-owned businesses continue to be a dynamic and fast-growing sector of the Oregon economy. Oregon is committed to creating an environment that supports the ingenuity and industriousness of Oregon's Minority Business Enterprise ["MBE"] and Woman Business Enterprise ["WBE"]. Emerging Small Business ["ESB"], Disabled Veteran ["DV"], and Disadvantaged Business Enterprise ["DBE"] firms are also an important sector of the state's economy."

In 2015, HB 3303 revised ORS 200.055 to add "a business that a service-disabled veteran owns" as a business type that may apply to COBID for certification. Contracting agencies shall aggressively pursue a policy of providing opportunities to Certified Small Businesses (hereinafter "Certified Firms") according to ORS 200.090. As such, Oregon Certified firms must have an equal opportunity to participate in the performance of contracts financed with state funds. By submitting its offer, Offeror certifies that it will take reasonable steps to ensure that Certified Firms are provided an equal opportunity to compete for and participate in the performance of any subcontracts resulting from this procurement. Offeror further certifies and agrees that it has not discriminated and will not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation or national origin, and it has not discriminated and will not discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business certified under ORS 200.055.

If there may be opportunities for subcontractors to work on the project, it is the expectation of the DAS and NASPO ValuePoint and its Purchasing Entities that the Offeror will take reasonable steps to ensure that Certified Firms are provided an equal opportunity to compete for and participate in the performance of any contract and/or subcontracts resulting from this procurement.

Following opening of bids and prior to Contract Award, the Offeror with the apparent highest scoring Proposal or lowest Bid must provide, within five days of Notice of Intent to Award, a Certified Firms Outreach Plan using the form on the following page. The information submitted in response to this clause will not be considered in any scored evaluation and no evaluative points will be assigned to the information.

### Certified Small Business Outreach Plan

1. Is Offeror an Oregon Certified Firm? Yes  No
If yes, indicate all certification type(s): MBE  WBE  ESB  DBE  DV
Oregon State Certification number:
2. Does Offeror foresee any subcontracting opportunities for this procurement? Yes $\square$ No $\square$
If no, do not complete the rest of this form.
3. The Offeror shall provide a narrative description of its experience in obtaining Certified Firms participation as subcontractors, consultants or suppliers on previous projects, and discuss any innovative or particularly successful measures that the Offeror has undertaken. The Offeror shall include a list of those certified firms with which it has had a contractual relationship during the past 24 months immediately preceding the date this solicitation document was issued. If none, mark the following checkbox:   No prior experience obtaining participation from Certified Firms.
4. The Offeror shall provide examples where Certified Firms participation was achieved, along with information on Certified Firms subcontracting participation levels for up to three projects/contracts that the Offeror is either currently performing or has completed within the past 24 months immediately preceding the date this solicitation document was issued. Certified Firms participation should be described as the percentage of the dollar value of subcontracts and material or supply contracts awarded to Certified Firms as compared with the total dollar value of subcontracts and material or supply contracts let for each identified project or contract. The Offeror shall describe any technical assistance or mentoring the firm provided to Certified Firms subcontracting on each project. If none, mark the following checkbox:   No prior experience obtaining participation from Certified Firms.
Project 1 Name
Award Date/_/ Completion Date/_/ Contract Award Amount \$
Certified Firms goal percentage, if applicable% Certified Firms achievement percentage%

Certified Firms Subcontract Award Amount \$ Achieved \$	Certified Firms Spend
Describe any technical assistance or mentoring provided on this project.	·
Project 2 Name	•
Award Date/_/ Completion Date/_/ \$	Contract Award Amount
Certified Firms goal percentage, if applicable	_% Certified Firms achievement
percentage% Certified Firms Subcontract Award Amount \$ Achieved \$	Certified Firms Spend
Describe any technical assistance or mentoring subcontracting on this project.	provided to Certified Firms
Project 3 Name	
Award Date/_/ Completion Date/_/	Contract Award Amount
Certified Firms goal percentage, if applicable	% Certified Firms
achievement percentage%  Certified Firms Subcontract Award Amount \$ Achieved \$	Certified Firms Spend
Describe any technical assistance or mentoring provided project.	to Firms subcontracting on this

5. If the total cost of the awarded contract is expected to be greater than \$10,000.00, the

Offeror shall describe the outreach and subcontracting plan it will use, if awarded the contract, to provide Oregon Certified Firms certified firms an equal opportunity to perform any subcontracts under the contract. The plan must be realistic and based on Offeror's successful past experience. If Offeror has no previous outreach experience, the Offeror shall describe the outreach plan it intends to use if awarded the contract.

The Offeror must include the following in its plan:

- i. A description of the steps that the Offeror will take to solicit Certified Firms participation;
- ii. A description of the mentoring, technical or other business development assistance the Offeror will provide to subcontractors needing or requesting such services.

If awarded the contract, the Offeror must accept, as contract performance obligations, the outreach and subcontracting plan described in this section. If certified firms are unavailable for type of work to be performed, please indicate in this section.

	<u> </u>
Company Name:	
Authorized Signature:	
Name of Authorized Representative:	
Title:	

# Attachments I - O ADDITIONAL PARTICIPATING STATES TERMS AND CONDITIONS





#### **EXECUTIVE SUMMARY**

The Fastenal story began in November 1967 when Bob Kierlin and four friends opened the first Fastenal store, a small one-stop fastener shop in Bob's hometown of Winona, MN. It was a humble beginning, but during those early years, we forged our identity as a local supplier that earns opportunities by exceeding customers' expectations for service – an approach later summed up with four words: *Growth Through Customer Service*.

Guided by this motto, Fastenal has grown (almost entirely organically) from that single shop in Winona to North America's largest fastener distributor and one of the world's most innovative and efficient distributors of OEM, MRO and construction supplies. As we've expanded, we've never stopped being a local supplier. We simply became "local" in more places, with more and more corporate resources to improve our local service.

A significant new chapter in our story began in February of 2011, when Fastenal was awarded the NASPO ValuePoint (formerly WSCA) contract for Maintenance, Repair and Operations (MRO), Industrial Supplies and Tools. In keeping with our culture and history, thousands of local Fastenal personnel have worked hard to prove that "Growth Through Customer Service" rings just as true for government customers as it does in the worlds of industry and commercial construction.

Over the past six years, Fastenal has proudly served thousands of government buyers and end users through the NASPO ValuePoint contract and introduced government customers to our exceptional local service and our innovative value added solutions.

... And so the story continues. Fastenal is excited to respond to the State of Oregon on RFP DASPS-2183-17 Facilities Maintenance and Repair & Operations (MRO) Industrial Supplies. In our response, the NASPO ValuePoint evaluation committee will learn about the many ways Fastenal is investing in the success of our government customers. This investment includes:

- More than 2,100 industrial supply branch locations in the continental United States, Hawaii,
   Alaska, Puerto Rico and Guam, each offering local delivery, locally-stocked inventory (including customer-specific items), and customer service that's unparalleled in the industry.
- The 'fuel' that powers all of the above: more than 20,000 employees company-wide, including more than 10,200 inside and outside sales personnel based in our local branches.
- Name-brand products from high-quality, closely-aligned manufacturer partners.
- State-of-the-art online ordering systems.
- Innovative value added services that position Fastenal in the vanguard of the industrial supply industry including vending solutions and onsite solutions.
- 17 distribution centers and a fleet of company-owned delivery and semi-trucks, establishing Fastenal as a logistics and distribution powerhouse with minimal reliance on 3rd party carriers.

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- Unmatched local shipping & delivery capabilities providing inside deliveries (unlike 3rd party carriers who deliver to lobbies, reception areas and loading docks) – many items available for same day inside delivery.
- Deep contract management and compliance expertise and a commitment to ESB/MBE & WBE programs, green products, sustainability programs, and emergency preparedness/disaster recovery.
- Robust reporting and data management for sound decision-making and cost savings documentation.

In addition to explaining what sets Fastenal apart from our competitors, our response clearly communicates and demonstrates our competence to support the government agencies we serve, our experience in performing and administrating comparable engagements, our conformance with the RFP scope & terms, and the expertise of Fastenal's key personnel in marketing and customer service.

The market basket pricing, discounts, volume discounts and growth incentives offered are highly competitive, and our value added solutions have proven to help NASPO members streamline, save and succeed. In short, Fastenal's offer is aggressive and represents our best value to government customers.

We truly appreciate the opportunity to interweave our story with yours over the past six years, and we are looking forward to writing the next chapter with some familiar themes for NASPO members – local relationships, quality products, innovative solutions, meaningful TCO reductions, and customer service that is second to none.

# NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

Submitted to: Shirley A. Smith, State Procurement Analyst State of Oregon, DAS PS 1225 Ferry St., SE Salem, Oregon 97301

Request for Proposal (RFP) No. DASPS-2183-17

Master

Closing Date: January 5, 2018 at 2:00pm, PT

Submitted by:

MSC Industrial Supply Co.

Elizabeth Flores

Business Development Manager

(714) 768-0049

FloresE@mscdirect.com

Page 1 + NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies RFP No. DASPS-2183-17 July 12, 2018



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# **Executive Summary**

MSC Industrial Supply Co. (MSC) is pleased to present our response to Request for Proposal (RFP) No. DASPS-2183-17 to the NASPO ValuePoint Selection Committee for consideration for the Multi-State Contract for MRO Products. Partnering with the NASPO ValuePoint Program since 2011, MSC has consistently demonstrated our strength as a partner to the NASPO ValuePoint program through our successful track record of past performance.

As a key supplier, MSC brings tremendous value to our NASPO ValuePoint Customers. Our world-class service model features a broad product offering of over 1,000,000 products, unmatched logistics and supply chain capabilities, and a customizable suite of solutions optimizing inventory management processes. Our experienced State Government team will continue to support NASPO ValuePoint customers and our State, Local and Education via our Business Development Resources, Telesales Team, and additional sales associates from our Class C Solutions (formerly Barnes North America Distribution) acquisition.

MSC has signed 34 Statewide Contract Agreements with the NASPO ValuePoint Cooperative Program along with many additional political subdivision participating agreements. Utilizing the NASPO ValuePoint Cooperative Agreement as a "Go to Market" Cooperative Agreement Partner, we've developed a growth strategy targeting the Educational Segment, including higher education, vocational and technical schools, and School Districts. This partnership drives commitment and supports a mutually beneficial growth opportunity, which complements both the NASPO ValuePoint program and our MSC strategy.

To better serve the NASPO ValuePoint contract, MSC has significantly invested in our business platform over the past 12 to 18 months. Our new state-of-the-art Telephony Platform Solution integrates our entire company telephone network into one system. This advancement seamlessly networks our customer service team, specialty teams (metalworking, tech and sourcing teams), and ecommerce solutions to best provide a more streamlined user experience for all of our customers.

MSC has also invested significant resources in our Data Capabilities. With enhanced data capabilities, MSC offers improved capabilities with cross referencing, attribute-based cross reference of product descriptions and product search capabilities that will help end users get what they want and need from the MSC Special Services Team. These enhancements offer the NASPO ValuePoint End Users a solution in finding what they need beyond traditional product search engines.

In addition, the following highlights how our capabilities meet and exceed the requirements outlined in the RFP:

#### **MSC Background**

- Financially sound company in business since 1941
- Experienced Government Supplier (GSA since 2002)
- State Government Team in place since 2007
- NASPO ValuePoint Key Supplier since 2011
   Logistics Capabilities

- Same Day Shipping Guarantee (with 99% fill rate)
- 8pm, EST, order cut-off within the contiguous U.S. Integration Capabilities
- Extensive integrations with state, commercial and federal customers
- MSC supports current XML versions
- mscdirect.com Workflow Management controls

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- mscdirect.com Personal Lists and Profiles
- Full line of reporting capabilities

#### **Eco-Friendly Solutions**

- Eco-Friendly products and solutions available
- Eco-Friendly logos displayed on mscdirect.com and within our 2017-18 Big Book

#### Supply Chain System Capability

- Fully integrated supply chain management system
- Integrated transportation network consisting of UPS, FedEx, USPS, and other LTL carriers
- Ability to support sustainment needs, with our breadth and depth of product, and supplier capabilities
- Ability to process emergency orders

#### Breadth of Product

- \$300 million of on-hand inventory
- 1,000,000 catalog items
- 38 different product categories

#### Past Performance

- Proven record of contract performance with the following:
- 34 Statewide Contract Agreements
- Over 300 National Account customers
- GSA Global Supply Programs
- USPS

#### Socioeconomic Program

- Strong history of supporting small businesses
- Annually, MSC has been awarded approximately \$200 Million in small business contracts

MSC looks forward to continuing its long and successful alignment to the NASPO ValuePoint Cooperative Program over the next five years (upon contract award). Our submitted proposal demonstrates how MSC can not only meet, but exceed the NASPO ValuePoint program's expectations, and ultimately deliver the most compelling overall value, company commitment, and savings plan in the marketplace.

As noted, we have read and understand all the terms outlined in the RFP and Exhibit B Master Service Agreement. However, MSC cannot comply with the below language:

State of Montana – Terms and Conditions - Cooperative Contract(s) for Maintenance, Repair and Operations (MRO), Industrial Supplies – Attachment A - Federal Terms and Conditions (Non-Construction), Section 7 Buy American Act

MSC cannot meet this requirement or certify that all products in our catalog qualify for domestic status, and are therefore compliant with the Buy American Act. When requested, MSC will provide the country of origin on an order-by-order basis. Please note, that items offered through MSC's GSA Schedule contract are Trade Agreements Act compliant.

Additionally, MSC respectfully takes exception to the below:

Attachment B, Section 8. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review, Part (g):

"Contractor agrees, within 30 days of their effective date, to notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-part contracts or agreements that may affect the promotion of this Master Agreements or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this master agreement. Upon request of the Lead State or NASPO ValuePoint, Contractor shall provide a copy of any such provisions."

MSC Exception: MSC expressly limits the applicability of the Most Favored Customer provision, and as such any subsequent notification and disclosure, to those third-party contracts or agreements, which are comparable in size and scope to that of the NASPO co-operative agreement.

State of Montana - Terms and Conditions - Cooperative Contract(s) for Maintenance, Repair and Operations (MRO), Industrial Supplies, Hold Harmless/Indemnification

"Hold Harmless/Indemnification: 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 of character, including the cost of defense thereof, arising in favor of 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 Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the -sole negligence of the State under this agreement."

MSC Exception: Delete the word "sole" in the last sentence, last line of Hold Harmless/Indemnification. MSC does not indemnify customers for their negligence.

State of Utah - ATTACHMENT A: STATE OF UTAH STANDARD TERMS AND CONDITIONS FOR GOODS AND SERVICES

"INDEMNITY: Contractor shall be fully liable for the actions of its agents, employees, officers, partners, and Subcontractors, and shall fully indemnify, defend, and save harmless the Division, the Eligible Users, and the State of Utah from all claims, losses, suits, actions, damages, and costs of every name and description arising out of Contractor's performance of this Contract caused by any intentional act or negligence of Contractor, its agents, employees, officers, partners, or Subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss, or damage arising hereunder due to the sole fault of the Division, Eligible Users, or the State of Utah. The parties agree that if there are any limitations of the Contractor's liability, including a limitation of liability clause for anyone for whom the Contractor is responsible, such limitations of liability will not apply to injuries to persons, including death, or to damages to property."

MSC Exception: Delete the word "sole" in the Indemnification. MSC does not indemnify customers for their negligence.

# Section 3: Administrative and Technical Response Requirements

#### 3.1 MANDATORY MINIMUM ADMINISTRATIVE PROPOSAL REQUIREMENTS

This section contains the minimum requirements that must be met in order to be considered for the evaluation phase. All of the items described in this section are non-negotiable. All Offerors must state willingness and demonstrate ability to satisfy these requirements in the proposal submitted for consideration.

MSC's proposal demonstrates how we can meet and / or exceed all the requirements outlined in the RFP No. DASPS-2183-17.

#### 3.2 NASPO VALUEPOINT MASTER AGREEMENT STATEMENT OF COMPLIANCE

NASPO ValuePoint Master Agreement(s) resulting from this RFP will constitute the final agreement except for negotiated terms and conditions specific to a Participating State's or a Participating Entity's Participating Addendum.

This section highlights particular terms and conditions of NASPO ValuePoint Master Agreement, although Offerors will be bound to all the terms and conditions when executing a Master Agreement as shown in Attachment B. Offeror must include a statement in its Proposal that it has read and understands all of the terms and conditions as shown in the Master Agreement (Attachment B).

MSC has read and understands all the terms and conditions outlined in Attachment B NASPO ValuePoint Master Agreement.

#### 3.2.1 Insurance

To be eligible for award, the Offeror agrees to acquire insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state at the prescribed levels set forth in Section 21 of the NASPO ValuePoint Master Agreement. Offeror must describe its insurance or plans to obtain insurance satisfying the requirements in Section 21.

In addition, Participating States/Entities may request additional insurance or other coverages for their State within their specific Participating Addendum.

MSC meets all insurance requirements outlined in Section 21 of Attachment B NASPO ValuePoint Master Agreement. We will gladly furnish Certificates of Insurance upon award.

#### 3.2.2 NASPO ValuePoint Administrative Fee and Reporting Requirements

To be eligible for award, Offeror agrees to pay a NASPO ValuePoint administrative fee as specified in Section 6 of the NASPO ValuePoint Master Agreement. Moreover, specific summary and detailed usage reporting requirements are prescribed by Section 7 of NASPO ValuePoint Master Agreement.

Offeror shall identify the person responsible for providing the mandatory usage reports. This information must be kept current during the contract period. Contractor will be required to provide reporting contact within fifteen (15) calendar days of Master Agreement execution.

MSC agrees to pay the NASPO ValuePoint administrative fees as outlined in Section 6 of Attachment B NASPO ValuePoint Master Agreement. Additionally, we can meet all summary and detailed usage reporting requirements outlined in Section 7 of Attachment B NASPO ValuePoint Master Agreement.



We will provide all contact information for the individual responsible for providing the mandatory usage reports within 15 calendar days of the Master Agreement execution.

#### 3.2.3 NASPO ValuePoint eMarket Center

To be eligible for award, the Offeror agrees, by submission of a Proposal, to cooperate with NASPO ValuePoint and SciQuest (and any authorized agent or successor entity to SciQuest) with uploading a hosted catalog or integrating a punchout site. Refer to Attachment B, Section 9 and eMarket Center Appendix, NASPO ValuePoint Master Agreement for the prescribed requirements.

MSC complies with all requirements outlined in Attachment B, Section 9 and the eMarket Center Appendix. For over six years, MSC has successfully supported, and will continue to support, NASPO ValuePoint end-users through our extensive ecommerce capabilities. Additionally, many States also maintain MSC Punchout Catalogs via various integration partners, including SciQuest, Ariba, Periscope, and more (e.g., Massachusetts and New Jersey).

#### 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments I - O to this Solicitation. These will be negotiated with individual Participating States after award of the Master Agreement(s). Each State reserves the right to negotiate additional terms and conditions in its Participating Addendums, including environmentally preferable products. Offeror shall submit a statement that it has read and understands all the Terms and Conditions as shown in the attached State specific Participating Addenda.

MSC has read and understands all the Terms and Conditions as shown in the attached State-specific Participating Addenda.

#### 3.4 TECHNICAL REQUIREMENTS

This section contains technical requirements pertaining to the Maintenance and Facilities Repair & Operations (MRO) industrial Supplies. Other sections of this RFP contain additional requirements that must be met in order to be considered responsive. Offeror must identify in its Proposal how it will meet (or exceed) all requirements listed in this Section 3, Section 4, and Attachments A, B, and D-1 of this RFP solicitation.

MSC will meet / exceed the requirements noted in below sections as follows:

- Section 3: Please note that MSC has responded to all requirements as necessary in this document.
- Section 4: As required in the RFP, MSC is providing a response to Section 4: Market Basket Cost Proposal in our separate Cost Proposal.
- Attachment A: MSC has outlined how we will meet / exceed all requirements in the Attachment A: Description of Product and Services section of our Technical Proposal.
- Attachment B: MSC has read and understands all requirements outlined in Attachment B: NASPO ValuePoint Master Agreement.
- Attachment D-1: MSC has completed Attachment D-1 Market Basket as required and is submitted with our Cost Proposal.
- Exhibit D: MSC confirms we can adhere to all reporting requirements outlined in Exhibit D: NASPO ValuePoint Detailed Sales Data Report Form.

#### 3.4.1 Offeror Profile

Provide the following information specific to Offeror's company:

a. Company's full legal name

Sid Tool Co., Inc. DBA MSC Industrial Supply Co.

b. Primary business address

MSC's co-headquarters are located at:

- MSC Industrial Supply Co.75 Maxess RoadMelville, NY 11747
- MSC Industrial Supply Co.
   525 Harbour Place Drive
   Davidson, NC 28036
- c. Describe company ownership structure

MSC is a publicly owned corporation trading on the NYSE under the MSM symbol.

d. Employee size (number of employees)

MSC employs approximately 6,400 Associates.

e. Website

The MSC website can be found at mscdirect.com.

f. Sales contact information

The following individual may be contacted for any questions or information regarding MSC's response to the RFP:

Elizabeth Flores, Business Development Manager (714) 768-0049
FloresE@mscdirect.com

In addition, the below individuals may also be contacted in reference to the MSC response:

- Ron Manning, Senior Director, Government Sales Program (781) 249-4493

  ManningR@mscdirect.com
- Michael Gordon, State Government Team Manager (714) 454-5985
  GordonM@mscdirect.com
- g. Company's client retention rate during the past 3 years

Typically, MSC standard contract length is three years with a majority of customers signing additional renewal terms. For example, MSC has had the GSA contract since 2002 and the State of California since 2006.

We currently service approximately 360,000 customers in all 50 states through our broad network of five domestic Customer Fulfillment Centers (CFCs) located regionally near Columbus, OH; Harrisburg, Pennsylvania; Atlanta, Georgia; Elkhart, Indiana; and Reno, Nevada and over 90 Branch offices.



Our customer base encompasses a wide range of purchasers from individual machine shops to Fortune 1,000 companies and government agencies, including the General Services Administration (GSA) and the Department of Defense. We also partner with many other federal, state, and local government agencies across the United States, including military bases, the United States Postal Service, state entities, universities, municipalities, school districts, and counties.

h. A brief history of the company and the year it was founded

Founded in 1941, MSC is an over \$2.8 billion nationwide distributor of metalworking and maintenance, repair and operations (MRO) products to industrial, commercial and government entities throughout the United States.

With a 75-year history of driving innovation in industrial product distribution, we help solve our manufacturing customers' metalworking, MRO and operational challenges. Our team of more than 6,400 associates brings deep expertise and insight to not only keep our customers' manufacturing operations up and running, but also improve their efficiency, productivity and profitability through our technical metalworking expertise and inventory management and other supply chain solutions.

i. Describe the company's growth during the past three years.

MSC is a financially strong and stable company as evidenced by the following net sales for the last three fiscal years:

FY17: \$2,887,744,000

**■ FY16: \$2,863,505,000** 

FY15: \$2,910,379,000

MSC actively pursues strategic acquisitions that we believe will either expand or complement our business in new or existing markets, or that will further enhance the value and offerings we are able to provide to our existing or future potential customers.

Most recently, we acquired DECO Tool Supply Co., a leading, metalworking-based industrial supply distributor headquartered in Davenport, Iowa. Barnes Distribution North America, now Class C Solutions Group, was acquired in 2013

Additionally, we opened our co-headquarters in Davidson, North Carolina, and fifth Customer Fulfillment Center in Columbus, Ohio in 2013.

#### 3.4.2 Customer Service

a. What are Offeror's hours of operation and when are key account people available to Participating States/Entities and Purchasing Entities?

NASPO ValuePoint users have access to a dedicated customer service team who may be contacted toll-free at 888-MSC-9722, or via email at nvp@mscdirect.com. Users may also contact our general customer service number at 800-645-7270, or via email at cust_service@mscdirect.com.

Customer service representatives at MSC Call Centers are available Monday through Friday, 7am-11pm, EST, and Saturdays, 8am-5pm, EST. Our national branch offices are typically open Monday through Friday, 8am-5pm, local time, but hours may vary.

Our website, mscdirect.com, and our fax number, 800-255-5067, are also available 24 hours a day, seven days a week.

b. Describe how problem identification and resolution will be handled.

The key to a smooth transition to MSC services and delivering on our commitment to world-class customer care is ensuring all customer program requirements are loaded and readily available to our Customer Care Associates, so that they are able to quickly respond to any issue that is received.

Our frontline associates are highly enabled and empowered to immediately resolve any concerns. When any service impacting situation occurs, it is brought to the attention of the Customer Care Team and State Dedicated Account Manager and reported through our customer's corrective action process. It is also reviewed at each Quarterly Business Review.

Specifically, upon the identification of an issue or challenge, NASPO users would either contact their local Sales Associate or call the dedicated NASPO toll-free telephone number. Our sales associates and customer service representatives are able to resolve a majority of calls upon first contact.

If the issue cannot be resolved at the local level, it would be escalated up to the MSC's experienced State Account Managers, who are familiar with the NASPO ValuePoint program and also each Participating State needs.

c. How does Offeror propose to service the NASPO account? Describe the system Offeror will use to manage the account.

MSC has been successfully partnering with NASPO ValuePoint for the last six years. We will continue to utilize our experienced Government Sales and State Team and Field Sales Resources to support the continued growth and expansion of this program. Our State Account Managers are familiar with the NASPO ValuePoint program and also each Participating State needs. Additionally, MSC will also make available State Business Development Managers to focus on new State and local government opportunities as well as higher education opportunities.

Our Call Centers staff approximately 1,100 dedicated Customer Service Representatives. Whether calling the dedicated NASPO ValuePoint toll-free number or the general MSC customer service number, NASPO ValuePoint users will reach a live Associate who can place an order, obtain product information, check a shipment, discuss a return, and more. Our Inside Sales Associates are able to inform customers on a real-time basis of the availability of a product, recommend substitute products, verify credit information, and arrange to provide technical assistance. We also maintain a staff of Certified Machine Tools Sales Engineers (CMTSE) who will assist in finding the best solution for each customer.

Additionally, local support will be provided by our Branch offices. Each of our Branch offices is staffed with trained and experienced Inside Sales Associates, Inside Sales Supervisors, Outside Sales Associates, Vendor Managed Inventory Specialists, and Branch Managers. Access to MSC's exceptional customer service is available at all our locations. MSC also has strategically located specialists (Customer Solutions Project Managers, Metalworking Specialists, and Machinery Specialists) to support special requests and best serve our customers' needs.

We also maintain a high customer satisfaction rate due to the efficient manner in which we receive and fulfill every single order. Additionally, MSC offers our Same-Day Shipping Guarantee with a 99% fill rate. If an order is placed by the 8 p.m., EST, national cut-off time, we will guarantee shipping of NASPO ValuePoint users' products the same day.

d. How does Offeror respond to customer complaints and service issues?

Upon the identification of an issue or challenge, NASPO users would either contact their local Sales Associate or call the dedicated NASPO toll-free telephone number. Our sales associates and customer service representatives are able to resolve a majority of calls upon first contact.

If the issue cannot be resolved at the local level, it would be escalated up to the MSC's experienced State Account Managers, who are familiar with the NASPO ValuePoint program and also each Participating State needs. Elizabeth Flores, Business Development Manager, will oversee the overall management of the NASPO ValuePoint Program.

In the rare instance a resolution cannot be reached in a single call, MSC will make all reasonable efforts to provide an acceptable response within one business day.

e. How does Offeror assess customer satisfaction?

MSC takes a holistic approach to assessing customer satisfaction by using external and internal key metrics. We leverage an outside Customer Experience (CX) partner to evaluate customer engagement at all touch points, including digital and live interactions. Our current CX results are in the top quartile of organizations within our partner's client base. These results are highlighted in four key areas; Accessibility, Professionalism, Knowledge and Engagement.

Internally, MSC performs a rigorous internal Quality Monitoring program and is customized based on customer and interaction type. Utilizing Avaya's AWFO (Workforce Optimization) platform, we are able to provide detailed monitoring and observations regardless of the type of interaction. A dedicated team is responsible for continuously updating our guidelines and is consistently responding to our external CX results. This team of analysts evaluate customer requirements, internal company standards and evaluate key interactions to drive increased customer retention ultimately resulting in a seamless customer experience.

By leveraging internal and external components, we get a complete picture of the overall customer experience and satisfaction. We believe this objectivity gives us insight into where we can create that perfect partnership.

f. Describe Offeror's quality assurance measures and how are they handled within the organization.

MSC utilizes several dozen quality and performance measurements, and all our quality metrics are audited continuously and reviewed with senior management. This review process is extremely important as it serves to assure that we are meeting our service levels and shipping guarantees for our customers. Our Quality Assurance team is focused on delivering results to our customers and meeting all their expectations.

MSC also utilizes a variety of measurements in different areas of the company, especially in our Customer Fulfillment Centers (CFCs). Both "internal" and "external" measures are taken into account. "Internally," we measure inbound item accuracy; inventory/bin integrity accuracy; and outbound package accuracy. Our "external" measures, also known as customer-reported measures, include customer comment cards, customer returns and on-time delivery. Several key processes also contribute to how we measure service levels:

Product Inspections: MSC performs a variety of inspections to ensure our customer's order accuracy. To ensure we are always processing the correct item, an inbound inspection is performed as items are received, and then is verified again by our inbound coordinators. Outbound orders are 100% electronically verified by our packaging department and are subject to our outbound audit.

- Supplier Performance Measures: Supplier performance is tracked and analyzed through MSC's Supplier Tactical Advance Receiving, or STARS, System. Suppliers are measured on the following criteria: acceptance at receiving inspection; on-time delivery; invoice accuracy; direct ship accuracy; and the number of customer returns due to defective items. This data is provided to suppliers and is used to drive improvements in our supplier base.
- Corrective Action Systems: MSC maintains documented processes for implementing formal corrective actions both internally, as well as with our supplier base.
- Packing and Shipping: Orders flow through our validation process in which individual items are scanned. Counts are captured in our system to prevent the processing of incomplete or inaccurate orders. After the packing process is complete, our Quality Assurance team performs package audits on a sample basis. The orders are checked for item accuracy, quantity, packaging and documentation. Proper and/or protective packaging and labeling is prepared in accordance with the MSC packaging and labeling procedures. This assures that proper packing methods are followed and provides MSC with a tool for measuring our overall accuracy of outbound shipments.
- Customer Returns: All customer returns are sent by the customer to designated Return Centers and are inspected 100% for identity, count, packaging, damage, documentation and reason for return. All returns are dispositioned within 24 hours. Credit data is captured and used to drive quality improvements and cost of quality measurements.
  - Additionally, our error rate is less than 1% per 1,000 lines.

#### 3.4.3 Technology

a. Describe Offeror's online system that Purchasing Entities would use to place orders and receive results? Include all methods of order submission.

Please refer to 6.5.5. E-Commerce and Web Catalog Capabilities in the Attachment A: Description of Products and Services Section.

b. Describe Offeror's ability and process to support a decentralized system of orders submitted from many end users in multiple states and locations.

Please refer to 6.5.5. E-Commerce and Web Catalog Capabilities in the Attachment A: Description of Products and Services Section.

#### 3.4.4 Products and Services

Offeror must review the Product and Services Descriptions and requirements set forth in (Attachment A) and submit with its Proposal. Offeror shall indicate which categories Offeror intends to provide; which Products and Services Offeror intends to provide; and whether Offeror intends to provide the Products and Services on a national, regional or one state only basis.

MSC has reviewed and responded to all the requirements outlined in Attachment A. Please refer to the Attachment A: Description of Products and Services Section for details of how MSC meets and / or exceeds these requirements.

Additionally, MSC is bidding on all 15 categories and intends to provide our Products and Services on a national basis.

#### 3.5 Data Security

What measures does Offeror take to protect sensitive customer information?

MSC encrypts all sensitive data while in transit or at rest. MSC utilizes TLS for in-transit encryption and AES256 for all at-rest encryption.

MSC's ERP system stores all customer and transaction information in a single database. Standard database access techniques are utilized to ensure that the correct information is being processed for the correct customers. At no time does any customer have access to any other customer's information.

Once a user logs in to the MSC website, the same data access techniques are used to restrict the customer specific information to only that information that belongs to the logged-in customer.

# Attachment A: Description of Products and Services

#### 6.1. CATEGORIES

The scope of work consists of 15 categories. This proposal has been divided into categories with items that generally represent those most frequently purchased during the previous contract period including environmentally preferable options. Proposals will be considered from qualified offerors that can provide all products at minimum of one entire category listed below and be able to supply the products to a minimum of one entire State.

The United Nations Standard Products and Services Code (UNSPSC) codes are identified on Attachment D-1 to further describe each category.

- Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)
- Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)
- Material Handling
- Plumbing
- Power Sources
- Outdoor Garden
- Lamps, Lighting, Ballasts
- **HVAC**
- Hand Tools
- Power Tools (excluding automotive related tools and products)
- Electrical
- Paint
- Security
- Safety (does not include any public safety equipment)

MSC is bidding on all categories.

#### 6.2. EXPERIENCE AND CAPABILITIES

6.2.1. Experience in performance of comparable engagements/References;

#### 6.2.1.1 ESB/MBE/WBE/DV & DBE Programs;

MSC has a proven track record of teaming with certified small businesses and/or diverse business partners. We have worked with customers to tailor plans in which we can channel business to the appropriate ESB/MBE/WBE/DV & DBE groups to best meet our customers' socioeconomic goals.

MSC is committed to building partnerships with Small Business Programs as part of our State and Federal Government Programs. We have close to 50 Small Business Partners that we partner with to support

Federal "set aside" Contracts and State Programs that work to advance a Small Business Socio-Economic Advantage. We are actively looking for additional partners who can be sustainable partners with MSC and strongly support Government Contract Programs that strive to promote Small Business Program initiatives.

For example, we have successful partnerships with ESB/MBE/WBE/DV and DBE groups in California, Texas, New York, and Ohio. Our diversity business partners are a vital part or our growth as research has revealed:

- Most prominent change facing U.S. business is the change in their customer base and how will that change affect their revenue
  - U.S. population is expected to grow 374M by 2050 with 90% coming from minorities
  - Over 2M diversity companies in the U.S. and growing
  - Look within other areas of the business as minority-owned firms represent a large selection of product/service
  - · Anticipating cultural shift in their market base
  - · People support companies who are like them
- MSC's value proposition to our diversity business partners are:
  - Broad Product Offering
  - Supply Chain Expertise
  - Logistics Capabilities
  - SME Subject Matter Expertise
  - Resource Support (Marketing / Analytics / Training)
  - Compliance
  - Past Performance (Track Record of Success)
  - Easy to work with (MSC Culture)

The following business partners may be contacted as a reference:

- Anchor Supply
  Bill Campbell, CEO
  2417 Front Street
  West Sacramento, CA 95691
  (916) 372-2456
- Echelon Distribution
   Steven Nodes, President and CEO
   5025 Arnold Avenue, Building 24, Suite 180
   McClellan, CA 95652
   (916) 426-1608
- Guardian Industrial Supply, LLC
   Mike Duncan, MID
   10629 Metric Boulevard
   Austin, TX 78758
   (512) 973-3500



Galaxy Defense Marketing Services Vincent Lawrence, President & CEO 5330 Napa Street, Suite A San Diego, CA 92110 (619) 299-9950, ext. 107

Additionally, we have provided references from several State customers that may be contacted as references. Please see Attachment 1: MSC References for additional information.

#### 6.2.1.2 Growth Incentives;

In addition to the standard Participating Addendum administrative fee language, MSC will offer a tiered "E-Commerce rebate incentive" to all states that utilize a statewide E-Commerce platform that is integrated with MSC. This rebate will be tabulated and paid annually after the one-year anniversary of the PA signing. The additional rebates will start at 1% and range up to 3% based on E-Commerce sales volume growth.

MSC is prepared to offer Cumulative Ordering Volume Discounts to NASPO ValuePoint. NASPO ValuePoint end users are encouraged to contact their MSC Representative or State Account Manager to request additional discounts on a quote-by-quote basis.

When dealing with large orders, NASPO ValuePoint end users are always encouraged to reach out to their MSC Representatives in order to discuss additional pricing discounts and incentives on a quote-by-quote basis.

6.2.1.3 The quality and availability of recycling or other sustainability programs, including products or services offered;

MSC has provided our response below.

6.2.1.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered;

MSC has provided our response in below.

6.2.1.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products;

MSC has provided our response in below.

(answer to 6.2.1.3; 6.2.14; 6.2.1.5)

MSC currently has identified more than 10,000 products considered "green," or as Environmentally Preferable Products (EPP), as well as other products designed to reduce energy consumption, conserve natural resources, and reduce costs. MSC is continually identifying and adding new EPP items to our inventory. Throughout our catalog and website, green product alternatives are clearly identified in the product descriptions, as noted in Figure 3.

In addition, when searching product lines on the MSC website, customers have the option to filter their search results for "Eco-Friendly", when applicable, as noted in Figure 3.



Narrow By

Eco-Enendly(26)

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MSC carries a line of certified products that meet standards of the Biodegradable Products Institute (BPI) (e.g., paper products). BPI verifies that certified products meet ASTM D6400 or D6868 testing standards to certify they will biodegrade in a managed compost facility. The green leaf icon is used to identify products that meet the standards of BPI.

MSC carries lamps that provide our customers with products to assist them in meeting energy efficiency standards and requirements. We are also evaluating potential consortiums to participate with to enhance our ability to accelerate the development and availability of products and services for energy efficient lamps. Products that aid in energy conservation are identified with the energy conservation icon.

MSC utilizes an icon to help identify Cradle-to-Cradle-approved products. Cradle-to-Cradle is a holistic economic, industrial and social framework that aims to improve efficiency and reduce waste.



MSC carries a line of certified products (e.g., GE) that meet standards for Design Lights Consortium. We also offer Energy Star certified products with the Energy Star icon. Under 'Lamps and Lighting' in our online catalog, customers may filter specifically for LED lighting products. LED products will display the Energy Star logo when applicable.

MSC carries numerous products that are qualified and / or certified under the EPA's Energy Star program. The icon provided will be visible to our customers for clear identification Energy Star, products. Energy Star-certified product lines may include, but are not limited to appliances, electronics, HVAC and lighting equipment, office equipment, etc.



MSC carries a line of Forest Stewardship Council-approved products. The provided icon ensures the products come from responsibly managed forests that provide environmental, social and economic benefits.



MSC carries a line of products that are certified to Green Seal standards, which contain performance, health, and sustainability criteria. The icon provided identifies products that have been approved and certified to meet Green Seal requirements.



MSC carries a line of paints and coatings certified to green standards. These standards may also be applied towards listings and certifications on MPI's approved list of products. We utilize an icon to identify any MPI products.



MSC carries products certified to NEMA standards. These include lighting, ballast, exit signs, and motor products that have been identified to help reduce energy consumption. The icon provided identifies products that have been approved and certified to meet NEMA requirements.

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

MSC carries GreenGuard-certified products that aim to protect human health and improve quality of life by enhancing indoor air quality and reducing people's exposure to chemicals and other pollutants. The icon provided identifies products that have been approved and certified to meet GreenGuard requirements.



MSC carries ECOLOGO-certified products designed to reduce environmental impacts. ECOLOGO certified products meet or exceed multiple environmental performance standards. The icon provided identifies products that have been approved and certified to meet ECOLOGO requirements.



MSC carries USDA BioPreferred – Biobased products. These products reduce the nation's reliance on petroleum, increase the use of renewable agricultural resources, and contribute to reducing adverse environmental and health impacts. The icon provided identifies products that have been approved and certified to meet USDA BioPreferred – Biobased requirements.



MSC offers numerous products that meet USDA BioPreferred standards. USDA Organic certified products are not generally within scope of MSC product offerings, as MSC specializes in MRO solutions.

MSC carries EPA Safer Choice-certified products. The Safer Choice label enables our customers to quickly identify and choose products that can help protect the environment and are safer for families. The icon provided identifies products that have been approved and certified to meet EPA Safer Choice requirements.



MSC carries U.S. EPA WaterSense certified products. These products meet or exceed water efficiency and performance standards. The icon provided identifies products that have been approved and certified to meet WaterSense requirements.



MSC offers products compliant to the RoHS directive, which may be easily identified on our webpage by the icon provided in this section. In addition to the icon, individual product specifications on our website may also note standards met, including RoHS compliance.

MSC's Environmental Compliance & Sustainability
Department (EC&S) maintains an inventory of RoHS compliance certifications obtained from suppliers, and regularly obtains RoHS certifications and additional

Specs Number of Poles Cor Vohage 120 VAC @ 50/60 Hz 50 @ 440 VAC Amperage Action NonReversible NO:NO Attributy Contacts Overall Height (mm) 122 Overall Width (mm) 65. Civerall Depth (mm) 120 Stangards Met Bureau Verilas, CCC, CSA, CSA C22 2 No. 14 DNV EN/IEC 60947-4-1, EN/IEC 60947-5-1, C GOST, LROS, RINA: RoHS Compliant, UL 508, UI

product stewardship documentation for customers upon request. Our EC&S department may be contacted to verify items that do not have RoHS certification in the standards section or the icon.

MSC carries California SCAQMD-compliant products as designated by the provided icon. New environmental regulations in many states have prompted the development of low VOC paints and finishes that are less harmful to the consumer and the environment.



MSC utilizes a global recycling logo for recycled content and CPG items in our catalog/webpage offerings to assist in identifying items made from post- and pre-consumer Recycled Content. The icon provided identifies products meeting these requirements.

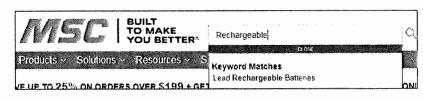


MSC carries many products that utilize rechargeable batteries. Rechargeable batteries are typically listed in the specifications section of all applicable product descriptions. MSC is considering creating a new identifier for batteries that are rechargeable which will improve visibility in our on-line catalog.



Additionally, MSC offers, at no cost, a take-back system for rechargeable batteries in applicable states.

Users can return these batteries at MSC participating branches (e.g., California, New York, Massachusetts, etc.). Drop-off locations can be found



MSC carries solar powered equipment (e.g., item numbers 40627127 and 40627119) identified by the Energy Conservation icon provided. Customers may search for solar products on our website by utilizing our keyword search feature available on our website.



In addition to the above outlined certifications, MSC also carries products with the following Environmentally Preferable Certifications:

Carpet and Rug Institute's (CRI's) initiatives help protect air quality and carpet's lifespan, and lead to smarter buying decisions on cleaners and equipment. CRI's Seal of Approval program identifies effective carpet cleaning solutions and equipment. CRI's Green Label or Green Label Plus program tests carpet, cushions and adhesives to help specifiers identify products with very low emissions of VOCs.

In addition to third-party certified products, MSC works with our suppliers to identify products that are environmentally responsible but may not have a formal certification. These products can reduce water and energy consumption, are made from pre- or post-consumer recycled content, contain low VOCs, and more. Descriptions of these other third-party certifications are described below:

- Green Cleaners and Fluids: MSC offers a wide variety of biodegradable cleaners, degreasers, and cutting fluids to help maintain a healthy environment and assist in the prevention of ozone depletion. We have already identified categories of EcoLogo, Safer Choice and Green Seal with 3rd party certifications. We also have products that are LEED certified that are tracked, but not yet displayed on our website. Customers can contact the EC&S department for information on these products. Other items that may not be certified by a third party will the utilized icon pictured here.
- Rechargeable Products: Although some of our items do not carry a third party certification, they do provide a benefit through long-term use, greater power performance and recycling at end of life. These products are identified as Rechargeable and include items such as power tools, flashlights, and two-way radios powered by rechargeable batteries.
- Water Conservation: MSC has an extensive offering of plumbing fixtures and products that promote water conservation, such as motion activated faucets and low-flow fixtures. These products help reduce water waste, resulting in long-term cost savings. These items are identified with MSC's internal Water Conservation icon and may not have third party certification. However, if third party certification has been verified for the item the Customer will see both the Water Conservation icon and the third-party certification icon.
- Recycled Products: The purchase of recycled products helps to conserve natural resources and raw materials such as trees, water, electricity, and oil. MSC offers many products made from recycled materials, such as can liners, packaging, and various paper and plastic products. These items are identified with MSC's recycling icon shown here and may not have third party certification. However, if third-party certification has been verified for the item the Customer will see both the US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs) icon and the MSC recycling icon.

- Low Volatile Organic Compounds (VOC): Traditional paints and finishes release varying levels of harmful toxins into the air, resulting in possible exposure to VOCs. Environmental regulations in many states have prompted the development of low VOC products that are less harmful to the consumer and the environment. Each state can choose to participate in standards that are set by various organizations (i.e., Ozone Transport Commission (OTC), Lake Michigan Air Directors Consortium (LADCO) as well as establish their own regulations to limit VOC releases into the air. Additionally, individual counties and cities can also set acceptable levels for low VOC compliance. MSC identifies these items with a Low VOC icon and controls the sale of these products to only allow compliant products to be sold in the applicable jurisdiction.
- Lead Free: MSC has an extensive offering of lead-free products that meet the Federal Lead Law requirements for protecting drinking water. This Federal Law mandates that the wetted surface of every pipe, fixture and fitting sold for or installed in potable water applications not contain more than 0.25 percent lead.

  MSC has worked closely with the vendors of these products to confirm they have completed third-party certifications. In addition to lead-free products for drinking water, there are other items that MSC sells that are lead-free (wheel weights, solder, etc.).
- For a full listing of our EPP products, visit <a href="https://www.mscdirect.com/resources/eco-friendly-supplies">https://www.mscdirect.com/resources/eco-friendly-supplies</a> for more details of our program.
  - 6.2.2. Conformance with the terms of this RFP;
  - 6.2.2.1 Return Policy;

MSC conforms with these RFP requirements.

MSC maintains a 30-day return policy (from date of shipment). In order to return merchandise, customers must contact MSC at (800) 645-7270 to obtain a Return Authorization (RA) number. Returns will not be accepted without an RA number.

Returns should be sent back in the original packaging and condition to the original Customer Fulfillment Center with the RA number on the shipping label. An invoice copy or packing slip should also be included.

Any claims for discrepancies in shipment must be made within seven days of receipt of merchandise. C.O.D. returns will not be accepted. Shipping charges for returned items must be prepaid. A restocking charge may apply.

Please note that hazardous materials are not returnable. Customers will be required to inspect all hazardous materials deliveries prior to accepting the delivery. Unaccepted hazardous materials can be returned to MSC through the freight company that delivered the materials by not accepting the delivery. Once hazardous materials are accepted for delivery, MSC is unable to take these items back.

Additionally, altered or etched items cannot be returned. Custom cut-to-length products are considered final sales and may not be returned for credit. Unopened computer software can be returned for a credit, but will only be replaced if considered defective.

In an instance in which a defective item is identified by the customer, a replacement order will be entered immediately. The replacement will be subject to standard lead times if not stocked.

Some manufacturers may provide warranties beyond our 30-day policy. Please see the individual manufacturer for additional warranty information.

#### 6.2.2.2 Distribution points;

MSC conforms with these RFP requirements.

MSC operates five distribution centers located in Atlanta, GA; Columbus, OH; Elkhart, IN; Harrisburg, PA; and Reno, NV. We also maintain over 90 branches. Local contacts, including Branch and Outside Sales Associates, will be provided upon award.

MSC has been successfully partnering with NASPO ValuePoint for the last six years. We will continue to utilize our experienced Government Sales and State Team and Field Sales Resources to support the continued growth and expansion of this program. Our State Account Managers are familiar with the NASPO ValuePoint program and also each Participating State needs. Additionally, MSC will also make available State Business Development Managers to focus on new State and local government opportunities as well as higher education opportunities.

Our Call Centers staff approximately 1,100 dedicated Customer Service Representatives. When calling, NASPO ValuePoint users will reach a live Associate who can place an order, obtain product information, check a shipment, discuss a return, and more. Our Inside Sales Associates are able to inform customers on a real-time basis of the availability of a product, recommend substitute products, verify credit information, and arrange to provide technical assistance. We also maintain a staff of Certified Machine Tools Sales Engineers (CMTSE) who will assist in finding the best solution for each customer.

Additionally, local support will be provided by our Branch offices. Each of our Branch offices is staffed with trained and experienced Inside Sales Associates, Inside Sales Supervisors, Outside Sales Associates, Vendor Managed Inventory Specialists, and Branch Managers. Access to MSC's exceptional customer service is available at all our locations. MSC also has strategically located specialists (Customer Solutions Project Managers, Metalworking Specialists, and Machinery Specialists) to support special requests and best serve our customers' needs.

#### 6.2.2.3 Delivery;

MSC conforms with these RFP requirements.

MSC can meet NASPO ValuePoint's 24- to 48-hour guaranteed delivery time for in-stock products within the 48 contiguous United States. Our Same-Day Shipping Guarantee maintains a 99% fill rate. If a qualified, in-stock order is placed by the 8 p.m. EST, national cut-off time, the order is guaranteed to ship the same day. The delivery timeframe is contingent upon the requirements of the MSC Same-Day Shipping Guarantee below.

#### Same-Day Shipping Guarantee

MSC will guarantee same-day shipping if: 1) the order is received by MSC at one of our customer fulfillment centers (CFCs) before the applicable cut-off time on an operating business day, 2) the item is a national catalog item, and 3) the exclusions described below do not apply.

#### **Next-Day Delivery Upgrade**

MSC will upgrade qualifying orders to Next-Day Air Saver at the customer's request (additional charges may apply). The Next-Day Delivery upgrade only applies to standard UPS Ground shipping orders, and does not apply to orders shipped via Freight Saver shipping method. Qualifying orders will be delivered on

the next regular business day, or on a weekend day for an additional charge. The upgrade will apply if: 1) the order is received by MSC at one of our customer fulfillment centers (CFCs) before the applicable cutoff time on an operating business day, 2) the item is a national catalog item, 3) the order is 20 pounds or less and is not too large to ship by air, 4) the order cannot be delivered to the customer the next day through our Ground Network, and 5) the exclusions described below do not apply.

## **Exclusions**

Neither the Same-Day Shipping Guarantee nor the Next-Day Air Saver Upgrade cover: 1) orders to non-qualified customers or those outside of the continental U.S.; 2) orders for items that are not in stock; 3) orders for hazardous materials, machinery, or items that require customized lengths, set-up, or special packaging; 4) circumstances beyond MSC's control (for example, computer or electronic interruptions, strikes, natural disasters, severe weather conditions, war, or supplier manufacturing deficiencies); or 5) Freight Saver shipments; and 6) "less-than-truckload" (LTL) shipments, orders shipped by non-scheduled carriers, shipments from branch locations, replacement orders, vendor-managed inventory (VMI) orders, first orders for new accounts, direct ship items, or orders requiring credit review.

Note: Hazardous materials require special handling. Any item containing such materials may be subject to local, state, and federal regulations, which may delay or prohibit shipments. MSC makes no service level guarantees regarding such items.

#### 6.2.2.4 Shipping;

MSC conforms with these RFP requirements.

MSC will deliver directly to the purchasing department/division address. All shipments will include Authorized Purchaser; Delivery Address; Purchasing entity and floor; Contact; and Telephone number. In addition, MSC will include a packing slip with the following information in no particular order: Line item description; Date ordered; Quantity ordered; Quantity included in shipment; Any backordered items; Unit Price and extension; Number of parcels; Purchase Order Number; Purchasing entity name; and F.O.B. Destination.

## 6.2.2.5 Range of commodities offered;

MSC currently carries over 1,000,000 products from about 3,000 vendors. We also have access to thousands of additional industrial suppliers for special orders and sourcing. Our product line includes name-brand, exclusive-brand and generic products, and also represents a broad range of MRO products, such as:

- Safety/janitorial supplies
- Raw materials
- Measuring instruments
- Abrasives
- Tooling components
- Electrical supplies
- Metalworking products
- Machinery hand and power tools



- Power transmission
- Cutting tools
- Fasteners
- Plumbing supplies
- Flat stock
- Materials handling products

As part of our selection of approximately 1,000,000 in-stock products, MSC has an extensive exclusive brand offering in several categories, including: Cutting Tools, Work and Tool Holding, Abrasives, Hand Tools, Material handling, Safety, Janitorial, Fluid Power and several other areas. From high-performance products to serving maintenance level function, our exclusive brands are competitively priced, alternatives to industry-leading brands, and can generate significant cost savings for our customers.

If users request an unavailable product, our knowledgeable Associates will immediately search our 1,000,000 products to suggest a comparable alternative of equal or higher value. If it isn't available from our stock for same-day shipping, our sales team will source the product as quickly as possible, purchasing it when the user places the order. And if MSC is not a distributor for a particular product, we have the capability to procure the product by purchasing through an authorized distributor. We have also cross-referenced many of our products and brands with industry brands we do not offer so that we can provide users alternate choices of equal or higher value.

MSC can also source custom, built-to-specification parts upon request.

6.2.2.6 Scope of geographical coverage offered;

We currently service approximately 360,000 customers in all 50 states through our broad network of five domestic Customer Fulfillment Centers (CFCs) located regionally near Columbus, OH; Harrisburg, Pennsylvania; Atlanta, Georgia; Elkhart, Indiana; and Reno, Nevada and over 90 Branch offices.

6.2.2.7 Accurate and meaningful marking of green products in the on-line catalog when applicable;

MSC conforms with these RFP requirements.

MSC carries a line of certified products that meet standards of the Biodegradable Products Institute (BPI) (e.g., paper products). BPI verifies that certified products meet ASTM D6400 or D6868 testing standards to certify they will biodegrade in a managed compost facility. The green leaf icon is used to identify products that meet the standards of BPI.

MSC carries lamps that provide our customers with products to assist them in meeting energy efficiency standards and requirements. We are also evaluating potential consortiums to participate with to enhance our ability to accelerate the development and availability of products and services for energy efficient lamps. Products that aid in energy conservation are identified with the energy conservation icon.



MSC utilizes an icon to help identify Cradle-to-Cradle-approved products. Cradle-to-Cradle is a holistic economic, industrial and social framework that aims to improve efficiency and reduce waste.



MSC carries a line of certified products (e.g., GE) that meet standards for Design Lights Consortium. We also offer Energy Star certified products with the Energy Star icon. Under 'Lamps and Lighting' in our online catalog, customers may filter specifically for LED lighting products. LED products will display the Energy Star logo when applicable.

MSC carries numerous products that are qualified and / or certified under the EPA's Energy Star program. The icon provided will be visible to our customers for clear identification Energy Star, products. Energy Star-certified product lines may include, but are not limited to appliances, electronics, HVAC and lighting equipment, office equipment, etc.



MSC carries a line of Forest Stewardship Council-approved products. The provided icon ensures the products come from responsibly managed forests that provide environmental, social and economic benefits.



MSC carries a line of products that are certified to Green Seal standards, which contain performance, health, and sustainability criteria. The icon provided identifies products that have been approved and certified to meet Green Seal requirements.



MSC carries a line of paints and coatings certified to green standards. These standards may also be applied towards listings and certifications on MPI's approved list of products. We utilize an icon to identify any MPI products.



MSC carries products certified to NEMA standards. These include lighting, ballast, exit signs, and motor products that have been identified to help reduce energy consumption. The icon provided identifies products that have been approved and certified to meet NEMA requirements.

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

MSC carries GreenGuard-certified products that aim to protect human health and improve quality of life by enhancing indoor air quality and reducing people's exposure to chemicals and other pollutants. The icon provided identifies products that have been approved and certified to meet GreenGuard requirements.



MSC carries ECOLOGO-certified products designed to reduce environmental impacts. ECOLOGO certified products meet or exceed multiple environmental performance standards. The icon provided identifies products that have been approved and certified to meet ECOLOGO requirements.



MSC carries USDA BioPreferred – Biobased products. These products reduce the nation's reliance on petroleum, increase the use of renewable agricultural resources, and contribute to reducing adverse environmental and health impacts. The icon provided identifies products that have been approved and certified to meet USDA BioPreferred – Biobased requirements.



MSC offers numerous products that meet USDA BioPreferred standards. USDA Organic certified products are not generally within scope of MSC product offerings, as MSC specializes in MRO solutions.

MSC carries EPA Safer Choice-certified products. The Safer Choice label enables our customers to quickly identify and choose products that can help protect the environment and are safer for families. The icon provided identifies products that have been approved and certified to meet EPA Safer Choice requirements.

MSC carries U.S. EPA WaterSense certified products. These products meet or exceed water efficiency and performance standards. The icon provided identifies

products that have been approved and certified to meet WaterSense requirements.

MSC offers products compliant to the RoHS directive, which may be easily identified on our webpage by the icon provided in this section. In addition to the icon, individual product specifications on our website may also note standards met, including RoHS compliance.

MSC's Environmental Compliance & Sustainability

Specs Number of Poles Cor Voltage 120 VAC @ 50 60 Hz Amperage 50 @ 440 VAC NonReversible Action NO/NO Auxilian Contacts Overall Height (mm) 122 Overall Width (mm) 120 Overall Depth (man) Bureau Ventas, CCC, CSA, CSA, C22, 2, No. 14 DNV, EN/IEC 60947-4-1; EN/IEC 60947-5-1, GE Standards Met GOST LROS RINA ROHS Compliant, UL 508 UI

Department (EC&S) maintains an inventory of RoHS compliance certifications obtained from suppliers, and regularly obtains RoHS certifications and additional product stewardship documentation for customers upon request. Our EC&S department may be contacted to verify items that do not have RoHS certification in the standards section or the icon.

MSC carries California SCAQMD-compliant products as designated by the provided icon. New environmental regulations in many states have prompted the development of low VOC paints and finishes that are less harmful to the consumer and the environment.



MSC utilizes a global recycling logo for recycled content and CPG items in our catalog/webpage offerings to assist in identifying items made from post- and pre-consumer Recycled Content. The icon provided identifies products meeting these requirements.

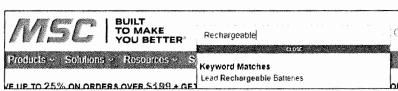


MSC carries many products that utilize rechargeable batteries. Rechargeable batteries are typically listed in the specifications section of all applicable product descriptions. MSC is considering creating a new identifier for batteries that are rechargeable which will improve visibility in our on-line catalog.



Additionally, MSC offers, at no cost, a take-back system for rechargeable batteries in applicable states.

Users can return these batteries at MSC participating branches (e.g., California, New York, Massachusetts, etc.). Drop-off locations can be found at www.call2recycle.org. Enter your



zip code to find the nearest drop off location to you.



MSC carries solar powered equipment (e.g., item numbers 40627127 and 40627119) identified by the Energy Conservation icon provided. Customers may search for solar products on our website by utilizing our keyword search feature available on our website.

In addition to the above outlined certifications, MSC also carries products with the following Environmentally Preferable Certifications:

Carpet and Rug Institute's (CRI's) initiatives help protect air quality and carpet's lifespan, and lead to smarter buying decisions on cleaners and equipment. CRI's Seal of Approval program identifies effective carpet cleaning solutions and equipment. CRI's Green Label or Green Label Plus program tests carpet, cushions and adhesives to help specifiers identify products with very low emissions of VOCs.

In addition to third-party certified products, MSC works with our suppliers to identify products that are environmentally responsible but may not have a formal certification. These products can reduce water and energy consumption, are made from pre- or post-consumer recycled content, contain low VOCs, and more. Descriptions of these other third-party certifications are described below:

- Green Cleaners and Fluids: MSC offers a wide variety of biodegradable cleaners, degreasers, and cutting fluids to help maintain a healthy environment and assist in the prevention of ozone depletion. We have already identified categories of EcoLogo, Safer Choice and Green Seal with 3rd party certifications. We also have products that are LEED certified that are tracked, but not yet displayed on our website. Customers can contact the EC&S department for information on these products. Other items that may not be certified by a third party will the utilized icon pictured here.
- Rechargeable Products: Although some of our items do not carry a third party certification, they do provide a benefit through long-term use, greater power performance and recycling at end of life.

  These products are identified as Rechargeable and include items such as power tools, flashlights, and two-way radios powered by rechargeable batteries.
- Water Conservation: MSC has an extensive offering of plumbing fixtures and products that promote water conservation, such as motion activated faucets and low-flow fixtures.

  These products help reduce water waste, resulting in long-term cost savings. These items are identified with MSC's internal Water Conservation icon and may not have third party certification. However, if third party certification has been verified for the item the Customer will see both the Water Conservation icon and the third-party certification icon.
- Recycled Products: The purchase of recycled products helps to conserve natural resources and raw materials such as trees, water, electricity, and oil. MSC offers many products made from recycled materials, such as can liners, packaging, and various paper and plastic products. These items are identified with MSC's recycling icon shown here and may not have third party certification. However, if third-party certification has been verified for the item the Customer will see both the US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs) icon and the MSC recycling icon.
- Low Volatile Organic Compounds (VOC): Traditional paints and finishes release varying levels of harmful toxins into the air, resulting in possible exposure to VOCs. Environmental regulations in many states have prompted the development of low VOC products that are less harmful to the consumer and the environment. Each state can choose to participate in standards that are set by various organizations (i.e., Ozone Transport Commission (OTC), Lake Michigan Air

Directors Consortium (LADCO) as well as establish their own regulations to limit VOC releases into the air. Additionally, individual counties and cities can also set acceptable levels for low VOC compliance. MSC identifies these items with a Low VOC icon and controls the sale of these products to only allow compliant products to be sold in the applicable jurisdiction.

Lead Free: MSC has an extensive offering of lead-free products that meet the Federal Lead Law requirements for protecting drinking water. This Federal Law mandates that the wetted surface of every pipe, fixture and fitting sold for or installed in potable water applications not contain more than 0.25 percent lead. MSC has worked closely with the vendors of these products to confirm they have completed third-party certifications. In addition to lead-free products for drinking water, there are other items that MSC sells that are lead-free (wheel weights, solder, etc.).

For a full listing of our EPP products, visit <a href="https://www.mscdirect.com/resources/eco-friendly-supplies">https://www.mscdirect.com/resources/eco-friendly-supplies</a> for more details of our program

- 6.2.3 Expertise and availability of key personnel;
- 6.2.3.1 Contract Management Retail Store/Will Call Availability;

MSC conforms with these RFP requirements.

MSC has more than 90 branch locations and five Customer Fulfillment Centers (see Attachment 2 MSC Branch Locations), all of which can provide Will Call service. Customers who wish to pick up from one of our branch locations can call to place an order. Our local associates will inform the purchasers when they can pick up the merchandise. MSC's policy is to have the customer sign packing slips, record their driver's license or company ID, and keep packing slip documents on file.

Our business strategy is to provide an integrated, lower cost solution to the NASPO ValuePoint Participating States. Our business model leverages our five giant Customer Fulfillment Centers and our outstanding logistics network that deliver your order at a 99% fill rate, virtually eliminating back orders. MSC believes that delivering your product directly to your member locations is the most effective way to get the job done. Our goal is to let our procurement system work for your members in order to provide the best overall procurement value.

Each of our five Customer Fulfillment and Call Centers is staffed with a full complement of Customer Service Representatives and Managers who are ready and able to take your orders. Our standard 800 phone number is routed fluidly within our call center network in order to provide seamless customer service support throughout the country.

Each of our branches is staffed with trained and experienced Inside Sales Associates and Inside Sales Supervisors, as well as trained and experienced Outside Sales Associates and Branch Managers. Each of the branches provides support for customers who prefer local support.

6.2.3.2 The favorability of the terms under which the offeror will do business;

MSC has read and understands all terms of the NASPO ValuePoint Master Agreement.

- 6.2.4. Demonstrated Competence;
- 6.2.4.1 Reporting Capabilities Disaster Recovery Plan;



MSC can meet all summary and detailed usage reporting requirements outlined in Section 7 of Attachment B NASPO ValuePoint Master Agreement.

MSC conforms with these RFP requirements.

Disaster Recovery Plan: MSC understands your concern that an emergency could potentially prevent us from providing you with needed products and services. For this reason, we developed a Disaster Contingency Plan that enables the business to continue services in the unlikely event that we experience problems with our computer systems, telecommunication systems, or warehouse/shipping capabilities. These plans have been designed and maintained to ensure timely recovery from a disaster.

- Emergency response orders due to natural disasters or threat of war that are sent to MSC during normal business hours will be shipped and delivered either the same day or the following day as specified. To meet the emergency demand requirements, MSC will maintain a designated point of contact that is available 24 hours a day, seven days a week.
- MSC has developed our own Emergency Preparedness program so we can take the worry out of the storm. From generators to flashlights, tarps to batteries, wet/dry vacuums to pumps, and first aid kits to water, MSC has everything you'll need to prepare for any emergency. MSC can help provide NASPO ValuePoint's Participating Members with free consultative services in order to help them prepare for natural disasters in order to minimize the damage during the storm, as well as to help them recover after the event.
- In the event of a natural disaster, MSC's State Account Managers will work with individual State Emergency Preparedness Offices to support and meet the needs of the states. MSC partners with State Emergency Management Departments before, during, and after emergencies occur.

Emergency Preparedness Corporate Support Task Force: A cross-functional team of corporate support personnel representing 22 departments meets before, during (when feasible), and after a crisis or natural disaster to support our customers, our teams, and our communities. Team members are "decision-makers" for their business units. Their mission is to protect company assets, which include our Associates, customer relationships, buildings, merchandise, data, and our brand. In addition, we also have extensive Emergency Preparedness checklists available in the Resources section of our website which States and Municipalities find valuable before, during, and after and events (e.g., Tornado, Hurricane & Severe Weather).

Telecommunications System Plan: The recovery time required in the event of a telephone system failure varies depending on the type of problem. A Telephone Systems team is responsible for identifying the affected area and re-routing the affected numbers to an alternate location within 30 minutes. The Technology Department is responsible for ensuring that the alternate site has the equipment and software required to properly handle phone calls and orders received from the affected location. We operate multiple Customer Service Centers located in separate geographical areas to ensure complete network diversity. These centers are equipped with state-of-the-art communications equipment and protected by an Uninterruptible Power Supply (UPS) system. The Customer Service Centers are also equipped with generators to power the facility in the event of an extended commercial power failure.

Distribution Contingency Plan: A Distribution Contingency team has been identified at our coheadquarters in Davidson, NC. This team addresses the potential dangers in the event of a catastrophic disaster that could damage a Customer Fulfillment Center to the extent that orders can no longer be shipped. The Distribution Contingency team will make arrangements through our computer system and

Customer Fulfillment Center operations to reroute customer shipments for the affected site to the nearest alternate location.

#### 6.2.4.2 Web based ordering System;

MSC conforms with these RFP requirements. Please refer to 6.5.5. E-Commerce and Web Catalog Capabilities.

6.2.4.3 The number of available green environmentally preferable products that meet the solicitations specifications available, showing a robust supply of green products.

MSC conforms with these RFP requirements and has provided details in our response to question 6.5.3.4.

#### 6.2.5. Reasonableness of pricing.

While the primary purpose of this solicitation is to select a offeror(s) who can offer the supplies for all Participating States, offerors are permitted to submit a proposal on more limited geographical areas, however, not less than one entire Participating State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all Participating States. However, if a Offeror elects to submit a Proposal for a single State then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the contract or any renewals.

A Participating State may evaluate and select an offeror for award in more limited geographical areas (e.g. A single state) where judged to be in the best interests of the State or States involved. Administration of any such award(s) will be done by the Participating State(s) involved unless the awarded contract includes the Lead State in its geographical area.

Participating States, and Purchasing Entities reserve the right to competitively solicit for additional sources for commodities during the contract term, where deemed to be in the best interests of the State(s) or entities involved. Further, Participating States may have existing awards for commodities within the scope of this solicitation.

Any Participating State reserves the right to award partial commodity categories or not participate in the award if deemed to not be in the best interests of that Participating State.

All pricing listed shall be ceiling prices with the option for Participating States to negotiate more favorable discounts for large orders.

Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

Products may be changed with thirty (30) day notice every six (6) months after initial term.

The Participating States and Purchasing Entities reserve the right to update product specifications based on changes in regulations, in addition to third party certification criteria.

The Participating State may elect to designate the resulting contracts as permissive, or mandatory.

MSC acknowledges and complies with the above requirements.

## 6.3. VOLUME DISCOUNTS

#### 6.3.1. General

Additional volume and other price discount options are encouraged, which can distinguish between individual order minimum quantities, cumulative volume discounts, and other discount terms that may be defined by the offeror. Extensions of additional discounts are not required but may be evaluated if offered.

In addition to the Market Basket and category discounts provide in Attachment D-1, MSC is also providing and another 15% discount off all catalog items. MSC will also tailor discount programs, including:

- Discounts on high-volume orders
- Special pricing agreements for key suppliers
- Additional discounts based on customer assessments

In addition to the standard Participating Addendum administrative fee language, MSC will offer a tiered "E-Commerce rebate incentive" to all states that utilize a statewide E-Commerce platform that is integrated with MSC. This rebate will be tabulated and paid annually after the one-year anniversary of the PA signing. The additional rebates will start at 1% and range up to 3% based on E-Commerce sales volume growth.

MSC is prepared to offer Cumulative Ordering Volume Discounts to NASPO ValuePoint. NASPO ValuePoint end users are encouraged to contact their MSC Representative or State Account Manager to request additional discounts on a quote-by-quote basis.

When dealing with large orders, NASPO ValuePoint end users are always encouraged to reach out to their MSC Representatives in order to discuss additional pricing discounts and incentives on a quote-by-quote basis.

Please refer to our Cost Proposal for discount and pricing language.

# 6.3.2. Cumulative Ordering Volume Discounts

The offeror is invited to identify additional percentage discounts if total cumulative ordering volumes (by all Purchasing Entities) exceed an amount specified by the offeror. If the volume of total orders exceeds that amount in any quarter, the offered discount will apply to future orders during the term of the award(s), as extended through option exercises.

See response to Question 6.3.1.

# 6.3.3. Additional Volume Discount for Minimum Order Quantity

The offeror is also invited to identify additional discounts for minimum order quantities. Purchasing Entities may consolidate purchases in order to take advantage of any volume discount extended by offeror for minimum orders, so long as a single delivery location at the discretion of the Purchasing Entity is specified.

See response to Question 6.3.1.

## 6.3.4. Minimum Orders

No minimum dollar or item count is allowed on orders from Authorized Purchasers. Participating States reserves the right to authorize a minimum via their Participating Addendums.

There are no minimum dollar or item count on orders.

#### 6.4. ESTIMATED PURCHASES

The total purchase of any individual item on the contract is not known. The Purchasing Division has attempted to give an accurate estimate of probable purchases of each item for the contract period. The

Purchasing Division does not guarantee that the Participating States will buy any or all estimated amounts of any specified item or any total amount.

MSC acknowledges the above statement.

## 6.5. SCOPE OF WORK

#### 6.5.1. Ordering Capabilities

Orders resulting from this contract will be placed directly with the Offeror by the individual Purchasing Entity. The offeror must have toll free telephone, fax numbers and email address for use by those entities located outside of the offeror's toll free area. The offeror will ship and bill as requested by the purchasing agency. The purchasing agency will remit payment directly to the offeror. As an example, there are approximately 1,000 possible separate delivery locations within the State of Nevada. The number of locations will vary by Participating States. Please supply your toll free telephone, facsimile number and email address.

In addition to the market basket items, Purchasing Entities will be allowed to order from a successful offeror's catalog(s) and website for delivery anywhere within the Participating States. NASPO ValuePoint requires internet catalogs.

In addition to a dedicated NASPO ValuePoint toll-free number, 888-MSC-9722, users will have access to all the required RFP ordering methods, including the following:

- Online via mscdirect.com
- eProcurement options (Punchout / Hosted Catalogs)
- ▼ Telephone: 800-645-7270
- Facsimile: 800-255-5067
- Email: nvp@mscdirect.com or cust_service@mscdirect.com.

All orders will be shipped and billed as requested by the purchasing agency, with all payments remitted directly to MSC.

NASPO ValuePoint Users from all Participating States will continue to have access to their electronic catalog and the MSC website, mscdirect.com.

MSC is fully capable of not only supplying all the Market Basket Items, but also supporting Purchasing Entities' needs outside of the Market Basket. We maintain approximately 1,000,000 in-stock, ready-to-ship SKUs from approximately 3,000 vendors.

All these items are available to order online through our Virtual Big Book at www.mscdirect.com, and Purchasing Entities will have access to contract pricing.

#### 6.5.2. F.O.B. Destination

Prices for all items associated with this contract are to be FOB Destination anywhere within the Participating State or geographic area offered. Any exceptions to this provision must be clearly stated as an exception to this document.

MSC confirms that all contract-associated items will shipped F.O.B. Destination to all Participating States in the contiguous United States.

Please note that hazardous materials require special handling, are not service level guaranteed and may be subject to local, state and federal regulations which may delay or prohibit shipments. Hazardous materials will not be shipped to Alaska or Hawaii or exported outside of the contiguous United States.

## 6.5.3. On-line Ordering

6.5.3.1 Successful offeror shall provide Internet Catalogs for all agencies as described below.

On-line Catalogs available? __Yes __ No

Yes, MSC has online catalogs available. All Purchasing Entities will have access to our Virtual Big Book available online at www.mscdirect.com. Additionally, users will have access to approximately 1,000,000 searchable SKUs.

6.5.3.2 Provide a descriptive narrative for the type of internet catalog offered, and a URL link.

MSC was recently named B2B E-Commerce Player of the Year by *Internet Retailor Magazine*. The Annual Award recognizes 'excellent online purchasing experience' and was presented at the Internet Retailor Conference in June 2016.

Each Participating State will have customized landing pages, which include contract information, pricing and MSC contacts for the territory. Additionally, many States also maintain MSC Punchout Catalogs via various integration partners, including SciQuest, Ariba, Periscope, and more (e.g., Massachusetts and New Jersey). See Figure 1 for sample page.

Our user-friendly and easy-to-navigate website, mscdirect.com, gives NASPO ValuePoint end users full access to every product we have available, and allows NASPO ValuePoint to conveniently manage its entire



Figure 1: NASPO ValuePoint Landing Page

account online. Offering numerous time- and cost-saving tools, our website can help NASPO ValuePoint create an efficient and productive procurement environment. As the website shares the same highly trained sales and support services as our traditional business, NASPO ValuePoint is guaranteed the same level of superior customer service it expects from MSC.

Available 24 hours a day, seven days a week, mscdirect.com includes a wealth of features, such as:

- View of more than 1,000,000 products and information, including images, real-time inventory availability, item number, price, description, attributes, specifications, quantity in stock and/or available for pick-up, manufacturer, unit of measure, manufacturer number, and catalog page.
- Versatile search function search by keyword, part description, vendor part number, competitor part number, or brand. NASPO ValuePoint can also utilize a drill-down navigation for searching with attribute refinement.
- My Account manage your account, track shipments pay invoices, and view history. You can even opt to receive order confirmation and order shipped e-mails, along with invoice and other workflow-related e-mails.
- Big Book® browse our virtual Big Book catalog, along with our other catalogs.
- Customer and Vendor Managed Inventory (CMI/VMI) access your CMI and VMI solutions.
- View NASPO ValuePoint-specific pricing and also provide the ability to restrict what users can browse based on NASPO ValuePoint agreements.
- Workflow processes where NASPO ValuePoint can assign roles and spending limits for users within your company.
- Contact Customer Service Representatives via online chat, e-mail or toll-free telephone number.
- All orders are backed by our Same-Day Shipping Guarantee.

- Supports use of Procurement Cards as a payment mechanism.
- 6.5.3.3 Offerors must designate market basket items in their on-line catalogs for ease of ordering. What symbol or marking will you use to identify market basket items?

All NASPO ValuePoint contract items will be identified with the icon noted in Figure 2.

AValuePoint
Figure 2: Market Basket Identifier

6.5.3.4 Offerors shall designate all environmental preferable products (EPP) in their on-line catalogs. Describe the designation (symbol) that you will use to identify these EPP products.

MSC currently has identified more than 10,000 products considered "green," or as Environmentally Preferable Products (EPP), as well as other products designed to reduce energy consumption, conserve natural resources, and reduce costs. MSC is continually identifying and adding new EPP items to our inventory. Throughout our



adding new EPP items to our inventory. Throughout our Figure 3: EPP Icons & Search Functions catalog and website, green product alternatives are clearly identified in the product descriptions, as noted in Figure 3.

In addition, when searching product lines on the MSC website, customers have the option to filter their search results for "Eco-Friendly", when applicable, as noted in Figure 3.

6.5.3.5 Offerors shall provide accurate and meaningful labeling of environmentally preferable products offered in the on-line catalog when applicable.

As noted in our response to 6.5.3.4, MSC identifies our EPP products by certification or requirement by icon. Section 6.5.3.6 outlines how we identify EPP products online.

- 6.5.3.6 Offerors shall explain or describe what they do to clearly identify in their online catalogs and on their shelves how they designate all environmentally preferable products (EPP) that have received any of the following appropriate 3d-party designation certifications:
- (1) Biodegradable Products Institute (compostable bags, food service ware);

MSC carries a line of certified products that meet standards of the Biodegradable Products Institute (BPI) (e.g., paper products). BPI verifies that certified products meet ASTM D6400 or D6868 testing standards to certify they will biodegrade in a managed compost facility. The green leaf icon is used to identify products that meet the standards of BPI.



(2) Consortium for Energy Efficiency (lamps);

MSC carries lamps that provide our customers with products to assist them in meeting energy efficiency standards and requirements. We are also evaluating potential consortiums to participate with to enhance our ability to accelerate the development and availability of products and services for energy efficient lamps. Products that aid in energy conservation are identified with the energy conservation icon.



(3) Cradle to Cradle (building materials, construction adhesives, etc.);

MSC utilizes an icon to help identify Cradle-to-Cradle-approved products. Cradle-to-Cradle is a holistic economic, industrial and social framework that aims to improve efficiency and reduce waste.



(4) Design Lights Consortium (LED lighting equipment);

MSC carries a line of certified products (e.g., GE) that meet standards for Design Lights Consortium. We also offer Energy Star certified products with the Energy Star icon. Under 'Lamps and Lighting' in our online catalog, customers may filter specifically for LED lighting products. LED products will display the Energy Star logo when applicable.

(5) ENERGY STAR (HVAC and lighting equipment);

MSC carries numerous products that are qualified and / or certified under the EPA's Energy Star program. The icon provided will be visible to our customers for clear identification Energy Star, products. Energy Star-certified product lines may include, but are not limited to appliances, electronics, HVAC and lighting equipment, office equipment, etc.



(6) Forest Stewardship Council (wood and paper products);

MSC carries a line of Forest Stewardship Council-approved products. The provided icon ensures the products come from responsibly managed forests that provide environmental, social and economic benefits.



(7) Green Seal (cleaners, hand soap, janitorial paper products, paint);

MSC carries a line of products that are certified to Green Seal standards, which contain performance, health, and sustainability criteria. The icon provided identifies products that have been approved and certified to meet Green Seal requirements.



(8) Master Painters Institute (MPI) Green Performance Standard (paints and coatings);

MSC carries a line of paints and coatings certified to green standards. These standards may also be applied towards listings and certifications on MPI's approved list of products. We utilize an icon to identify any MPI products.



(9) NEMA Premium Efficiency (motors, ballasts);

MSC carries products certified to NEMA standards. These include lighting, ballast, exit signs, and motor products that have been identified to help reduce energy consumption.. The icon provided identifies products that have been approved and certified to meet NEMA requirements.

(10) Scientific Certification Systems (SCS) Indoor Advantage Gold (building materials, furniture);

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.



(11) Scientific Certification Systems (SCS) FloorScore (carpet, flooring, flooring adhesives, underlayment, etc.):

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

(12) UL GREENGUARD (adhesives, flooring, insulation, sealants, etc.);

MSC carries GreenGuard-certified products that aim to protect human health and improve quality of life by enhancing indoor air quality and reducing people's exposure to chemicals and other pollutants. The icon provided identifies products that have been approved and certified to meet GreenGuard requirements.



(13) UL EcoLogo (cleaners, deodorizers, hand soaps and sanitizers, floor polish and strippers, etc.);

MSC carries ECOLOGO-certified products designed to reduce environmental impacts. ECOLOGO certified products meet or exceed multiple environmental performance standards. The icon provided identifies products that have been approved and certified to meet ECOLOGO requirements.



(14) USDA Biobased (lubricants, building materials, etc.);

MSC carries USDA BioPreferred – Biobased products. These products reduce the nation's reliance on petroleum, increase the use of renewable agricultural resources, and contribute to reducing adverse environmental and health impacts. The icon provided identifies products that have been approved and certified to meet USDA BioPreferred – Biobased requirements.



(15) USDA Organic;

MSC offers numerous products that meet USDA BioPreferred standards. USDA Organic certified products are not generally within scope of MSC product offerings, as MSC specializes in MRO solutions.

(16) US EPA Safer Choice (cleaners, hand soaps, deicers, floor maintenance chemicals);

MSC carries EPA Safer Choice-certified products. The Safer Choice label enables our customers to quickly identify and choose products that can help protect the environment and are safer for families. The icon provided identifies products that have been approved and certified to meet EPA Safer Choice requirements.



(17) WaterSense (water efficient fixtures, toilets, etc.); Offerors shall also explain or describe how products meet the following standards are clearly identified:

MSC carries U.S. EPA WaterSense certified products. These products meet or exceed water efficiency and performance standards. The icon provided identifies products that have been approved and certified to meet WaterSense requirements.



#### (18) Restriction of Hazardous Substances (RoHS) Directive;

MSC offers products compliant to the RoHS directive, which may be easily identified on our webpage by the icon provided in this section. In addition to the icon, individual product specifications on our website may also note standards met, including RoHS compliance.

MSC's Environmental Compliance & Sustainability

Department (EC&S) maintains an inventory of RoHS compliance certifications obtained from suppliers, and regularly obtains RoHS certifications and additional

Specs Number of Foles Ceir Voltage 120 VAC @ 50-60 H. 50 @ 440 VAC Amperage NonReversible not to Assistiany Contacts NO:NO Overall Hekint (mm) 122 Overall Width (mm) 55 120 Overall Depth (mm) Bureau Verlas, CCC, CSA, CSA C22 2 No. 14 DNV, ENREC 60947-4-1, ENREC 60947-5-1, C Standards Lifet GOST, LROS, RINA; RoHS Compliant, UL 503, UL

product stewardship documentation for customers upon request. Our EC&S department may be contacted to verify items that do not have RoHS certification in the standards section or the icon.

(19 ) South Coast Air Quality Management District (SCAQMD) limits on volatile organic compounds (VOCs, which apply to adhesives, sealants, coatings, etc.)

MSC carries California SCAQMD-compliant products as designated by the provided icon. New environmental regulations in many states have prompted the development of low VOC paints and finishes that are less harmful to the consumer and the environment.



(20) US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs);

MSC utilizes a global recycling logo for recycled content and CPG items in our catalog/webpage offerings to assist in identifying items made from post- and pre-consumer Recycled Content. The icon provided identifies products meeting these requirements.



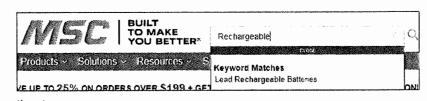
(21) Rechargeable Batteries; and

MSC carries many products that utilize rechargeable batteries. Rechargeable batteries are typically listed in the specifications section of all applicable product descriptions. MSC is considering creating a new identifier for batteries that are rechargeable which will improve visibility in our on-line catalog.



Additionally, MSC offers, at no cost, a take-back system for rechargeable batteries in applicable states.

Users can return these batteries at MSC participating branches (e.g., California, New York, Massachusetts, etc.). Drop-off locations can be found at www.call2recycle.org. Enter your zip code to find the nearest drop off location to you.



(22) Solar Powered Equipment.

MSC carries solar powered equipment (e.g., item numbers 40627127 and 40627119) identified by the Energy Conservation icon provided. Customers may search for solar products on our website by utilizing our keyword search feature available on our website.



Offerors may suggest other 3rd party certifications as applicable and include a description.

In addition, offer shall describe the designation (symbol) that you will use to identify these EPP products provided, including the certification or standard that it meets, and where a buyer would find clarification on the website about what the designation means.

In addition to the above outlined certifications, MSC also carries products with the following Environmentally Preferable Certifications:

Carpet and Rug Institute's (CRI's) initiatives help protect air quality and carpet's lifespan, and lead to smarter buying decisions on cleaners and equipment. CRI's Seal of Approval program identifies effective carpet cleaning solutions and equipment. CRI's Green Label or Green Label Plus program tests carpet, cushions and adhesives to help specifiers identify products with very low emissions of VOCs.

In addition to third-party certified products, MSC works with our suppliers to identify products that are environmentally responsible but may not have a formal certification. These products can reduce water and energy consumption, are made from pre- or post-consumer recycled content, contain low VOCs, and more. Descriptions of these other third-party certifications are described below:

- Green Cleaners and Fluids: MSC offers a wide variety of biodegradable cleaners, degreasers, and cutting fluids to help maintain a healthy environment and assist in the prevention of ozone depletion. We have already identified categories of EcoLogo, Safer Choice and Green Seal with 3rd party certifications. We also have products that are LEED certified that are tracked, but not yet displayed on our website. Customers can contact the EC&S department for information on these products. Other items that may not be certified by a third party will the utilized icon pictured here.
- Rechargeable Products: Although some of our items do not carry a third party certification, they do provide a benefit through long-term use, greater power performance and recycling at end of life.

  These products are identified as Rechargeable and include items such as power tools, flashlights, and two-way radios powered by rechargeable batteries.
- Water Conservation: MSC has an extensive offering of plumbing fixtures and products that promote water conservation, such as motion activated faucets and low-flow fixtures.

  These products help reduce water waste, resulting in long-term cost savings. These items are identified with MSC's internal Water Conservation icon and may not have third party certification. However, if third party certification has been verified for the item the Customer will see both the Water Conservation icon and the third-party certification icon.
- Recycled Products: The purchase of recycled products helps to conserve natural resources and raw materials such as trees, water, electricity, and oil. MSC offers many products made from recycled materials, such as can liners, packaging, and various paper and plastic products. These items are identified with MSC's recycling icon shown here and may not have third party certification. However, if third-party certification has been verified for the item the Customer will see both the US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs) icon and the MSC recycling icon.
- Low Volatile Organic Compounds (VOC): Traditional paints and finishes release varying levels of harmful toxins into the air, resulting in possible exposure to VOCs. Environmental regulations in many states have prompted the development of low VOC products that are less harmful to the consumer and the environment. Each state can choose to participate in standards that are set by various organizations (i.e., Ozone Transport Commission (OTC), Lake Michigan Air

Directors Consortium (LADCO) as well as establish their own regulations to limit VOC releases into the air. Additionally, individual counties and cities can also set acceptable levels for low VOC compliance. MSC identifies these items with a Low VOC icon and controls the sale of these products to only allow compliant products to be sold in the applicable jurisdiction.

- Lead Free: MSC has an extensive offering of lead-free products that meet the Federal Lead Law requirements for protecting drinking water. This Federal Law mandates that the wetted surface of every pipe, fixture and fitting sold for or installed in potable water applications not contain more than 0.25 percent lead. MSC has worked closely with the vendors of these products to confirm they have completed third-party certifications. In addition to lead-free products for drinking water, there are other items that MSC sells that are lead-free (wheel weights, solder, etc.).
- For a full listing of our EPP products, visit <a href="https://www.mscdirect.com/resources/eco-friendly-supplies">https://www.mscdirect.com/resources/eco-friendly-supplies</a> for more details of our program.

## 6.5.4. E-commerce description

The successful offeror shall have a proven record of E Commerce capabilities, with the technology and support personnel to provide content deployment or punch out access to their online catalog, for the purpose of supporting the purchasing web sites of the Participating States. Provide a clear narrative addressing the statement above. Integration of a punch out site is required per Section 9d of the NASPO ValuePoint eMarket Center Section of Attachment B, NASPO ValuePoint Master Agreement Terms and Conditions.

For over six years, MSC has successfully supported NASPO ValuePoint end-users through our extensive ecommerce capabilities. MSC will continue to provide updated landing pages for Participating States which include contract information, pricing and MSC contacts for the territory. Additionally, many States also maintain MSC Punchout Catalogs via various integration partners, including SciQuest, Ariba, Periscope, and more (e.g., Massachusetts and New Jersey). Please see our response to Section 6.5.5 E-Commerce and Web Catalog Capabilities for a full description of our offerings.

# 6.5.5. E- Commerce and Web Catalog Capabilities

(1) Multiple search options from narrow options to specific search criteria;

Accessible from any computer with an Internet connection, www.mscdirect.com features an extremely versatile search function. See Figure 4. Suggestions will appear as user's type in terms, and Purchasing Entities may also search by entering any of the following:

- Keyword
- MSC Part Number
- Manufacturer Part Number

- Customer Part Number
- Competitor Part Number
- NSN Numbers
- UPC Numbers
- Brand

Our web site also offers a 24-month rolling history with the ability to search for past orders by Purchase Order Number, Buyer, Ship-To Location, and Date.

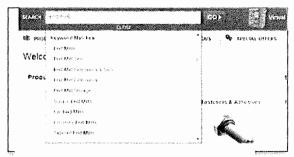


Figure 4: Search Features

# (2) Display contract pricing;

When Purchasing Entities log in utilizing their account credentials, they will have access to all contract pricing and discounts. Additionally, the NASPO ValuePoint icon will appear with all relevant Market Basket items as noted in Figure 5.

# AValuePoin Figure 5: Market Basket Identifier

# (3) Have workflow management controls;

MSC can assist in streamlining NASPO ValuePoint user processes through the utilization of our workflow management tools featured on our website as noted in Figure 6.

Once NASPO ValuePoint users log into their accounts online, they will have access to NASPO ValuePoint-specific pricing and discounts. Additionally, mscdirect.com allows NASPO ValuePoint users to identify cost centers. NASPO ValuePoint users can individually code each item within an order for reporting purposes. Items can be allocated to departments, cost centers, general ledger accounts, people, job names, job numbers, etc.

We can also provide NASPO ValuePoint end users with the functionality to establish roles and spending limits for users. NASPO ValuePoint can create and manage workflow processes, where user roles and spending limits can be assigned on the MSC website so that NASPO ValuePoint's users can be assigned the appropriate purchasing levels according to the agreement.

Our website, mscdirect.com, can support four levels of hierarchy:

- Administrator: The Administrator has the authority to assign and/or reassign other registered users to their applicable roles and set per-order spending limits if so desired. The Administrator has full authority to browse and place orders. Multiple Administrators may exist within each Purchasing Entity.
- Buyer: Buyers have full authority to browse and place orders. Buyers may be assigned multiple Supervisors and/or Requisitioners.
- Supervisor: Supervisors have the authority to receive shopping carts from Requisitioners and forward the approved cart to their Buyer,



Figure 6: Workflow Functionality

or check out if it is within their authority. The Supervisor role is an optional approval step in the process between the Requisitioner and the Buyer.

Requisitioner: Requisitioners have the authority to browse, fill a shopping cart, and "send" it to their respective Buyer or Supervisor, or place the order if it falls within the spending limit established by the Administrator. The Buyer or Supervisor will then be sent an e-mail stating either that the Requisitioner has placed an order within their authority, or that a shopping cart has been sent to him/her from the Requisitioner.

For instance, NASPO ValuePoint can permit certain users to requisition products, but the final approval by the authorized designee must be provided before the order is finally submitted online. The approver would be notified via e-mail when the order is ready. If the assigned Buyer rejects a pending order, he or she would have an option to select "reject reason." Assigned Buyers can also reassign a pending order using the "Reassign" function. An e-mail notification of a reassigned order would then be sent to the Supervisor, Buyer, or Administrator (selected from the dropdown menu).

# (4) On-line ordering capability;

Our user-friendly and easy-to-navigate website, mscdirect.com, gives NASPO ValuePoint users full access to every product we have available, and allows NASPO ValuePoint users to conveniently manage their entire accounts online.

Available 24 hours a day, seven days a week, mscdirect.com includes a robust suite of features to make the ordering process as easy as possible, and allows for users to have complete self-service control of their accounts. They can access pricing, see real-time availability of approximately 1 million items available online and in our Big Book, place orders, track packages, and obtain technical data, such as SDS sheets. After orders have shipped, users can view copies of the invoice and print them for convenience. MSC also features our Express Check-Out feature for added efficiency and time savings.

Offering numerous time- and cost-saving tools, our website can help NASPO ValuePoint create an efficient and productive procurement environment. And as the website shares the same highly trained sales and support services as our traditional business, NASPO ValuePoint is guaranteed the same level of superior customer service it expects from MSC.

#### (5) Order status and order tracking capabilities;

NASPO ValuePoint users will be able to check order status and track their orders using a variety of methods, including calling the local Branch and/or Sales Associate; contacting a Call Center, or visiting mscdirect.com. We communicate order status, including tracking and back-order information through several methods:

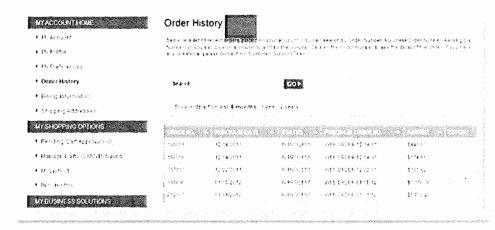
- Order Confirmation: NASPO ValuePoint users can either request an e-mail be sent by MSC confirming the order, or users can view their order status online at mscdirect.com.
- Notice of Back Order: Back order information for online orders is available immediately as a result of real-time inventory information. Orders placed over the phone will also include instantaneous feedback on stock availability from the MSC Associate. Any orders that are faxed or sent via other electronic platforms will receive an e-mail notification or phone call as soon as the back order situation is identified.
- Shipping Notifications / Tracking: Users may call to track any order shipped via UPS or FedEx, or log on to mscdirect.com for real-time UPS package tracking. If delivery of an order is delayed or incomplete, MSC will call each of our affected customers, advising them of the delay and when the shipment will actually arrive.

Substitutions: MSC does not automatically send a customer a substitute item if the original item is unavailable. If we cannot ship the item the customer originally wanted, we would contact the customer and provide alternate item suggestions that would meet his/her needs and then let him/her decide accordingly.

# (6) Order history;

MSC provides order history reports for self-auditing purposes. See Figure 7. These reports are available by utilizing the My

Account page function on our website. A history of recent orders will appear, enabling NASPO ValuePoint users to quickly find items previously purchased, track shipments, or reprint invoices. Users can search orders placed in the past



year using order number,

Figure 7: Order History

purchase order number, or packing slip number.

Additionally, order history may be obtained by calling any of our Call Centers, local Branches, or Outside Sales Associates.

(7) Allow users to develop personal lists and profiles, and a secure means for storing procurement card information:

Once Users login to the secure site, users can streamline the procurement process using Lists for repeat buys. With one central location for all of User Lists, this section makes it very easy to find your frequently purchased items. See Figure 8. Additionally, users may add items to their lists from the item description page. See Figure 9.

"My Profile" and "My Preferences" allow users to modify account information, including phone number, e-mail address, and password. Users may also set change notification preferences to control the e-mail communications received, set up checkout preferences for a more expeditious checkout process, and manage e-mail notifications for orders.

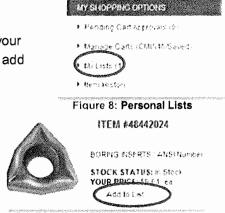


Figure 9: Add to Your Personal Lists

Users can securely store Procurement Card Information under the "Billing Information" section of our website, and set default billing address and card information.

(8) Online help to use site should be available at minimum during normal work hours.

MSC's exceptional customer service will be available to NASPO ValuePoint users in a variety of ways:

- For all web and e-commerce questions, users can call (800) 753-7970. Representatives are available Monday through Friday, 7 a.m. to 10 p.m. EST.
- NASPO ValuePoint users can also utilize the "Chat" function on the web during the above-mentioned business hours.
- For general Customer Service, users can contact the dedicated NASPO ValuePoint team at (888) MSC-9722, or call any of our Call Centers at (800) 645-7270. Our Call Centers are available Monday through Friday, 7 a.m. to 11 p.m. EST, and Saturday, 8 a.m. to 5 p.m. EST.
- Users can email MSC at nvp@mscdirect.com or cust_service@mscdirect.com and receive assistance within 24 hours.
- Additionally, our local branch offices are typically open Monday through Friday, 8 a.m. to 5 p.m. local time, but hours may vary.
- (9) Technical data, illustrations, Material Safety Data Sheets, parts availability, and access to web-based product sourcing is required;

MSC item details support all these requirements. A complete list of technical and manufacturer specifications is featured in an easy-to-read chart format. All item availability is displayed in real time. For items with Safety Data Sheets (SDS), an icon is featured where users can view and print SDS documents. See Figure 10.

If users are unable to find the SDS they are looking for, they may contact the MSC Environmental Safety & Health (ES&H) helpline at 1-800-753-7927, Monday through Friday, 7am-11pm, EST, and Saturday 8am-5pm, EST. Users may also call our 24-hour SDS hotline at 1-866-910-0719 for assistance.



Figure 10: SDS Icon

Additionally, our website also has a quote feature for sourcing needs.

(10) Allow viewers to view on line Offeror's product availability by location;

All inventory on our website is displayed in real-time so users will immediately be aware of stock availability. Orders will ship from the MSC Customer Fulfillment Center with the available product. If a qualified, in-stock order is placed by the 8 p.m., EST, national cut-off time, the order is guaranteed to ship the same day. Our Same Day Shipping Guarantee maintains a 99% fill rate.

(11) Ability to block certain items or categories.

MSC has the capability to block certain items and categories, and for the last six years, has been providing this functionality to Participating States.

(12) Ability to accept "P-Card" payments.

MSC currently partners with MasterCard®, Visa®, and American Express®, and we provide Level I, II, and III line item detail reporting for transactions. Please refer to Section 6.5.8.2 for more details regarding our capabilities.

(13) Web-based Catalog available?

X Yes No

(14) Contract pricing available on line?

<u>X</u> Yes No
(15)Online workflow management?
<u>X</u> Yes No
(16)Order Status/Tracking Online?
<u>X</u> Yes No
(17) Order History?
<u>X</u> Yes No
(18) Personal Lists?
<u>X</u> Yes No
(19) Online Availability?
X Yes No

(20) What are you doing to ensure that your EPP products are properly identified and labeled in your Catalogs?

As noted in our response to Section 6.5.3.4, MSC identifies our EPP products by certification or requirement by icon.

MSC's Environmental Compliance and Sustainability (EC&S) department maintains a Green Item Review process, allowing us to enhance our green product offering. We have developed a comprehensive form to collect third-party certifications of green attributes from our suppliers. The supplier completion of the form assists MSC with meeting Sustainability and Environmentally Preferred Purchasing standards that both MSC and our Customers wish to achieve.

Our EC&S department then reviews all supplier information to confirm environmentally preferred attributes and third-party certifications.

These certifications help to identify the categories and icons that a customer can view on the MSC webpage for easy selection of these products.

Section 6.5.3.6 outlines how we identify EPP products online.

(21) Offeror is able to highlight EPP products either through prioritizing the EPP products in the online catalog, or by offering to substitute conventional with greener products?

X Yes No

6.5.6. Storage of Electronic Data

6.5.6.1 Describe in detail how the electronic information for each Participating State shall be stored.

MSC encrypts all sensitive data while in transit or at rest. MSC utilizes TLS for in-transit encryption and AES256 for all at-rest encryption.

MSC's ERP system stores all customer and transaction information in a single database. Standard database access techniques are utilized to ensure that the correct information is being processed for the correct customers. At no time does any customer have access to any other customer's information.

Once a user logs in to the MSC website, the same data access techniques are used to restrict the customer specific information to only that information that belongs to the logged-in customer.

6.5.6.2 Do you have a dual system as a backup in the unlikely event that the main information storehouse becomes unusable?

The primary MSC computing environment is located in a third-party Tier 2+ Data Center. This data center has redundant critical power and cooling components to provide select maintenance opportunities and an increased margin of safety against business disruptions that would result from site infrastructure equipment failures. The redundant components include power and cooling equipment such as UPS modules, chillers or pumps, and engine generators. In the unlikely event of a disaster at this facility, MSC also has a redundant data center approximately 1,000 miles away from the primary site that is synchronized in near-real-time, and would be activated to maintain business operations. This redundant solution is tested at least once a year.

6.5.6.3 Provide a general description of security protocol including storage of data, ordering security and data file security.

MSC has implemented many advanced technologies and industry best practices to safeguard our own systems, and the information of our customers and suppliers against a wide variety of cybersecurity threats.

Our cybersecurity processes and capabilities cover threat prevention, detection, response, and remediation. A robust cybersecurity training and awareness campaign, two-factor authentication for external network access, state-of-the-art firewalls, web application firewalls, tokenization, and encryption of sensitive data are just a few of the security measures we have in place.

Authentication to any MSC technology resource requires a unique user ID and complex password. Current policies require passwords to expire and be changed quarterly. The level of access to the systems is reviewed on an annual basis and is governed by the role of the user in the organization. Critical systems such as order entry are audited annually.

The above technologies are architected and configured in a layered security and risk-based manner. Our security posture is constantly monitored both internally and externally by independent third parties. BitSight, a cybersecurity performance benchmarking firm, has assessed MSC with a score of 800, which is near the top of its scale and is higher than our industrial distribution peers' scores. This score is the cybersecurity equivalent of FICO for credit bureaus.

Since the nature of cybersecurity is constantly evolving, we also take proactive measures to improve our security by testing our own technology, processes, and procedures with annual, blind, third-party penetration testing to nation and state attack standards.

Lastly, our entire security program is governed by a senior executive review committee with Board-level oversight.

#### 6.5.7. Catalogs

The successful offeror must provide paper and/or computer media catalogs to all agencies upon request for the duration of this contract. Offeror to explain if catalog identifies environmentally preferable products with associated EPP certifications.

Depending upon agency needs, MSC can easily provide a hard copy of our Big Book catalog and / or a link to our Big Book online.

As noted in our response to Section 6.5.3.4, MSC identifies our EPP products by third-party certification or EPP attribute by icon. Section 6.5.3.6 outlines how we identify EPP products online

## 6.5.8. Procurement Card Policy

6.5.8.1 The successful offeror must offer the capability to accept procurement cards as an acceptable form of payment. Level III reporting is preferred.

**Procurement Cards Accepted?** 

6.5.8.2 Explain in detail your reporting capabilities for procurement card transactions.

MSC currently partners with MasterCard®, Visa®, and American Express®, and we provide Level I, II, and III line item detail reporting for transactions:

- Level I: Standard credit card information similar to a consumer card statement, with date, amount, commodity type, and establishment.
- Level II: In addition to Level I information, Level II adds sales tax amount, accounting cost center or card member reference number, supplier TIN (Tax Identification Number), and 1099 status.
- Level III: Adds item quantities, unit of measure, part numbers and description, and ship-to zip codes.

As a Level III supplier, MSC delivers enhanced data, such as cost center/project coding, item quantity, unit of measure, MSC item number and description, sales taxes paid, and ship-to zip code to customer bank so that the customer organization gets the purchasing reports needed to manage unplanned buys. And, MSC automatically provides a faxed/e-mailed price receipt with every P-card order for month-end credit card statement reconciliation.

#### 6.5.9. Forced Substitutions

6.5.9.1 Forced substitutions are not allowed. If an ordered item is out of stock, the Offeror must notify the purchasing entity for prior approval before substituting for the out of stock item. Explain your methodology for items that are discontinued or out of stock. This must include your substitution policy.

Please see our response to 6.5.9.2 below for a detailed explanation of our notification process for discontinued and out-of-stock items.

6.5.9.2 Explain how you will notify customers about out of stock items and how you will provide information about how the substituted product compares with the product that is out of stock.

As a result of real-time inventory information, stock availability and back order information for online orders is immediately available. Orders placed over the phone will also include instantaneous feedback on stock availability from the MSC Associate. Any orders that are faxed or sent via other electronic platforms will receive an e-mail notification or phone call as soon as the back-order situation is determined.

MSC customer service or sales representatives would advise users of a product discontinuation at the time of order. If we discontinue the item from our catalog, but still have a relationship with the manufacturer, we can still get the item for the user. However, the product may not ship from our inventory. We can suggest substitutions of equal or better value that can ship the next day. If the manufacturer discontinues an item, we will do our best to find a replacement product from the vendor or provide an alternative choice.

In the event a supplier is planning to discontinue an item from our catalog, MSC requires that the vendor support our needs until the publishing of the new catalog. We would then remove the item from the catalog and insert a substitution wherever possible. Notes would be entered into our system so that Sales Associates can communicate these changes to our customers when the product is ordered. Sometimes the supplier / manufacturer discontinuing the item is not willing to manufacture the item for the life of MSC's current catalog. In these instances, we would work with them to identify an immediate replacement or a similar item from one of our more than 1 million products.

MSC does not automatically send a customer a substitute item if the original item is unavailable. If we cannot ship the item the customer originally wanted, we will contact the customer and provide an alternate item suggestion that will meet the need and then let them decide accordingly.

- 6.5.10. Customer Service Representatives
- 6.5.10.1 Offerors shall provide each authorized purchaser with customer service representatives assigned to handle questions and resolve all problems that arise.

MSC will provide a dedicated, toll-free telephone number for NASPO ValuePoint users. Additionally, users will be able to contact our Call Centers or E-commerce representatives. As our knowledgeable Branch Sales Associates and customer service representatives can receive orders, provide real-time inventory status, recommend product alternatives, arrange or provide technical support, cross reference items, source items and much more, a majority of calls are resolved upon first contact. Additionally, we have a technical and metalworking support team available to answer any additional questions that may arise.

6.5.10.2 Service representatives shall be available, at a minimum, from 8:00 am to 5:00 pm in EACH time zone, Monday through Friday. Service representatives shall be available by phone (via local or toll free number), fax, or email during the required times for each participating state.

NASPO ValuePoint users may contact a customer service representative at (888) MSC-9722, or via our general toll-free number at (800) 645-7270. Our Call Centers are available Monday through Friday, 7 a.m. to 11 p.m., EST, and Saturday, 8 a.m. to 5 p.m., EST. Our national branch offices are open Monday through Friday, 8 a.m. to 5 p.m., local time. Our website, mscdirect.com, and our fax number, (800) 255-5067, are also available 24 hours a day, seven days a week.

6.5.10.3 This solicitation is for all States and all time zones. Describe how you will manage the servicing of the contract for each time zone.

Our system allows for calls / faxes to be routed based upon geographical area and time zone.

Call Centers are available Monday through Friday, 7 a.m. to 11 p.m., EST, and Saturday, 8 a.m. to 5 p.m., EST. Our national branch offices are open Monday through Friday, 8 a.m. to 5 p.m., local time. Our website, mscdirect.com, and our fax number, (800) 255-5067, are also available 24 hours a day, seven days a week.

In addition to the NASPO ValuePoint toll-free number, MSC will create dedicated NASPO ValuePoint email which will enable NASPO ValuePoint users to reach out directly to MSC with questions and inquiries.

MSC utilizes a "one call does it all" philosophy when it comes to customer service. With a phone call, users will reach a live Associate at one of our Call Centers who can place orders, obtain product information, check shipments, discuss returns, and more. Our Inside Sales Associates are able to inform customers on a real-time basis of the availability of a product, recommend substitute products, verify credit information, and arrange to provide technical assistance. We also maintain a staff of Certified Machine Tools Sales Engineers (CMTSE) who will assist in finding the best solution for each customer.

This exceptional level of customer service is also available at our local Branch offices.

6.5.10.4 Provide an Emergency number and contact for afterhours use.

Upon award, MSC will provide a list of emergency contacts.

6.5.10.5 All service representatives shall have online access to account information and provide a timely response to inquiries concerning the status of orders (shipped or pending), delivery information, backorder information, contract pricing, category discounts, product availability, product information, account and billing questions, and contract compliance requirements.

MSC's integrated information systems allow for the centralized management of key functions, including communication among our Customer Fulfillment Center, inventory and accounts receivable management, purchasing, pricing, and all other program information. As all NASPO ValuePoint-specific program information will be loaded into our integrated system, all information, including pricing and discounts, will be available enterprise-wide regardless of method or location of order.

When a user places a call to MSC, the Customer Service Associate taking the call has immediate access to the user's program and specific buyer profile, as well as inventory levels by distribution centers on all SKUs offered by MSC. The user's profile includes historical and current billing information, and historical purchasing information.

MSC's Customer Service representatives are able to inform users on a real-time basis of the availability of a product, recommend substitute products, verify credit information, receive special customer or manufacturer direct orders, cross-check inventory items using customer product codes previously entered into our information systems, and arrange technical assistance.

6.5.10.6 Describe in detail the process that shall be used to ensure adequate service representatives will be available.

MSC has been successfully partnering with NASPO ValuePoint for the last six years. We will continue to utilize our experienced Government Sales Team and Field Sales Resources to support the continued growth and expansion of this program.

Currently, MSC employs more than 1,900 field sales representatives and over 1,100 in-bound sales representatives.

Each of our five Customer Fulfillment and Call Centers is more than adequately staffed with both Customer Service Representatives and Managers who are ready and able to take all NASPO ValuePoint user orders. Our standard toll-free phone number and the NASPO ValuePoint dedicated number are routed fluidly within our call center network in order to provide seamless customer service support across the country.



Each of our over 90 Branches is staffed with both trained and experienced Inside Sales Associates and Inside Sales Supervisors, as well as trained and experienced Outside Sales Associates and Branch Managers. Each of the branches provides support for customers who prefer local support.

The NASPO ValuePoint/MSC team will provide training to all MSC service representatives in a phased process based on the execution of participation addendums. The MSC NASPO ValuePoint State Account Managers will engage the salesforce and conduct training with specific sales teams.

The appropriate sales resources will become engaged as Implementation Strategy is deployed by the MSC NASPO ValuePoint Program Manager. At this juncture, our website will immediately begin to leverage NASPO ValuePoint contract pricing, Same Day Shipping, and other cost saving initiatives.

Concurrently, the MSC NASPO ValuePoint State Account Management team will strategically launch the deployment of more than 1,100 geographically appropriate sales associates. This level of engagement by MSC's dedicated NASPO ValuePoint team will ensure the successful launch of the NASPO ValuePoint program. MSC NASPO ValuePoint Program Managers will have direct alignment with State directors supporting execution actions in addition to weekly or monthly feedback.

The MSC NASPO ValuePoint State Account Managers will have quarterly business review meetings with NASPO ValuePoint State participating contract managers to review sales data, engagement activities, and overall best demonstrated practices.

#### 6.6. ADMINISTRATION AND MARKETING

## 6.6.1. Return Policy

What is your standard return policy?

MSC maintains a 30-day return policy (from date of shipment). In order to return merchandise, customers must contact MSC at (800) 645-7270 to obtain a Return Authorization (RA) number. Returns will not be accepted without an RA number.

Returns should be sent back in the original packaging and condition to the original Customer Fulfillment Center with the RA number on the shipping label. An invoice copy or packing slip should also be included.

Any claims for discrepancies in shipment must be made within seven days of receipt of merchandise. C.O.D. returns will not be accepted. Shipping charges for returned items must be prepaid. A restocking charge may apply.

Please note that hazardous materials are not returnable. Customers will be required to inspect all hazardous materials deliveries prior to accepting the delivery. Unaccepted hazardous materials can be returned to MSC through the freight company that delivered the materials by not accepting the delivery. Once hazardous materials are accepted for delivery, MSC is unable to take these items back.

Additionally, altered or etched items cannot be returned. Custom cut-to-length products are considered final sales and may not be returned for credit. Unopened computer software can be returned for a credit, but will only be replaced if considered defective.

In an instance in which a defective item is identified by the customer, a replacement order will be entered immediately. The replacement will be subject to standard lead times if not stocked.



Some manufacturers may provide warranties beyond our 30-day policy. Please see the individual manufacturer for additional warranty information.

#### 6.6.2. Distribution Points

It is desirable that a successful offeror has inside and outside sales staff and distribution facilities located in all Participating States or geographic area offered. Offerors must provide the locations of their distribution points and information regarding sales staff for each Participating States or geographic area offered.

MSC operates five distribution centers located in Atlanta, GA; Columbus, OH; Elkhart, IN; Harrisburg, PA; and Reno, NV. We also maintain over 90 branches. Local contacts, including Branch and Outside Sales Associates, will be provided upon award.

MSC has been successfully partnering with NASPO ValuePoint for the last six years. We will continue to utilize our experienced Government Sales and State Team and Field Sales Resources to support the continued growth and expansion of this program. Our State Account Managers are familiar with the NASPO ValuePoint program and also each Participating State needs. Additionally, MSC will also make available State Business Development Managers to focus on new State and local government opportunities as well as higher education opportunities.

Our Call Centers staff approximately 1,100 dedicated Customer Service Representatives. When calling, NASPO ValuePoint users will reach a live Associate who can place an order, obtain product information, check a shipment, discuss a return, and more. Our Inside Sales Associates are able to inform customers on a real-time basis of the availability of a product, recommend substitute products, verify credit information, and arrange to provide technical assistance. We also maintain a staff of Certified Machine Tools Sales Engineers (CMTSE) who will assist in finding the best solution for each customer.

Additionally, local support will be provided by our Branch offices. Each of our Branch offices is staffed with trained and experienced Inside Sales Associates, Inside Sales Supervisors, Outside Sales Associates, Vendor Managed Inventory Specialists, and Branch Managers. Access to MSC's exceptional customer service is available at all our locations. MSC also has strategically located specialists (Customer Solutions Project Managers, Metalworking Specialists, and Machinery Specialists) to support special requests and best serve our customers' needs.

We also maintain a high customer satisfaction rate due to the efficient manner in which we receive and fulfill every single order. Additionally, MSC offers our Same-Day Shipping Guarantee with a 99% fill rate. If an order is placed by the 8 p.m. EST, national cut-off time, we will guarantee shipping of NASPO ValuePoint users' products the same day.

#### 6.6.3. Contract Management

6.6.3.1 Describe the Offeror's strategy for contract management and sales support including roles and responsibilities as they relate to each participating state for each of the proposed account teams that will handle contract management issues.

MSC will assign a team of NASPO ValuePoint State Account Managers as main points of contact for the NASPO ValuePoint program for each of their respective territories. These Contract Managers will manage the components of NASPO ValuePoint State programs in their area, including customer support, training, logistics, reporting, and integration.

The MSC NASPO ValuePoint State Account Managers will conduct Quarterly Business Reviews with each of their NASPO ValuePoint States. During these reviews, the State Account Manager will provide



sales reporting, sale trends, best demonstrated practices, and cost-saving documentation, and discuss areas of improvement for the upcoming quarter.

NASPO ValuePoint users will also receive support from our local branches. Local branches and Associates would be assigned upon award. The following are some of the roles who would service participating state sites:

- Branch Sales Manager Would lead the local operations and support team; ensuring contract compliance; and meeting or exceeding expectations.
- Outside Sales Associate (OSA) The OSA's primary focus is sales support and bringing solutions that can help drive cost savings and inventory reduction, as well as the coordination of all sourcing and purchasing needs. The OSA will also serve as project manager for the local account relationship.
- Solutions Services Representative (SSR) The VSR provides vending, VMI, and other inventory management support. The SSR interfaces with end users on the production floor to provide support for our products and to identify continuous improvement activities.
- MSC Branch Support Associates At the branch location, there are additional assets that can augment, replace and substitute the current support team when necessary. Additional available assets include Inside Sales Associates to assist with tactical sourcing and Senior Specialists to support project based sourcing.
- 6.6.3.2 It is desired that offerors have a representative(s) that has the sole responsibility of management of this NASPO ValuePoint contract. Provide a list the name(s) and title(s) of the dedicated representative(s) per region or State.

In addition to the below overall Program and Contract Managers, the MSC State Account Management Team will actively support the promotion and implementation of the NASPO ValuePoint program throughout the United States as our primary segment strategy. MSC's State Account Management team will leverage our complete resources in support of the NASPO ValuePoint program.

The table below notes the contact for the overall ValuePoint contract management and State Account Managers by region.

D)EI	ICATED NASPO VALUEPOINT PROGRAM MANAGERS
NAME:	RON MANNING
TITLE:	SENIOR DIRECTOR, GOVERNMENT SALES PROGRAM
NAME:	ELIZABETH FLORES
TITLE:	NASPO BUSINESS DEVELOPMENT MANAGER
NAME:	MIKE GORDON
TITLE:	NASPO STATE ACCOUNT TEAM MANAGER
NAME:	DAMON PEREZ
TITLE:	NASPO STATE ACCOUNT MANAGER (No. CA, OR, WA)
NAME:	DON NELSON
TITLE:	NASPO STATE ACCOUNT MANAGER (NJ, NY)
NAME:	BRICE FARINA
TITLE:	NASPO STATE ACCOUNT MANAGER (SO. CAL, AZ, NV)
NAME:	Anna Slattery
TITLE:	NASPO STATE ACCOUNT MANAGER (KY, IN, IL, MO, IA)

D)EI	DICATED NASPO VALUEPOINT PROGRAM MANAGERS			
NAME:	JOE REBER			
TITLE:	NASPO STATE ACCOUNT MANAGER (PA, MD, DE, DC, WV,VA)			
NAME:	MATT STUMP			
TITLE:	NASPO STATE ACCOUNT MANAGER (TX, OK)			
NAME:	MIKE O'CONNOR			
TITLE:	NASPO STATE ACCOUNT MANAGER (MA, RI, CT, VT, NH, ME)			
NAME:	SCOTT MCCAMANT			
TITLE:	NASPO STATE ACCOUNT MANAGER (GA, NC, SC, FL)			
NAME:	VINCE CONTINI			
TITLE:	NASPO STATE ACCOUNT MANAGER (OH, MI, WI, MN)			
NAME:	TIM WOODS			
TITLE:	NASPO STATE ACCOUNT MANAGER (CO, WY, NE, NM, KS)			
NAME:	JOSEPH DAVIS			
TITLE:	NASPO STATE ACCOUNT MANAGER (LA, AR, TN, AL, MS)			

6.6.3.3 Does your contract management include customer training? Please provide a detailed narrative including, at a minimum, the following:

All training for all aspects of the NASPO ValuePoint program will be provided at no cost to Participating States.

MSC will implement a variety of training programs to ensure ordering entities have a thorough understanding of the MSC ordering processes. The following options will be offered.

Centralized Workshops – Based on the participating state requirements and goals, MSC will schedule centralized custom workshops to ensure NASPO ValuePoint participants have a comprehensive understanding of the MSC offering. Workshop topics are as follows:

- Overview of the NASPO ValuePoint program and pricing
- Overview of the MSC website and registration process
- Overview of MSC ordering options and customer service processes
- Introduction to product training resources
- Introduction to Safety, Emergency, and Green resources
- Customized topics

Adobe Online Training – For agencies unable to attend a workshop, MSC will set up online training that includes:

- Overview of the NASPO ValuePoint program and pricing
- Overview of the MSC website and registration process
- Overview of MSC ordering options and customer service processes
- Introduction to product training resources
- Introduction to Safety, Emergency, and Green resources
- How to contact your dedicated NASPO ValuePoint team

Additionally, MSC's program also includes extensive opportunities for customer training. As many of our suppliers represented in the MSC catalog are part of our program, they offer additional technical support. Many of these suppliers have MSC-dedicated resources that work specifically with MSC field personnel to support our customers. Additionally, MSC has more than 200 in-house product experts to work directly with our customers.

Leveraging our supplier relationships and their Subject Matter Expertise, we offer free product training in conjunction with our suppliers for products such as power tools, as well as safety training.

MSC will meet with NASPO ValuePoint sites to determine need and then arrange for the appropriate training courses. Some examples of other free training programs and/or services are: Fall Protection Training, Lock Out/Tag Out Inspections, Harness Inspections, Ladder Safety Training, General Safety Training, Product Use Training, Hand Tool Safety Training, Power Tool Safety Training, Lifting Safety Training, Chemical Storage Safety Training and Inspections, Plant Signage Inspections, Confined Spaces Breathing Training, and Arc Flash Training.

6.6.3.4 Sustainable Products (e.g., energy efficient, water efficient, low toxicity, recycled content, etc.);

MSC has partnered with the following suppliers for customer training needs, including on-site lighting surveys.

	LIGHTING AND ELECTRICAL	
PHILIPS	COOPER LIGHTING	HUBBELL
ADVANCE	FLUKE	FERRAZ SHAUMUT

Based upon customer-specific needs, we can leverage our supplier relationships to offer training for green products. Examples may include training from the some of the below suppliers.

	OTHER	
SIMPLE GREEN	CRC	PHILLIPS
STOCKHAUSEN	NATURES SOLUTION	RUBBERMAID

6.6.3.5 Review of environmentally preferable products with third party certifications (see section 6.5.3.6 above for a list of some of the 3rd party certifications).

To enhance MSC's green product offerings, MSC developed a comprehensive form to collect third-party certifications of green attributes from our suppliers. Suppliers completion of this form assists MSC with meeting Sustainability and Environmentally Preferred Purchasing standards that both MSC and our Customers wish to achieve. MSC's Environmental Compliance & Sustainability Department in conjunction with the Product Teams, reviews all supplier information to confirm environmentally preferred attributes and third-party certifications. The certifications help to identify the categories and icons that a customer can view on the MSC webpage for easy selection of these products. Item reviews for green attributes are conducted for selected product lines, specific customer requests, or contract requirements. MSC continues to proactively identify EPP attributes from our product line. MSC is currently revising our Eco-Resource page on our website to further highlight green products.

6.6.3.6 New products;

Depending upon site-specific requirements, we can arrange for the necessary training on the requested products. Additionally, suppliers are always introducing new products, and we will communicate this to customers and offer training.

Supplier training may include instruction from the following vendors.

	MSC Supplier Training	
Motors	CRC	Coilhose
Metalworking – Kennametal	Norton	EVERITE
3M - Application and Safety Training	Standard	WERNER
Rubbermaid	KIMBERLY CLARK	Go-Jo

## 6.6.3.7 Equipment and operation- Manufacturer/certified set up and training;

As many of our suppliers represented in the MSC catalog are part of our program, they offer additional technical support. Many of these suppliers have MSC dedicated resources that work specifically with MSC field personnel to support our customers. Additionally, MSC has over 200 in-house product experts to work directly with our customers.

When one of our ControlPoint vending systems is chosen for a site, our Associates will walk the customer through the entire installation and operation process. Our Associates will work to customize the unit according to the customer's needs, and have it assembled on location. Most importantly, we will provide hands-on training to the dispensing unit's operators and managers so that the system can be up and running in as little time as possible, and work to create a more efficient, cost-effective environment.

# 6.6.3.8 Seminars and other learning opportunities;

Based upon customer-specific needs, we can leverage our supplier relationships to offer training seminars. MSC will meet with NASPO ValuePoint sites to determine need and then arrange for the appropriate training courses. Some examples of other free training programs and/or services are: Fall Protection Training, Lock Out/Tag Out Inspections, Harness Inspections, Ladder Safety Training, General Safety Training, Product Use Training, Hand Tool Safety Training, Power Tool Safety Training, Lifting Safety Training, Chemical Storage Safety Training and Inspections, Plant Signage Inspections, Confined Spaces Breathing Training, and Arc Flash Training.

For more information, please refer to Attachment 3 MSC Key Supplier Program.

#### 6.6.4. Delivery

6.6.4.1 Delivery time for in-stock items should not exceed 24-48 hours for all points within in the Participating States. Non-stocked items must be delivered within 10 working days. The Participating States reserve the right to impose restrictions. Explain in detail your delivery policy.

See below responses to questions 6.6.4.2 and 6.6.4.3.

6.6.4.2 Specify Guaranteed Delivery Time for In-Stock Items.

MSC can meet NASPO ValuePoint's 24- to 48-hour guaranteed delivery time for in-stock products within the 48 contiguous United States. Our Same-Day Shipping Guarantee maintains a 99% fill rate. If a qualified, in-stock order is placed by the 8 p.m. EST, national cut-off time, the order is guaranteed to ship the same day. The delivery timeframe is contingent upon the requirements of the MSC Same-Day Shipping Guarantee below.

# Same-Day Shipping Guarantee

MSC will guarantee same-day shipping if: 1) the order is received by MSC at one of our customer fulfillment centers (CFCs) before the applicable cut-off time on an operating business day, 2) the item is a national catalog item, and 3) the exclusions described below do not apply.

# **Next-Day Delivery Upgrade**

MSC will upgrade qualifying orders to Next-Day Air Saver at the customer's request (additional charges may apply). The Next-Day Delivery upgrade only applies to standard UPS Ground shipping orders, and does not apply to orders shipped via Freight Saver shipping method. Qualifying orders will be delivered on the next regular business day, or on a weekend day for an additional charge. The upgrade will apply if: 1) the order is received by MSC at one of our customer fulfillment centers (CFCs) before the applicable cut-off time on an operating business day, 2) the item is a national catalog item, 3) the order is 20 pounds or less and is not too large to ship by air, 4) the order cannot be delivered to the customer the next day through our Ground Network, and 5) the exclusions described below do not apply.

#### **Exclusions**

Neither the Same-Day Shipping Guarantee nor the Next-Day Air Saver Upgrade cover: 1) orders to non-qualified customers or those outside of the continental U.S.; 2) orders for items that are not in stock; 3) orders for hazardous materials, machinery, or items that require customized lengths, set-up, or special packaging; 4) circumstances beyond MSC's control (for example, computer or electronic interruptions, strikes, natural disasters, severe weather conditions, war, or supplier manufacturing deficiencies); or 5) Freight Saver shipments; and 6) "less-than-truckload" (LTL) shipments, orders shipped by non-scheduled carriers, shipments from branch locations, replacement orders, vendor-managed inventory (VMI) orders, first orders for new accounts, direct ship items, or orders requiring credit review.

Note: Hazardous materials require special handling. Any item containing such materials may be subject to local, state, and federal regulations, which may delay or prohibit shipments. MSC makes no service level guarantees regarding such items.

6.6.4.3 Specify Guaranteed Delivery Time for Non-Stock Items.

As noted, our Same-Day Shipping Guarantee maintains a 99% fill rate. MSC will make all reasonable efforts to deliver all out-of-stock items within 10 business days. In the event delivery cannot be made within 10 days due to unplanned circumstances, MSC will immediately notify the buyer and provide an estimated delivery time.

MSC defines non-stock items as items not immediately available from our CFCs or items that would ship directly from a supplier.

6.6.4.4 SDS must accompany all orders at the time of delivery (where applicable).

MSC includes Safety Data Sheets (SDS), formerly Material Safety Data Sheets (MSDS), for applicable items the first time the item is ordered each year. Users may also obtain an SDS by clicking on the SDS featured in the product description.

If users are unable to find the SDS they are looking for, they may contact the MSC Environmental Compliance and Sustainability (EC&S) helpline at 1-800-753-7927, Monday through Friday, 7am-11pm,



EST, and Saturday 8am-5pm, EST. Users may also call our 24-hour SDS hotline at 1-866-910-0719 for assistance.

6.6.4.5 The Participating States expect high delivery standards from all contractors. Penalties may be imposed on contractors that have continual late deliveries. These penalties may include but are not limited to cancellation of orders, request for discounted pricing, non-use of an offending contractor or cancellation of the contractor's participating addendum(s).

MSC acknowledges.

## 6.6.5. Shipping

6.6.5.1 All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package:

Authorized Purchaser;

Delivery Address;

Purchasing entity and floor;

Contact; and

Telephone number.

MSC confirms we can include all the above required information on our packing labels. Please note that for Purchasing Entity and Floor to be included, the information must be included with the address.

- 6.6.5.2 A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order:
- Line item description;
- Date ordered;
- Quantity ordered;
- Quantity included in shipment;
- Any backordered items;
- Unit Price and extension;
- Number of parcels;
- Purchase Order Number;
- Purchasing entity name; and
- F.O.B. Destination.

MSC confirms we can include all the above required information on our packing labels.

- 6.6.5.3 Describe in detail how your company has implemented environmentally sound shipping and transportation practices. For example:
- Is your company a US EPA SmartWay Partner?

MSC utilizes transporters that are US EPA SmartWay Partners. As a Smart Way Partner there are many potential strategies for minimizing the production of Greenhouse gases as well as improving operating efficiencies to reduce fuel consumption. For example, enhanced aerodynamics, low-rolling-resistance tires, improved powertrain efficiency and waste-heat recovery systems are among the technologies that transporters can request from the suppliers of their trucks to achieve better fuel economy. MSC is

encouraging all of our transport partners to participate in the SmartWay Partner Program. The following transporters that MSC utilizes that are in the program today are listed in the table below:

MSC SMART WAY PARTNERS DROP CARRIERS		LTL CARRIERS		T/Load (Brokers)	
COMPANY NAME	SCAC	COMPANY NAME	SCAC	COMPANY NAME	SCAC
HAZEN EXECUTIVE DYNAMEX	DYXE	Рітт Оню	PITD	LEONARDS EXPRESS	LEQO
TOTAL TRANSPORTATION OF MISSISSIPPI	TTMS	SOUTHEASTERN	SEFL	SCHNEIDER	SCNN
STAR FREIGHT	SFGK	UPS FREIGHT	UPSF	SUMMITT	SMM
ITS Logistics	ITSB	USF HOLLAND	HMES	e agent page in it in partie in expression of the control of the distance of t	and a second contract of the second
man appear on the appearing a register annual first field and the design of the appearance of the appe	he hard the second state and the second seco	YRC	RDWY	ka androk at historia kung kalifusir ora, ayar ungang menghan dalam historik dilik alam panjar bahan bang mere Tanggan	5

Does your company use alternative fuel vehicles (e.g., electric, battery hybrid electric, bio-based diesel, etc.?

We ship a majority of orders via UPS, and we also utilize a network of other carriers, including FedEx and various LTL carriers. UPS uses bio-diesel fuel. We encourage all of our transportation business partners to utilize alternate fuel sources when possible for their transportation needs.

■ Does your company reduce energy usage or other environmental impacts during shipping?

MSC has selected shipping business partners that have sustainability programs. We ship a majority of orders via UPS, and we also utilize a network of other carriers, including FedEx and various LTL carriers.

UPS and FedEx have their own environmental and sustainability programs. More information regarding their program can be found at:

https://sustainability.ups.com/

http://csr.fedex.com

# 6.6.6. Implementation

- 6.6.6.1 Implementation of this contract is vital to the Participating States. Describe in detail your implementation program including an estimated time line to include at minimum the following points.
- 6.6.6.2 Describe in detail the Offeror's implementation plan, including all process steps.

MSC will implement a 4-pronged implementation plan

- Upon award MSC will meet with each participating State and will seamlessly transition the 30+ current MSC PA States over to the new NASPO ValuePoint program.
- MSC will utilize our BDM Team to meet with all other participating states that have not previously partnered with MSC
- MSC will meet with all other unenrolled States and see if they would like to transition their current programs over to NASPO ValuePoint
- MSC's Higher Education Business Development Managers will target, meet with and sign additional Higher Educational Institutions

MSC will continue to successfully manage the implementation and marketing for the NASPO ValuePoint program as we have for the previous WSCA contract. The transition process will be smooth and seamless for States currently enrolled as they are already familiar with our process. The following is an outline of our methodology, which will be used for new Participating Entities:

MSC's immediate action plan will consist of meeting with the NASPO ValuePoint team to develop a national marketing plan focused on promoting the value of the new partnership. Upon award, MSC will mobilize the MSC NASPO ValuePoint State Account Management team to initiate the following actions:

#### MSC / NASPO ValuePoint Conference Calls

Immediately after award, MSC will host conference calls inviting all NASPO ValuePoint participating States' purchasing directors. The purpose will be to introduce the MSC NASPO ValuePoint State Account Management team and to highlight the new MSC partnership. The MSC team will contact each NASPO ValuePoint procurement official to immediately execute the participating addendum. In conjunction with these actions, the MSC NASPO ValuePoint State Account Management team will execute a nationwide training program educating the MSC branch networks, call center specialists, telesales team, branch sales associates, solution program managers, and the MSC NASPO ValuePoint administration team.

# **MSC Strategic Meetings**

MSC will schedule appointments with participating states in order to conduct strategy meetings to clearly define each State's objectives and vision. Our goal is to develop true partnerships while understanding each State's challenge toward immediate cost saving goals.

#### Marketing

MSC understands that alignment to participating NASPO ValuePoint States' objectives and visions will be essential to effectively executing State website marketing communications. The MSC NASPO ValuePoint State Account Management team will work closely with participating State contract managers and IT departments to expedite web marketing messages in addition to requirements for any e-commerce platforms.

# **Direct Mail Marketing**

Upon approval of the MSC direct mail package, MSC will coordinate a mailer program to all NASPO ValuePoint participating States and targeted local government entities (with permission from Participating States) to promote contract awareness and contract benefits. Contract specifics, contact information, customization solutions, and cost-saving awareness will be included in the communication.

#### Web-Based Marketing

MSC's website has been repeatedly voted "Best in Class." Immediately after award, MSC will dedicate resources to implement the following:

- Announcement for the newly awarded NASPO ValuePoint contract and where to call for more information (with approval by NASPO ValuePoint team).
- Design and activation of a NASPO ValuePoint/MSC Splash page with contract information and MSC/NASPO ValuePoint contact links (with approval by NASPO ValuePoint team).
- Creation of a NASPO ValuePoint newsletter to be marketed on the MSC/NASPO ValuePoint State splash page (with approval by NASPO ValuePoint team).
- Various hyperlinks (connection links) to home pages for NASPO ValuePoint/MSC/State websites.
- Dedicated NASPO ValuePoint e-mail address allows users access to the MSC NASPO ValuePoint Dedicated Customer Service Team.



Customers will have the option to sign up for e-mail marketing to receive contract updates, product alerts, and much more to be housed on the splash page.

#### Sales Marketing

Concurrently, the MSC NASPO ValuePoint State Account Management team will strategically and geographically launch the deployment of MSC's more than 1,100 sales associates. This level of engagement by MSC's dedicated NASPO ValuePoint team will ensure the successful launch of the NASPO ValuePoint program. MSC NASPO ValuePoint program managers will have direct alignment to State directors supporting execution actions in addition to weekly or monthly feedback.

The MSC NASPO ValuePoint State Account Manager will have quarterly meetings with NASPO ValuePoint participating state contract managers to review sales data, engagement activities, and overall best demonstrated practices.

#### Training

Strong partnership begins with understanding the basics. MSC successfully utilizes many tools that have effectively and rapidly provided end users an understanding of how to leverage MSC values and efficient ordering processes. Upon conclusion of the strategic meetings, the MSC NASPO ValuePoint program management team will immediately coordinate the following:

- State Department Meetings MSC will coordinate meetings with key State department procurement officials (examples: DOT, DOC, Facilities) in order to develop specific objectives.
- Road Shows / Workshops MSC will partner with State and local government to initiate centralized training workshops.
- E-Learning MSC will customize our e-learning platform for a basic tutorial on the MSC value, the MSC NASPO ValuePoint program, how to navigate, and various contact information.

MSC represents more than 3,000 suppliers. Our field support alignment with those suppliers allows MSC to offer a variety of product training and technical support. The MSC NASPO ValuePoint State Account Managers will coordinate and customize quarterly product training upon request. See our Training Section response for more details.

#### Trade Shows

MSC participates in many national, regional, market-segmented, and local tradeshows throughout the year supporting many different organizations. The MSC NASPO ValuePoint State Account Managers will immediately secure the necessary resources and vendor buy-in to support State-specific shows where procurement officials are the primary attendees.

6.6.6.3 Detail the specific information, resources, and assistance the offeror will require from each Participating State to implement the contract.

MSC will continue to successfully manage the implementation and marketing for the NASPO ValuePoint program as we have for the previous contract. The transition process will be smooth and seamless for States currently enrolled as they are already familiar with our process. We will offer additional training on program enhancements. Additionally, we will utilize the following methodology for new Participating Entities.

The MSC NASPO ValuePoint State Account Manager's goal with each Participating State is to clearly understand the State's procurement objectives, vision, and challenges. The key resources and assistance include:

- A kick-off conference call with each NASPO ValuePoint participating state
- A regular, scheduled time slot on the NASPO ValuePoint director call
- Expeditious execution of participating addendums by each participating state
- Meeting with the Participating State's directors to review State objectives, vision, and challenges
- Coordinated meeting of the major State departments at a central location that will be used to develop specific department objectives
- State Marketing support State website/announcements
- Support of the MSC / NASPO ValuePoint monthly newsletter
- A designated State contact for ongoing contract management and quarterly reviews
- Featured participation in State Procurement trade show
- Quarterly update meetings to review contract performance.
- 6.6.6.4 Describe how soon from execution of the Participating Addendum the online ordering system will be available to each Participating State. If a phased implementation is planned in terms of limited functionality vs. complete functionality, please specify.

Upon award, MSC will begin internal processes that will make our standard website, www.mscdirect.com, available within 21 days for all Participating States. Our e-commerce team will create individual splash pages with contract information and contact links. In addition, our team will work with NASPO ValuePoint to create hyperlinks (connection links) to further market the benefits of our new partnership.

All pricing and program information for current Participating States will be seamlessly uploaded upon execution of each State's Participating Addendum.

6.6.6.5 Describe in detail the Offeror's experience when implementing customer relationships of equivalent size and complexity.

MSC has successfully managed the NASPO ValuePoint (WSCA) program, which included more than 30 States, for the past six years. Additionally, MSC has been awarded and implemented many State contracts including New York, Georgia, Virginia, Texas, and more over the past 15 years.

Our implementation capabilities encompass many different actions. Examples include the following:

- Conference calls
- Training workshops
- Strategic road shows
- Hyperlinks
- Direct mailing marketing
- How-to guides
- ▼ Telesales Program Specialist
- Program Manager Specialist

- Webinars
- Product workshops
- Centralized meetings with department heads
- Splash pages
- Partnership rollouts
- E-learning
- Deployment of 1, 100 experienced sales associates

Telesales marketing

Mapping tools

Additionally, MSC has extensive experience in implementing programs on a national scale. Our customer base encompasses a wide range of purchasers from individual machine shops to Fortune 1,000 companies, including Alcoa, International Paper, General Electric, Coca-Cola and Disney.

We also partner with many government agencies, including the General Services Administration (GSA) and the Department of Defense. We also partner with many other federal, state, and local government agencies across the United States, including military bases, the United States Postal Service, state entities, universities, municipalities, school districts, and counties.

We currently hold a GSA Schedule Contract (# GS-06F-0010N) and USPS MRO Contract #2CMRO-11-B-1024. As part of our 4PL ServMart award (GS-06F-8999), we have implemented and opened Base Stores at Camp Lejeune USMC MCB, Albany USMC MCLB and Quantico USMC HQ. We've also successfully secured and implemented additional 4PL contract stores at Red River Army Depot in Texas and Warner Robins Air Logistics Center in Georgia. MSC has also been awarded and implemented many State contracts, including New York, Texas, Virginia, Georgia, and Alabama.

6.6.6.6 Describe any customization abilities for different States or political subdivisions within a Participating State.

MSC's more than 75 years of experience in the industry enable us to create many customized programs for our diversified customer base. We have a proven ability to customize programs that allow customers to accelerate their goals and visions.

Some examples of MSC customization capabilities include the following:

- Customized service enhancements
- Workflow controls
- Specialized training
- CMI
- Quote to punch out
- Motor audits

- E-commerce efficiency
- Procurement innovation
- Pricing programs
- VMI
- Vending
- Lamp and energy audits

Some examples of State Customized Programs:

- Customer-requested Catalog and Non-Catalog Restrictions
  - · State of Missouri
  - State of Kentucky
  - · City of San Francisco
- eProcurement Platform integration
  - State of Kentucky
  - State of Missouri
  - Purdue University
  - University of California, Los Angeles
  - State of New Jersey
  - Commonwealth of Massachusetts

- Information Sessions for State Agency-specific Program Training, e.g., Supplier fairs, strategic vendor presentations, etc.
  - State of Colorado
  - State of California
- Safety Glasses Program for Colorado Department of Transportation.

#### 6.6.7. Reporting Capabilities

6.6.7.1 The offeror shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. If there are other reports available at additional pricing, information on these reports is also required. Please note the reporting requirement in the NASPO ValuePoint terms and conditions; in addition states may have additional reporting requirements.

MSC can meet all the reporting requirements noted in the NASPO ValuePoint terms and conditions at the requested frequencies and at no additional cost.

MSC's program also includes our extensive reporting capabilities with results typically being delivered at our joint Business Reviews. Using data collection, standardized templates, and approved methods, we will be able to identify key business metrics so that we can provide the most current and accurate information. We can generate reports detailing purchasing history at individual facilities, along with other numerous spend and savings reports. Reports can also be customized and delivered at a frequency (monthly, quarterly, etc.) that best suits NASPO ValuePoint's needs. Sample reporting includes:

- Freight Report by Location
- Freight Report by Ship via Summary
- Order Source Detail
- Order Source Summary
- Procurement Card Report Detail
- Procurement Card Report Summary
- Performance Ratings
- Spend and Savings by Product Line
- Spend and Savings by Location

Additional data points include the following:

	DATA POINTS	
CUSTOMER ACCOUNT	Invoice Date	MSC Base Item Number
ORDER NUMBER	ITEM ORDER NUMBER	CONTACT NAME
Customer AKA Number	CATALOG PAGE	CATALOG PRICE
Customer P.O.	EXTENDED ITEM PRICE	ITEM DESCRIPTION
BRAND NAME	EXTENDED CATALOG PRICE	Customer Name
LINE ITEM QUANTITY	LINE ITEM CATEGORY	NET PRICE
LINE ITEM DESCRIPTION	ORDER DATE	ORDER SOURCE
PAYMENT METHOD	HAZMAT ITEM Unit of Measu	
INVOICE NUMBER	ORDER QUANTITY	PACKING SLIP NUMBER
PRODUCT LINE	SALES REPRESENTATIVES	SHIP TO ADDRESS

DATA POINTS					
SHIP TO NUMBER	Merchandise Total				
FREIGHT AMOUNT SALES TAX		Merchandise + Freight + Tax			
Invoice Number	CONTACT NAME	INVOICE DATE			

6.6.7.2 Explain your company auditing policy to ensure that pricing and services are in compliance with the contract. Explain your policy for revenue recovery in the event that any auditing reveals incorrect pricing.

MSC adheres and complies with all contractual provisions in its entirety. MSC has put in place critical processes to ensure our contractual obligation. This includes the following:

#### **Contract Implementation Process**

Dedicated NASPO operation team, State Account Manager, and NASPO Business Development Manager works to meet the following:

- On-boarding a Participating Agreement (PA)
  - Internal forms to be filled out by State Dedicated Manager to include
    - Customer contact information
    - Rebate information
    - Contract Pricing and any additional enhancements negotiated.
  - Meeting with operations to ensure proper discounts in the system, and customer contact information
  - Announcement detailing program information to all internal associates when the PA goes live
  - Rollout Webex meeting with all sales associates that will have direct contact with the signed PA to discuss program details

#### **Pricing Process**

Dedicated operation team reviews onboarding checklist and sets the pricing specifically for the signed PA and designates that PA with its own code. This code ensures that every customer buying from that particular PA will have the negotiated set pricing.

MSC system automatically locks the pricing for the specific PA code, and further has the ability to set pricing for individual customers within that code. The system is hardcoded, not allowing for pricing to override higher than contracted price. However, MSC system does have the ability to enter lower prices than negotiated. This is especially beneficial for unplanned volume discounts.

#### Revenue Recovery

In the event that MSC's monthly auditing reveals incorrect pricing, the State Account manager will immediately discuss with customer and set up a meeting with dedicated NASPO operation team and NASPO Business Development Manager. MSC will comply with customer wishes, whether it be in a credit form, replacement, or issue a check. Additionally, NASPO Business Development Manager will be discussing that particular situation with the lead state to ensure transparency and resolution.

6.6.7.3 Does your company provide a green product spend report? Please describe how your company reports environmentally preferable product purchases.

MSC currently provides reports to several large customers regarding the amounts and purchases of green products. The green item purchases are provided as a separate report where the green category that the items fit into are provided in the report with the dollar amount purchased.

#### 6.6.8. Sustainability / Environmental Practices

Sustainability and sound environmental practices are important to many of the Participating States.

Thoroughly describe your sustainability and environmental practices that you currently have in place. This description should include the following:

#### (1) Sustainability Program

a. Does your company have a corporate-wide sustainability policy? If yes, attach or provide a link to your sustainability policy as well as any related policy initiatives such as a Climate Action Plan, a Zero Waste Policy, a Toxics Reduction Strategy, or a Green Fleet Policy. Also, please summarize what your corporate sustainability policy directs your company to do.

MSC's Environmental Compliance and Sustainability Department has been collecting data on MSC Energy Use, Water Use and Waste Streams for the past three years and reporting this information to Sr. Management. At this time, there is no formal Sustainability program on our website. However, numerous actions are described in 6.6.8 (1) b. of the efforts that are being taken to advance our Sustainability programs. Provided below is the Environmental section of MSC's Code of Conduct which is available on the MSC website.

#### **Environmental Standards**

Environmental responsibility is an integral part of our business mission. Associates at all levels are required to follow Company procedures designed to meet the standards set by applicable environmental regulations. We will strive to minimize environmental impacts from our operations to the communities in which we operate as well as natural resources. We will actively work to continuously improve our environmental protection programs. Our environmental standards are:

- Environmental Permits and Reporting: We will obtain, maintain and keep current all required environmental permits and registrations necessary to conduct our business and will follow their operations and reporting requirements.
- Pollution Prevention and Resource Reduction: We will strive to reduce or eliminate waste(s) at their source by means of process modifications, maintenance and facility processes, material substitution, conservation, and the recycling and re-use of materials.
- Hazardous Substances: Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.
- Product Content Restrictions: We will not knowingly sell non-compliant products to our customers. We will maintain an Environmental Health and Safety department to review products and evaluate their compliance with all applicable environmental laws and regulations regarding prohibition or restriction of specific substances, including labeling laws and regulations for recycling and disposal.
- Promote the Development and Sale of Environmentally Friendly Products: We will strive to identify and provide items to our customers that will help protect the environment through the use of less toxic or harmful ingredients and/or items that will help to reduce consumption of natural resources. These may include, but will not be limited to, products that help to reduce energy consumption, provide water conservation, have been made with or from recyclable materials, or can be recycled after use.

b. Describe the key elements of your company's sustainability program including sustainability staff positions, qualifications and training.

We have a department of full-time associates dedicated to Environmental Compliance and Sustainability (EC&S) at MSC. There are currently 15 associates that work with our suppliers to collect green data attributes for the products that we sell. The EC&S department works closely with the Sales, Product, Information Technology and Web teams to review items for regulatory compliance and make recommendations regarding vendors who sell products that meet with third party certifications for Environmentally Preferred Products. Environmental responsibility is an integral part of MSC's business mission and is incorporated in our Code of Conduct (as described above). MSC strives to minimize environmental impacts from our operations and improve our efforts to protect the environment and promote sustainable consumption. In addition, EC&S is continuing to work cross-functionally with other departments to apply environmental criteria when making purchasing decisions.

EC&S continually works with customers and suppliers to obtain Certificates of Compliance (COCs) for products that conform to international product stewardship regulations, such as RoHS and the EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). EC&S will also evaluate products for other attributes with concern to human health and the environment, such as hexavalent chromium, animal tissue, lead, phthalates, etc.

In addition to Product Regulatory Compliance, the department coordinates Waste Minimization and Recycling Programs and tracks energy reduction initiatives for the company. Projects have included switching from fluorescent lamps to LED lighting products, replacing older printers, copiers and fax machines with energy efficient centralized machines that use less energy, less paper and promote storage of pdf documents rather than paper. Providing conference rooms and warehouses with lighting that automatically turns off when no one is in the rooms or areas but will activate when motion is detected. Many of our office areas and conference rooms also have lighting dimmer capabilities which helps to reduce energy costs. EC&S has been obtaining and reviewing energy and water utility data for several facilities to evaluate opportunities for reducing our energy footprint.

EC&S is also involved in corporate sustainability engagement efforts at headquarters locations, and helps initiate environmental stewardship and sustainability-oriented service opportunities. For example, MSC's headquarters offices in Davidson, NC and Melville, NY participated in a TerraCycle recycling program, which allowed MSC associates to collect hard-to-recycle products at the office. The EC&S department strives to spread associate awareness about 'green' behaviors by hosting Earth Day activities that promote sustainability in both the workplace and home. MSC's Community Relations team regularly partners with local organizations to facilitate environmental and sustainability-related service opportunities for associates. Examples include lake cleanup efforts, repairing enclosures at wildlife conservation facilities, removal of invasive species, and charity runs for organizations such as the Davidson Lands Conservancy.

EC&S continues to promote MSC Sustainability efforts by encouraging and supporting additional training and education in this regard. The department has several associates pursuing Sustainability-related certifications and degrees, and they regularly attend conferences in this regard. Members of the EC&S Department lead an internal corporate sustainability team, which works cross-functionally with other departments to improve and direct sustainability project efforts. EC&S has associates with diverse backgrounds in sustainability and environmental affairs. For example, some of the EC&S associates have Leadership in Environmental and Energy Design (LEED) experience and credentials. Some EC&S

associates at our Davidson, NC headquarters participate in the greater Charlotte-area Regional Green Council, facilitated by Earth-Share North Carolina.

c. Describe Proposer's environmental practices that are applicable to items that Proposer markets. Provide links to your published statements, policies and reports and summarize key accomplishments.

MSC's Code of Conduct provides information on MSC's Environmental Policies and Objectives. The Code of Conduct was described in Section 6.6.8 and is published on MSC's webpage. The company continues to provide EPP product offerings which are identified on our webpage and in our catalogs. Future efforts will be focused on providing a Customer facing summary of MSC's Sustainability programs and accomplishments in this regard.

- (2) Product Take Back/End of Life:
- a. Provide a list of products for which you provide end of life take-back and recycling (e.g. fluorescent lamps, batteries, solvents, metals, etc.). List subcontractors if any you use for these services. List any fees or conditions for these services. Certificates of Disposal must be provided for hazardous waste. This is an EPA requirement.

MSC offers products that assist with customers' end-of-life and recycling needs. Provided below is a sampling of products MSC offers to promote and assist customer with their recycling programs.

MSC ITEM NUMBER	PRODUCT DESCRIPTION
86043874	2-FOOT BOX FOR MIXED LAMPS
86043825	4-FOOT BOX FOR LINEAR FLUORESCENT LAMPS
86043841	4-FOOT LARGE BOX FOR LINEAR FLUORESCENT LAMPS
86043890	3.5-GALLON PAIL FOR BATTERY RECYCLING
86043858	5-GALLON PAIL FOR MIXED LAMP RECYCLING
86043882	5-GALLON PAIL FOR BALLAST RECYCLING

The recycling packs are prepaid recycling packages that include recycling containers, poly liners, instructions, terms and conditions, prepaid shipping label and a certificate of recycling.

b. Proposers are to minimize or eliminate the use of disposable containers; is made from recycled content or other bio-based fibers; is easily recyclable, contains a minimum of 25% by weight of post-consumer materials; and/or meets or exceeds the minimum post-consumer content level for respective packaging in the U.S. Environmental Protection Agency Comprehensive Procurement Guidelines.

The cardboard boxes MSC utilizes to ship orders are made from recycled content which contains a minimum of 25% by weight of post-consumer materials. However, we cannot guarantee our suppliers original packaging will adhere to the above requirements. We will inform our suppliers of our desires to receive packaging for the products they provide to us that minimizes the use of disposable containers and contains a minimum of 25% by weight of post-consumer materials.

c. Proposers are to provide packaging that does not contain inks, dyes, pigments, adhesives, stabilizers, or any other additives to which any lead, cadmium, mercury or hexavalent chromium has been included as an element during manufacture or distribution in such a way that the sum of the concentrations levels of such lead, cadmium, mercury or hexavalent chromium exceed the following concentration level: 100 parts per million by weight (0.01%).

MSC works with packaging companies that provide cardboard that is made from recycled material and meets with the Coalition of Northeast Governors requirements to reduce toxic substances in packaging. The Toxics in Packaging Clearinghouse (TPCH) was formed in 1992 to promote the Model Toxics in Packaging Legislation. This model legislation was originally drafted by the Source Reduction Council of

CONEG in 1989. It was developed in an effort to reduce the amount of heavy metals in packaging and packaging components that are sold or distributed throughout the United States.

d. All drums shall remain the property of the supplier. Empty drums shall not become the property of the affected state entity under any circumstance or condition. All empty drums, including their respective caps, plugs, or bungs, shall be collected by the supplier within a reasonable time frame specified by the affected state entity for reuse or recycling via the most reasonable transport method.

MSC will work internally with our ES&H and Product Management Teams to support the pick-up of all 30-and 55-gallon drums sold by MSC to NASPO ValuePoint end-users.

- (3) Product Choice:
- a. Proposers green claims are consistent with the Federal Trade Commission's Green Guides. (for more information visit: https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides)

Yes	<u>X</u>	No	
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(4) Other Sustainability Practices: a. Offerors may provide additional information their company's sustainability policies, practices and/or achievements. Attach appropriate documentation to substantiate claim.

Sustainability practices are detailed in section 6.6.8 (1)(b).

- 6.6.9. Emerging Small Business, Minority Business Enterprise, Women Business Enterprise, And Disabled Veteran Owned Business.
- 6.6.9.1 Some Participating States, may desire to purchase products and services from ESB/MBE/WBE/DV & DBE companies. Some Participating States may or may not have an ESB/MBE/WBE/DV & DBE program and therefore each state will integrate this desirable into its Participating Addendum, if applicable. In some Participating States, to qualify as an ESB/MBE/WBE/DV & DBE supplier the listed companies must be registered with either the government or a recognized certifying entity and provide a certification type and number. Registered ESB/MBE/WBE/DV & DBE companies must be operating from a legitimate commercial site, carry all applicable insurance policies, required business licenses, and have operated continuously for at least two years. Please explain how the Offeror will provide opportunity for, ESB/MBE/WBE/DV & DBE companies.
- 6.6.9.2 At a minimum, the following policies and practices must be described in detail:
- 6.6.9.2.1 Describe in detail how the Offeror will work with the registered companies to determine what products can be a part of the contract.

MSC has a proven track record of teaming with certified small businesses and/or diverse business partners. We have worked with customers to tailor plans in which we can channel business to the appropriate ESB/MBE/WBE/DV & DBE groups to best meet our customers' socioeconomic goals.

MSC is committed to building partnerships with Small Business Programs as part of our State and Federal Government Programs. We have close to 50 Small Business Partners that we partner with to support Federal "set aside" Contracts and State Programs that work to advance a Small Business Socio-Economic Advantage. We are actively looking for additional partners who can be sustainable partners with MSC and strongly support Government Contract Programs that strive to promote Small Business Program initiatives.

For example, we have successful partnerships with ESB/MBE/WBE/DV & DBE groups in California, Texas, New York, and Ohio.

6.6.9.2.2 Describe in detail how the Offeror will track all ESB/MBE/WBE/DV & DBE Products and services, including ordering, delivery, and invoicing.

MSC currently has a process in place that earmarks and tracks all ESB/MBE/WBE/DV & DBE products and services. This report is available upon request.

6.6.9.2.3 Provide a list of Products that may be available to be purchased from ESB/MBE/WBE/DV & DBE companies under the proposed Contract.

MSC currently has many products available for purchase from ESB/MBE/WBE companies/ manufacturers. MSC can provide a list of these products upon request. MSC currently purchases thousands of products from a multitude of minority suppliers.

6.6.9.2.4 Describe how Offeror will make best efforts to increase the number of Products available to Authorized Purchasers under the Contract acquired from ESB/MBE/WBE/DV & DBE businesses.

MSC continues to build our ESB/MBE/WBE partnership program as evidenced by our website. As we continue to build our program, the number of products will continue to grow over time. MSC strives to cultivate key ESB/MBE/WBE relationships with our suppliers and vendors. Our goal is to grow our supplier diversity base while developing new business opportunities for ESB/MBE/WBE companies to partner with MSC.

6.6.9.2.5 Describe what other products or services the Offeror can offer within a category that supports ESB/MBE/DV & DBE suppliers.

The goal of MSC's diversity program is to increase our relationships with ESB/MBE/WBE businesses by developing additional business opportunities for our suppliers, vendors, and customers.

Examples include sales support, sourcing, depth of product, and more.

6.6.9.3 Community Rehabilitation Program (CRP) / Qualified Rehabilitative Facilities (QRF):

Describe how the Offeror supports the use of products and/or services sourced from QRF and the CRP programs.

MSC is an authorized Ability One (formerly JWOD) distributor and supports its participating agencies as a component of our GSA Schedule Contract. Our Ability One product offering is available at mscdirect.com.

- 6.6.10. Retail Store Purchases/Will Call:
- 6.6.10.1 Describe the availability of contracted items through Offeror's branch locations. Please provide a list of branch locations that provide a will call service in each of the Participating States.

MSC has more than 90 branch locations and five Customer Fulfillment Centers (see Attachment 2 MSC Branch Locations), all of which can provide Will Call service. Customers who wish to pick up from one of our branch locations can call to place an order. Our local associates will inform the purchasers when they can pick up the merchandise. MSC's policy is to have the customer sign packing slips, record their driver's license or company ID, and keep packing slip documents on file.

Our business strategy is to provide an integrated, lower cost solution to the NASPO ValuePoint Participating States. Our business model leverages our five giant Customer Fulfillment Centers and our outstanding logistics network that deliver your order at a 99% fill rate, virtually eliminating back orders. MSC believes that delivering your product directly to your member locations is the most effective way to

get the job done. Our goal is to let our procurement system work for your members in order to provide the best overall procurement value.

Each of our five Customer Fulfillment and Call Centers is staffed with a full complement of Customer Service Representatives and Managers who are ready and able to take your orders. Our standard 800 phone number is routed fluidly within our call center network in order to provide seamless customer service support throughout the country.

Each of our branches is staffed with trained and experienced Inside Sales Associates and Inside Sales Supervisors, as well as trained and experienced Outside Sales Associates and Branch Managers. Each of the branches provides support for customers who prefer local support.

6.6.10.2 Provide a narrative that explains how authorized purchasers will be able to make purchases at will call branch locations, make payment for those items and have those items included in the reporting.

As we stock our approximately 1 million products and \$300 million in inventory at our five strategically located Customer Fulfillment Centers, we do not typically have inventory at our branches.

However, Users can place orders at their Branch. The Branch Sales Associate would have access to all NASPO-specific pricing and program information. Additionally, our Same-Day Shipping Guarantee with a 99% fill rate allows our customers to conveniently place orders over the phone, online, or by fax without having to leave their locations. All qualified, in-stock orders placed by the 8 p.m. EST, national cut-off time will ship the same day.

As our integrated information systems store all program-specific information, including pricing, users are guaranteed access to all products and contracted pricing whether they are ordering via web, phone, or at a branch. Additionally, our system allows our branch associates to enter orders under the proper account, ensuring those items are captured in the desired reporting requested.

#### 6.6.11. Growth Incentives:

6.6.11.1 Describe in detail any contract growth incentives, e.g. larger revenue, different levels of discounts for large orders that may be offered to the Participating States/purchasing agency.

In addition to the standard Participating Addendum administrative fee language, MSC will offer a tiered "E-Commerce rebate incentive" to all states that utilize a statewide E-Commerce platform that is integrated with MSC. This rebate will be tabulated and paid annually after the one-year anniversary of the PA signing. The additional rebates will start at 1% and range up to 3% based on E-Commerce sales volume growth.

MSC is prepared to offer Cumulative Ordering Volume Discounts to NASPO ValuePoint. NASPO ValuePoint end users are encouraged to contact their MSC Representative or State Account Manager to request additional discounts on a quote-by-quote basis.

When dealing with large orders, NASPO ValuePoint end users are always encouraged to reach out to their MSC Representatives in order to discuss additional pricing discounts and incentives on a quote-by-quote basis.

Please refer to our Cost Proposal for discount and pricing language.

6.6.11.2 Describe in detail any incremental pricing incentives for on-line ordering verses fax or call in ordering.

MSC has the ability to offer discount incentives for online ordering as part of our E-Commerce program. This can be negotiated within each state's participating addendum. MSC will offer a tiered "E-Commerce rebate incentive" to all states that utilize a statewide E-Commerce platform that is integrated with MSC. This rebate will be tabulated and paid annually after the one-year anniversary of the PA signing. The additional rebates will start at 1% and range up to 3% based on E-Commerce sales volume growth.

#### 6.7. ADDITIONAL SERVICES

#### 6.7.1. Training

6.7.1.1. Offeror shall provide all training as necessary at no additional pricing to all Participating States on all aspects of ordering, online ordering, product delivery, product returns, EPP's, and customer service processes.

All training for all aspects of the NASPO ValuePoint program will be provided at no cost to Participating States.

6.7.1.2 Describe in detail the Offeror's ability to offer training that may be required to ensure purchasing entities have a thorough understanding of all ordering processes including any online systems. No pricing for product training, safety training, or travel and per Diem.

MSC will implement a variety of training programs to ensure ordering entities have a thorough understanding of the MSC ordering processes. The following options will be offered.

Centralized Workshops – Based on the participating state requirements and goals, MSC will schedule centralized custom workshops to ensure NASPO ValuePoint participants have a comprehensive understanding of the MSC offering. Workshop topics are as follows:

- Overview of the NASPO ValuePoint program and pricing
- Overview of the MSC website and registration process
- Overview of MSC ordering options and customer service processes
- Introduction to product training resources
- Introduction to Safety, Emergency, and Green resources
- Customized topics

Adobe Online Training – For agencies unable to attend a workshop, MSC will set up online training that includes:

- Overview of the NASPO ValuePoint program and pricing
- Overview of the MSC website and registration process
- Overview of MSC ordering options and customer service processes
- Introduction to product training resources
- Introduction to Safety, Emergency, and Green resources
- How to contact your dedicated NASPO ValuePoint team

#### 6.7.2. Disaster Recovery

Please describe your emergency management plan to aid States during an emergency or disaster recovery. Be specific as to response time, supplies availability and other goods and services that you offer.

Disaster Recovery Plan: MSC understands your concern that an emergency could potentially prevent us from providing you with needed products and services. For this reason, we developed a Disaster Contingency Plan that enables the business to continue services in the unlikely event that we experience problems with our computer systems, telecommunication systems, or warehouse/shipping capabilities. These plans have been designed and maintained to ensure timely recovery from a disaster.

- Emergency response orders due to natural disasters or threat of war that are sent to MSC during normal business hours will be shipped and delivered either the same day or the following day as specified. To meet the emergency demand requirements, MSC will maintain a designated point of contact that is available 24 hours a day, seven days a week.
- MSC has developed our own Emergency Preparedness program so we can take the worry out of the storm. From generators to flashlights, tarps to batteries, wet/dry vacuums to pumps, and first aid kits to water, MSC has everything you'll need to prepare for any emergency. MSC can help provide NASPO ValuePoint's Participating Members with free consultative services in order to help them prepare for natural disasters in order to minimize the damage during the storm, as well as to help them recover after the event.
- In the event of a natural disaster, MSC's State Account Managers will work with individual State Emergency Preparedness Offices to support and meet the needs of the states. MSC partners with State Emergency Management Departments before, during, and after emergencies occur.

Emergency Preparedness Corporate Support Task Force: A cross-functional team of corporate support personnel representing 22 departments meets before, during (when feasible), and after a crisis or natural disaster to support our customers, our teams, and our communities. Team members are "decision-makers" for their business units. Their mission is to protect company assets, which include our Associates, customer relationships, buildings, merchandise, data, and our brand. In addition, we also have extensive Emergency Preparedness checklists available in the Resources section of our website which States and Municipalities find valuable before, during, and after and events (e.g., Tornado, Hurricane & Severe Weather).

Telecommunications System Plan: The recovery time required in the event of a telephone system failure varies depending on the type of problem. A Telephone Systems team is responsible for identifying the affected area and re-routing the affected numbers to an alternate location within 30 minutes. The Technology Department is responsible for ensuring that the alternate site has the equipment and software required to properly handle phone calls and orders received from the affected location. We operate multiple Customer Service Centers located in separate geographical areas to ensure complete network diversity. These centers are equipped with state-of-the-art communications equipment and protected by an Uninterruptible Power Supply (UPS) system. The Customer Service Centers are also equipped with generators to power the facility in the event of an extended commercial power failure.

Distribution Contingency Plan: A Distribution Contingency team has been identified at our coheadquarters in Davidson, NC. This team addresses the potential dangers in the event of a catastrophic disaster that could damage a Customer Fulfillment Center to the extent that orders can no longer be shipped. The Distribution Contingency team will make arrangements through our computer system and Customer Fulfillment Center operations to reroute customer shipments for the affected site to the nearest alternate location.

#### 6.7.3. Installation, if applicable

Please describe Offeror's ability to provide installation services of products or equipment that Participating States may chose, if applicable to their States rules.

We are fully committed to providing a seamless transition to MSC's services. When NASPO ValuePoint users chooses to implement one of MSC's vending solutions, we will execute an extensive, in-depth process beginning with site analysis all the way through to monitoring the continuing performance of our solutions after installation so that we can ensure complete customer satisfaction. Our process includes:

- Discovery and Assessment MSC's supply chain experts will partner with your local teams to thoroughly analyze their existing environment, and identify any individual location challenges.
   Upon completion of the site analysis, our experts will determine the appropriate solution for your unique needs and review recommendations with you.
- Finalize an Agreement MSC and NASPO ValuePoint users will work together to document our understanding of the project and create the final agreement, which includes a detailed Item Plan outlining all the products to be included in the units.
- 3. Installation and Training Every step of the implementation process will be closely monitored by our expert implementation team to ensure that each individual location program is properly installed and fully functional. MSC's highly qualified team will provide hands-on training to the dispensing unit's operators and managers so that the system can be up and running in as little time as possible and working to create a more efficient, cost-effective environment. Prior to implementation closure, a Customer Sign-Off Form will be presented and reviewed to ensure full satisfaction.
- 4. Monitoring and Support Once a customer's vending solutions are fully functional; MSC provides ongoing support by our Vending Service Center, which functions very similarly to local Branch support. Along with phone-in customer service support, customers will have access to Product and Technology Teams and Vending Equipment inventory monitoring. It is MSC's mission to fully support our programs from their inception and installment and through the provision of ongoing assistance. We will monitor the products in our Inventory Management Vending Solutions Programs.

To ensure NASPO ValuePoint users gets the maximum benefit from our programs, our Vending team will monitor the inventory and will work with NASPO ValuePoint users to identify areas of opportunity to decrease and/or add inventory based on usage patterns.

We will also assist in any necessary equipment reconfiguration. However, we can maximize the program's flexibility through the training of NASPO ValuePoint users associates during the implementation process. We will train NASPO ValuePoint users associates on the necessary reconfiguration process so that changes can be made as expeditiously as possible.

All of MSC's Implementations Specialists and Technicians are factory-trained, and maintain a high working knowledge of all MSC equipment. Additionally, MSC's local Branch support teams receive the same training. Our units have a proven track record in their performance; however if a challenge does arise, MSC will respond with professional knowledgeable service technicians in order to make any necessary repairs with minimal disruption. Our specialists will devote as much time as necessary to ensure successful implementation.

MSC's structured support team begins with our Vending Service Center. With a single call or email to our Vending Service Center NASPO ValuePoint users receive assistance with assorted questions and challenges. Our experienced Vending Service Center team can troubleshoot issues, add items to the machine, price review and more. If the issue cannot be solved from our Vending Service Center support

team, it would be escalated to the local Branch level where an on-site visit will be arranged to aid with additional troubleshooting and repair expertise. If a challenge extends beyond our vast resources, our equipment manufacturer is available to assist in any capacity required.

#### 6.7.4. Value added solutions

Offerors are encouraged to suggest value added solutions that may improve the States use of the contracts and products offered. One such value-add is product sourcing.

#### 6.7.4.1 Sourced Products

(1) Supplier sourced products is a product which is not currently listed in the suppliers contract catalog or online ordering system at the time of order receipt but is capable of being supplied through the offeror.

If an unavailable product is requested, our knowledgeable Associates will immediately search our 1 million products to suggest a comparable alternative of equal or higher value. If it isn't available from our stock for same-day shipping, our sales team will source the product as quickly as possible, purchasing it when the customer places the order. And if MSC is not a distributor for a particular product, we have the capability to procure the product by purchasing through an authorized distributor. We have also cross-referenced many of our products and brands with industry brands we do not offer so that we can provide our customers alternate choices of equal or higher value.

As part of our vast sourcing capabilities, MSC can also source custom, built-to-specification parts upon request.

(2) If the offeror is capable of supplying sourced products they must be direct line extension products which have a similar item to an established product category and the offeror must already have a publically recognized business partnership with the "brand".

MSC confirms.

(3) The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge.

There is no up-charge for sourced items.

#### 6.7.4.2 Vending Machines

(1) Vending style machines that can dispense singular or multiple products with control type methods.

One of the key differentiators elevating MSC above our competitors is our ControlPoint Inventory Management Vending Solutions. For customers searching for innovative technology to help streamline processes and improve cost savings, industrial vending is an ideal solution. MSC's vending programs are proven to solve the numerous inefficiencies inherent to the management of indirect spend items on a shop floor, such as too little or too much inventory, and the management of multiple purchase orders.

(2) Offerors are encouraged to list their vending solutions.

MSC believes the variety of units within our vending systems, along with the power of the software driving the program, is the most suitable for the mixture of NASPO ValuePoint users applications. MSC's Inventory Management (IM) vending solutions are modular, configurable, and flexible, and offer a webbased dashboard view of your production inventory. This solution-set is built on the latest technology — touch-screen and cloud-computing, and powered by robust software that includes comprehensive reporting.

All units within our vending program can be used on a stand-alone basis or as an auxiliary to another unit providing endless equipment configuration possibilities. All vending units utilize the same intuitive software. Innovative Touch-Screen technology simplifies the user interface. An easy-to-read screen features customer-specific product data and images. A variety of sized drawers, lockers and bins make repackaging items unnecessary and eliminates the "hang-up" issues inherent with coil-units. Additional special features include: Check-In/Check-Out functionality for limited quantity items or for items that may be shared by other users, User Restriction Settings and a Return feature so that incorrectly dispensed items can be quickly and easily returned to its appropriate system location ensuring accurate inventory readings and product availability. The program can also manage items not suitable for vending programs, such as caustic chemicals, motors, janitorial supplies, and more.

MSC vending equipment systems include:

- ControlPoint Drawer: Our Drawer System is the workhorse of MSC's line of vending solutions. The Drawer unit can operate as a stand-alone machine or combine with other units to provide the best vending solution for your specific needs. The Drawer provides unsurpassed floor space efficiency up to 180 different SKUs can be independently managed in a 30" x 20" footprint. This solution's multi-drawer, configurable design features progressively opening drawers, set up in pods that can be configured in a variety of formats for managing all item types anything from small carbide inserts to welding gloves. Progressive drawer technology opens a drawer only just enough to dispense the needed quantity, so items can be released in less-than-package quantities without the need for repackaging and without dropping tools all while providing absolute security over the items. The base unit's minimal footprint and high storage capacity make this unit ideal for just about any space. Based on a modular design, the unit can be easily reconfigured; and is expandable by implementing additional units and/or lockers as needed. Dimensions: 30.25" W x 20.5" D x 78.75" H.
- ControlPoint Carousel Vending: Our versatile Carousel System is a heavy-duty drum unit designed to securely manage a large number of different items within a limited space. Featuring an intuitive, touch-screen with modern, tablet-like functionality, the unit can be utilized on its own or linked to another unit. Its 468 compartments can accommodate items up to 11.5" in length and dispense single or multiple items. Additionally, every other divider may be removed to increase space and double the compartment size from a 3" x 3" compartment to a larger 6" x 3" size. Dimensions: 44" W x 40" D x 80" H.
- ControlPoint Locker Vending: MSC's Locker System is a secure way to store a variety of items, particularly large or heavy products. Our auxiliary Locker may be linked to our Drawer or Carousel unit and would be accessed through the main unit's intuitive, touch-screen, tablet-like interface. Consisting of three vertical stacks of electronically controlled lockers featuring see-through, plexi windows and LED lighting, it is ideal for large item and/or bulk vending or managing expensive tools and shared items through the Check-Out/Check-In functionality. The unit is available in three configurations: all small lockers; all medium lockers; or a combination of nine small, six medium and three large lockers. Each locker can hold up to 165 lbs. Dimensions: 43" W x 20" D x 78.75" H.
- ControlPoint Cabinet Vending: Electronically controlled, MSC's Cabinet unit is an ideal inventory management system for housing a large variety of objects from metalworking to MRO products in a limited space. Available in a 10-, 11- or 15-drawer configuration, auxiliary Cabinet may be linked to our Drawer or Carousel unit and would be accessed through the main unit's intuitive, touch-screen, tablet-like interface. The industry-standard cabinets feature full extension drawers and are capable of holding up to 440 lb. weight. Additionally, a locking system allows for one drawer to open at a time in order to ensure safe operation and avoid tipping. Multiple drawer configurations are available and can

be sized to meet your item plan requirements. Dimensions: 10-Drawer Model - 28.25" W x 28.5" D x 41.75" H; 11- and 15-Drawer height - 59.5" H.









**Drawer Unit** 

Carousel Unit

Locker Unit

Cabinet Unit

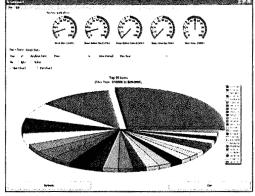
#### **Driven by Innovative Intelligent Software**

MSC's web-based software is a powerful and cost-effective solution for inventory control and management which maximizes automation, streamlines your purchasing process, and reduces operating costs.

Housed on a web-based platform, NASPO ValuePoint users may access their vending machine

databases from a secured Internet connection anywhere, anytime. Configuration changes, reporting and ordering can be done anywhere, anytime and will be reflected in just minutes at the vending machine.

Our software features an easy-to-use "Reporting Dashboard" where information can be quickly accessed. The system dashboard can be accessed via our user-friendly web portal and is capable of tracking issues, returns, stock moves, and more. It also provides a complete audit trail of all item activity. Consolidated or

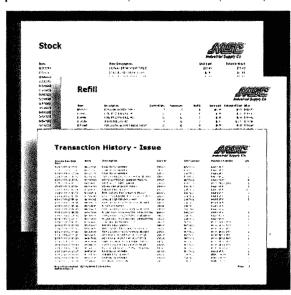


individual POU replenishment orders can be automatically or manually generated, and then electronically transmitted. Customers can select Standard or Advanced reports. All the reports are built around six topics: EDI/Purchasing, Inventory Performance, Shop Floor Information, Transactions, Users, and a

variety of Miscellaneous reports. MSC also offers customers the flexibility to design, save and autoschedule the delivery of requested reports. These reports include and are not limited to tool / inventory usage, restock and inventory adjustments.

Examples of available on-demand reports are:

- Transaction History by item, User, Job and Machine
- Purchasing Reorder, Recent Usage Data
- Inventory Item Details, Active, Never Withdrawn reports
- Lists User, Group, Machine, Job, etc.



These reports are available upon request at any time to provide:

- Consistent reports to monitor report spend by area, group or employee.
- Transparency as to usage of materials by department.
- Materials being taken from one area to another with accountability from User.
- Materials not being delivered to departments in a timely manner.
- Drastically reduce hoarding and pilferage.

Designated System Administrators can be appointed, and will have the ability to make necessary changes, which will be quickly updated through our Inventory Management software. Information can be entered manually, or for larger changes, revisions can be imported from a spreadsheet. MSC trains all designated users on all administrative features and functionality during the implementation process.

#### **World-Class Implementation Team and Support**

We are fully committed to providing a seamless transition to MSC's services. When NASPO ValuePoint users chooses to implement one of MSC's vending solutions, we will execute an extensive, in-depth process beginning with site analysis all the way through to monitoring the continuing performance of our solutions after installation so that we can ensure complete customer satisfaction. Our process includes:

- Discovery and Assessment MSC's supply chain experts will partner with your local teams to thoroughly analyze their existing environment, and identify any individual location challenges.

  Upon completion of the site analysis, our experts will determine the appropriate solution for your unique needs and review recommendations with you.
- Finalize an Agreement MSC and NASPO ValuePoint users will work together to document our understanding of the project and create the final agreement, which includes a detailed Item Plan outlining all the products to be included in the units.
- Installation and Training Every step of the implementation process will be closely monitored by our expert implementation team to ensure that each individual location program is properly installed and fully functional. MSC's highly qualified team will provide hands-on training to the dispensing unit's operators and managers so that the system can be up and running in as little time as possible and working to create a more efficient, cost-effective environment. Prior to implementation closure, a Customer Sign-Off Form will be presented and reviewed to ensure full satisfaction.
- Monitoring and Support Once a customer's vending solutions are fully functional; MSC provides ongoing support by our Vending Service Center, which functions very similarly to local Branch support. Along with phone-in customer service support, customers will have access to Product and Technology Teams and Vending Equipment inventory monitoring. It is MSC's mission to fully support our programs from their inception and installment and through the provision of ongoing assistance. We will monitor the products in our Inventory Management Vending Solutions Programs.

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MSC's structured support team begins with our Vending Service Center. With a single call or email to our Vending Service Center NASPO ValuePoint users receive assistance with assorted questions and challenges. Our experienced Vending Service Center team can troubleshoot issues, add items to the machine, price review and more. If the issue cannot be solved from our Vending Service Center support team, it would be escalated to the local Branch level where an on-site visit will be arranged to aid with additional troubleshooting and repair expertise. If a challenge extends beyond our vast resources, our equipment manufacturer is available to assist in any capacity required.

# **Table of Attachments**

Attachment 1: MSC References

Attachment 2: MSC Locations

Attachment 3: Key Supplier Program

Attachment 4: Required Forms

Attachment 5: Signed Addenda





# Attachment A Description of Products and Services- Evaluation Criteria

THESE SECTIONS ARE MANDATORY- OFFERORS MUST MEET THE FOLLOWING CRITERIA FOR THEIR PROPOSAL TO BE ACCEPTED AND SCORED BY THE SOURCING TEAM

# 6.1. Categories

The scope of work consists of 15 categories. This proposal has been divided into categories with items that generally represent those most frequently purchased during the previous contract period including environmentally preferable options. Proposals will be considered from qualified offerors that can provide all products at minimum of one entire category listed below and be able to supply the products to a minimum of one entire State.

The United Nations Standard Products and Services Code (UNSPSC) codes are identified on Attachment D-1 to further describe each category.

Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)

Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)

**Fasteners** 

Material Handling

Plumbing

Power Sources

Outdoor Garden

Lamps, Lighting, Ballasts

**HVAC** 

Hand Tools

Power Tools (excluding automotive related tools and products)

Electrical

Paint

Security

Safety (does not include any public safety equipment)

Fastenal Company offers all of the listed categories to all 50 U.S. states, Puerto Rico, and Guam, as expanded on throughout our proposal.

# 6.2. Experience and Capabilities

This procurement contemplates a multi-state scope and may result in more than one award. The following are the weighted evaluation criteria for this procurement.

# 6.2.1. Experience in performance of comparable engagements/References;

As an incumbent NASPO ValuePoint contractor since 2011, Fastenal has demonstrated competence in the administration, marketing, and compliance with the terms and conditions of the NASPO ValuePoint contract. Fastenal has 44 state-wide MRO contracts, 31 of which are with states that have signed a NASPO ValuePoint participating addendum. Additionally, Fastenal has over 15 years of experience implementing many state-wide MRO contracts with cooperative use features. These statewide contracts span the spectrum of city, county, and state government agencies and utilize participating addendums.

Fastenal has continuously grown the amount of sales and accounts under the existing NASPO ValuePoint agreement. Since 2012, Fastenal has increased the number of government agencies using the NASPO ValuePoint agreement by 144% (to over 34,000 accounts) and sales for those agencies have increased 103%.





With more than 2,100 locations and 10,200 local sales people, Fastenal has been able to extend the full value of the NASPO ValuePoint contract to all members, big and small, rural and metro, and increased the amount of customers utilizing the NASPO ValuePoint contract each and every year.

Fastenal's contract management system and internal controls ensure sound administration of the pricing, terms, and conditions of the NASPO ValuePoint contract. Clear policies, procedures and work instructions ensure the sound execution of participating addendums and the administration of any unique terms & conditions.

#### References

# State of Indiana

Emily Cranfill Vendor Manager, Procurement Division 402 W. Washington Street, Room W468 Indianapolis, IN 46204 P: (317) 232-8115 ecranfill@idoa.in.gov

#### State of Missouri

Kristina Cramer
Purchasing - Commodities
301 West Street
Jefferson City, MO 65101
P: (573) 751-1695
kristina.cramer@oa.mo.gov

# New York City (DCAS Citywide Administrative Services)

Charles Odiase
First Assistant Commissioner/ACCO
One Centre Street
New York City, NY 10007
P: (212) 386-0304
codiase@dcas.nyc.gov

# 6.2.1.1 ESB/MBE/WBE/DV & DBE Programs;

At Fastenal we recognize the many opportunities small and diverse businesses provide as our suppliers, vendors and strategic customers. Our Supplier Diversity program facilitates the demand for small business advocacy among city/state/local government. Understanding this demand helps us provide opportunities to small and diverse businesses in the United States.

In 2016, Fastenal's spend with WBE/MBE products exceeded \$49 million, representing over 1,000 womanowned suppliers and over 500 minority-owned suppliers. More than 6,500 ESB/SBE suppliers are included in our program, accounting for over \$490 million in spend in 2016.

#### 2nd Tier Program

We are committed to building relationships with, and purchasing goods and services from, qualified small and diverse businesses to the maximum extent possible while meeting our standards for quality and reliability. This program is not limited to just Woman-Owned and Minority-Owned Business Enterprises; we also support and offer products supplied by Small Businesses, Small Disadvantaged Businesses, Veteran-Owned and Service Disabled Veteran-Owned Businesses, and HUBZone certified businesses. No matter the request or certification criteria, Fastenal's Supplier Diversity team can help.

# 1st Tier Authorized Reseller Program

Certain projects, contracts and companies have a very high demand for diversity spend. Our 1st tier program establishes strategic alliances with diverse businesses serving as authorized channels of distribution for Fastenal's products and services. Fastenal's 1st tier program features strategic partners with a wide range of manufacturing, distribution and service capabilities as well as a full complement of supplier diversity certifications, including Small Business (SBE), Small Disadvantaged Business (SDB), Minority Business Enterprise (MBE), Disadvantaged Business Enterprise (DBE), Woman Business Enterprise (WBE), Small Veteran-Owned Business (SVOB), HUB Zone Business (HUB).





The full line of Fastenal's fasteners and industrial supplies are available for purchase through our authorized resellers. Some resellers are stocking distributors. Others are service providers with agreements for Fastenal to provide logistics and distribution services in support of their customers' requirements.

Additional information regarding the administration and marketing of Fastenal's ESB/MBE/WBE/DV & DBE programs is provided in full detail in the administration and marketing section 6.6.9.

### 6.2.1.2 Growth Incentives;

Fastenal is offering an aggressive Growth Incentive Program for the NASPO ValuePoint members so the members have the ability to not only bring value to their supply chain, but encourage participation with activities which will provide even greater savings through program compliance. The greatest challenge to any contract is execution and participation. The incentive structure provided through Fastenal will act as a tool for procurement officials to assist with driving compliance to the operations within their organization that can reduce the operational expense involved with the supply chain.

The various incentives offered by Fastenal are designed to encourage the adoption of supply chain processes which, when implemented in partnership with Fastenal, provide for maximum value to the members. Each member's needs are unique, so Fastenal will work with each member to assist them in identifying how the growth incentives will impact their business. Through the partnership established, Fastenal will develop strategies to assist with encouraging program compliance required for maximization of the value available. Incentives are structured around custom market baskets, creating efficiencies with technology, implementing industry leading supply chain programs such as vending and onsite, strengthening the relationship between manufacture-distributor-member, supporting environmentally safe products, and other programs focused on bringing value to the supply chain.

Growth Incentive Program Choices:

- 1. Single Award
- 2. Multiple Award with Fasteners & Safety Categories Single Award
- 3. Multiple Award
- 4. Multiple Award with incentive for Political Subdivision / Higher Education to select Single Award

Fastenal will work with each NASPO ValuePoint member to analyze which incentive program will maximize the value within the supply chain structure they wish to implement. The member will have the opportunity to analyze and identify the program which creates the greatest value in relation to their individual needs with the participating addendum. A detailed account of each offering can be found as requested in administration and marketing section 6.6.11.1.

# 6.2.1.3 The quality and availability of recycling or other sustainability programs, including products or services offered;

### Corporate Green Policy

Fastenal's green policy is an evolution of our lean quality initiatives, which are focused on eliminating waste and redundancy. It is also aligned with our government contract compliance initiatives. In short, it is our mission to operate our business in the most environmentally-friendly way possible without compromising quality or service.

#### Environmentally Preferred Products (EPP)

Fastenal offers environmentally preferred solutions across many product categories, with a focus on Waste Reduction, Energy Conservation, Water Conservation, and Green Cleaning and Maintenance.





Green products are clearly marked with the Fastenal "green" icon to the right, indicating that the item offers environmental benefits according to either a 3rd party certifying agency (EcoLogo, Green Seal, etc.) or information provided by the manufacturer. You can search for available green products in each category on Fastenal.com (under Promotions & Special Interests). We also offer an eCatalog of green product solutions found at: Fastenal.com > Products > Green Items.

# Usage Reporting

Fastenal's Sustainable Product Coordinator can provide reporting for any time period to track purchases of environmentally preferred products. Reports can provide summary views, as well as details about why or how the products are environmentally preferred.

### Recycling Programs:

- Ink & Toner Cartridge Recycling Fastenal also offers simple, convenient recycling of printer cartridges. Let us do the work for you; it's easy, quick and free.
- RecyclePak® When the container is full, simply ship it out it's prepaid. Fastenal offers a wide range of RecyclePak packaging to meet your hazardous material recycling needs.

#### **Energy Efficient Retrofits**

Fastenal has partnered with qualified vendors to provide lighting audits and energy-efficient lighting retrofits, including LED solutions through our Power Phase HPLED brand. Additional information on the administration and marketing of Fastenal's recycling and sustainability programs is provided in full detail in administration and marketing section 6.6.8.

# 6.2.1.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered;

In addition to the recycling and other sustainability programs, products, and services offered as detailed in experience and capabilities section 6.2.1.3, Fastenal offers environmental conservation programs as part of our industrial vending solutions.

#### FAST Solutions[™] (Industrial Vending)

The same features and benefits that make our industrial vending machines lean also make them green. Below is a look at the environmental impact of vending:

- ✓ Reduces waste inventory is tracked and controlled, promoting mindful usage
- ✓ Automates reordering eliminates paper, ink, toner and processing
- ✓ Eliminates stock-outs/emergencies no extra trips, saves fuel and lowers emissions
- ✓ Increases productivity less time traveling to the tool crib = less machine idle time
- ✓ Low energy consumption many FAST Solutions use less energy than a standard light bulb
- ✓ Supports compliance can be stocked with broad range of environmentally preferred products available through Fastenal



# 6.2.1.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products;

Fastenal's robust green and sustainable offering includes more than 46,000 products.

#### 6.2.2. Conformance with the terms of this RFP;





Fastenal's offer conforms with the return policy, distribution points, delivery, shipping, range of commodities offered, scope of geographic coverage offered, and accuracy and meaningfulness of marking of green products in the online catalog as described below and in further detail within administration and marketing section 6.6.

# 6.2.2.1 Return Policy;

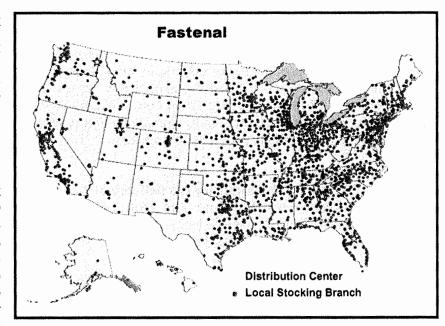
For market basket and catalog products, Fastenal must approve cancellation of any order prior to shipment. Any returns for shipping errors, damage or loss upon delivery must be reported within 10 days of the delivery date. Except as otherwise agreed, Products will not be accepted for return after 30 days from the date of delivery to the Purchaser. Any cancellation or returns accepted after 30 days may be subject to a restocking fee and other charges, for which the Purchaser shall be responsible. All returns should be made to a Fastenal branch or as otherwise designated by Fastenal, and must be in resalable condition and accompanied with an Invoice.

Sourced Items ordered and delivered to the Customer may be non-returnable and non-refundable. Sourced Items that have been ordered by the Customer and are non-cancelable by the manufacturer, Customer must accept and pay for the delivered quantities, excluding non-conforming items. If Customer requests to cancel a Sourced Item order prior to shipment or delivery, Seller will exercise reasonable commercial efforts to discontinue the production of the items by the manufacturer. However, Customer will be responsible for any restocking fee or costs imposed by the manufacturer related to the cancellation of the Sourced Item. In the event the Customer requests Seller to stock and maintain an inventory of certain quantities of Sourced Item for Customer, Customer agrees to purchase all remaining Sourced Items maintained by Seller in its inventory at the time the contract is terminated or within thirty (30) days after Customer discontinues use of the Sourced Item.

### 6.2.2.2 Distribution points:

At Fastenal, we understand that delivery speed is a function of distance — and that the shortest supply chain wins. So, while others have embraced a centralized directship model (with a 'built-in' one-day lead time), we've never stopped working to decentralize, providing faster, better service as we move ever closer to our customers.

Fastenal's distribution footprint allows us to exceed NASPO ValuePoint's delivery schedule of 24 to 48 hours on many in-stock items by offering same-day service in 2,100+ local markets, something no other industrial supplier can do. The key to this solution has been our ability to cost-effectively operate local branches in not only major



cities but also small towns and rural areas across North America, positioning dedicated service teams and customized inventory minutes away from the customers we serve.

Fastenal's branch-based service model enables us to:

Stock product locally for immediate availability;





- Tailor local branch inventory to match our NASPO ValuePoint members' needs;
- · Manage customers' inventory to lower their total cost of ownership; and
- Provide industry leading in-person, flexible, value added customer service

We are where you are. With our exceptional distribution network consisting of a footprint of 2,100+ local Fastenal branches and 17 distribution centers, Fastenal has a proven track record of superior past performance in supporting NASPO ValuePoint members.

Fastenal holds more than \$1 billion worth of inventory, immediately available to NASPO ValuePoint members through our local branches. Each Fastenal branch serves as a local distribution point for a vast range of MRO and Facilities Maintenance supplies – backed by our global distribution and sourcing strength, yet free to tailor its inventory and service to meet the needs of local customers.



Branches are serviced by the nearest of 17 Fastenal distribution centers throughout the U.S. through our company-owned fleet:

Fleet Vehicles: 7,580

Semis: 325

Straight Trucks: 150

Sprinters: 139

Our U.S.-based distribution centers are located in Akron, OH; Atlanta, GA; Denton, TX; Edwardsville, KS; High Point, NC; Houston, TX; Indianapolis, IN; Jessup, PA; Lakewood, WA; Leominster, MA; Modesto, CA; Orlando, FL; Pearl City, HI; Salt Lake City, UT; Spokane Valley, WA; and Winona, MN.

Below are some of the distribution performance metrics that distinguish Fastenal in the marketplace:

- 80% of all customer transactions are for products stocked in the local branch or available at a regional distribution center, representing either same-day or 24 to 48 hour fulfillment.
- If a standard product is not already in stock at your local branch, we can usually get it there on our own trucks before the next business day begins. 80% of branch deliveries via Fastenal trucks from our distribution centers arrive before 8 a.m. on scheduled truck days.
- Fastenal's branches and distribution centers carry more than a billion dollars in inventory in order to provide fast delivery for local customers.

#### 6.2.2.3 Delivery;

Fastenal is able to offer same-day **inside delivery** in 2,100+ local markets by a local Fastenal customer service representative, something no other industrial supplier can do. The key to this solution has been our ability to cost-effectively operate local branches in not only major cities but also small towns and rural areas across North America, positioning dedicated service teams and customized inventory minutes away from the customers we serve.

In fact, 'same-day' may be too broad of a term. The maps below show the area our local branch teams can service within 30 minutes and 60 minutes. As you can see, if a NASPO ValuePoint member has a need, Fastenal can generally fulfill the need within the hour.









6.2.2.4 Shipping:

Fastenal is uniquely positioned to provide inside delivery directly to the purchaser. Because we utilize our local branch personnel and company-owned fleet for shipping and delivery, all shipments can be delivered inside, directly to the purchaser, by a local Fastenal representative. A detailed description of our shipping capabilities and metrics can be found in administration and marketing section 6.6.5.

#### 6.2.2.5 Range of commodities offered;

Fastenal is offering all listed categories.

#### Scope of geographical coverage offered;

Fastenal is offering all 50 states, Puerto Rico, and Guam.

6.2.2.7 Accurate and meaningful marking of green products in the on-line catalog when applicable; Fastenal provides accurate and meaningful labeling of environmentally preferable products offered in our on-line catalog through the green leaf symbol to the right.

Additionally, in an effort to provide superior customer service, when the 'Green' symbol is clicked in our on-line catalogs or on Fastenal.com, the Compliance Information Section expands. This expanded view provides additional information regarding why the product is considered environmentally preferred. Compliance with 3rd party standards and certifications information is provided here as well. Additional information regarding the accuracy and meaningfulness of the marking of green products in the online catalog is provided in full detail in scope section 6.5.3.5.

#### 6.2.3. Expertise and availability of key personnel;

Fastenal's Government Sales department is composed of high-level professional sales people solely dedicated to the success of the NASPO ValuePoint Master Service Agreement. The following team is responsible for the management of the NASPO ValuePoint contract.





TITLE	CONTACT	LOCATION	PHONE	EMAIL	YEARS ATFASTENAL
VP of Government Sales	Jeff Hicks	National	507-313-7515	jhicks@fastenal.com	23
Director of Government Sales	Ryan Ash	Regional (West)	760-761-0004 x103	rash@fastenal.com	18
Director of Government Sales	Bill Franssen	Regional (East)	757-342-6123	wfransse@fastenal.com	15
Director of Government Sales	Richard Warren	Regional (Central)	252-944-1772	riwarren@fastenal.com	7
NASPO ValuePoint Contract Manager	Zach Wise	National	507-313-7206	zwise@fastenal.com	11
VP of Contract Development & Support	Donnalee Papenfuss	National	507-453-8339	dpapenfu@fastenal.com	18

Each participating NASPO ValuePoint State will also be supported by our 40+ Fastenal Government Sales Specialists whose focus is strictly state agencies, institutions of higher education, and political subdivisions within their respective state(s). Government Sales Specialists report to the Directors of Government Sales and work directly with agencies and Fastenal branches to support contract best practice, compliance, training (including customer and employee training), the development of custom market baskets within agencies, implementation, disaster recovery leads, working with resellers, marketing of products, process mapping, local reporting, issue resolution, and customer satisfaction.

# 6.2.3.1 Contract Management Retail Store/Will Call Availability; Contract Management

The goal of Fastenal's Contract Management and Sales Support department is outstanding customer service resulting in increased customer loyalty. We recognize that flawlessly executed contracts are as important to government agencies as our products and services. To ensure efficient and effective contract management, Fastenal executes a lean quality management strategy which establishes cross-functional teams that work in collaborative learning circles with Legal, Government & Diversity Affairs, Tax & Finance, the Fastenal School of Business, IT, Marketing, Supplier Diversity, Sustainability, Product Development, Government Sales, and most importantly, the local branch.

The administration and management of the NASPO ValuePoint Master Service Agreement are overseen by the NASPO ValuePoint Contract Manager, Vice President of Government Sales, Government Sales Directors, the Vice President of Contract Development and Support, and the Director of Contract Management.

This management team reports to the Senior Executive Vice President of Sales Operations, who is a direct report of the CEO.

Additional detail regarding Fastenal's contract management can be found in administration and marketing section 6.6.3.





### Retail Store/Will Call Availability

With more than 2,100 retail locations in the United States (including Puerto Rico and Guam), Fastenal is uniquely positioned to support emergency, spot buy, and unplanned purchases from NASPO ValuePoint members. Irrespective of the ordering method – online, phone, fax, will call, or walk-in/walk-out – the

local branch is the primary point of fulfillment for the customer. Members are able to make a purchase at the local branch by establishing an account specific to them. The branch account is linked to the NASPO ValuePoint Master Service Agreement via Fastenal's Contract Management System.

Fastenal's retail branches/will call exceed the solicitation requirements with normal business hours of 7:30 a.m. to 5:00 p.m. local time, Monday through Friday. Branches may be opened after hours for emergency operations at no additional charge.

Additional details regarding Fastenal's retail branches/will call can be found in administration and marketing section 6.6.10.



# 6.2.3.2 The favorability of the terms under which the offeror will do business;

Our footprint of more than 2,100 branch locations nationwide, company-owned distribution system, global sourcing capabilities, state-of-the-art e-commerce and online ordering platforms, competitive pricing, disaster recovery capabilities, contract management and reporting, range of commodities offered, scope of geographic coverage offered, product expertise, and inventory management solutions make Fastenal's offer a superior value for NASPO ValuePoint members.

#### 6.2.4. Demonstrated Competence;

As an incumbent NASPO ValuePoint contractor since 2011, Fastenal has demonstrated competence in the administration, marketing, and compliance with the terms and conditions of the NASPO ValuePoint contract. Fastenal has 44 state-wide MRO contracts, 31 of which are with states that have signed a NASPO ValuePoint participating addendum. Additionally, Fastenal has over 15 years of experience implementing many state-wide MRO contracts with cooperative use features. These statewide contracts span the spectrum of city, county, and state government agencies and utilize participating addendums.

Fastenal has continuously grown the amount of sales and accounts under the existing NASPO ValuePoint agreement. Since 2012, Fastenal has increased the number of government agencies using the NASPO ValuePoint agreement by 144% (to over 34,000 accounts) and sales for those agencies have increased 103%.

# 6.2.4.1 Reporting Capabilities Disaster Recovery Plan; Reporting Capabilities

#### **Contract Reporting**

NASPO ValuePoint's master contract reporting is submitted through the required NASPO ValuePoint reporting tool. Each participating state's spend is broken out from the NASPO ValuePoint master report and recorded accordingly. Copies of the master report are also submitted to the required parties for NASPO ValuePoint and the lead state.





Fastenal's Contract Management and Sales Support department administers all reporting that supports the remittance of rebates, Participating States' administrative fees, cumulative discounts, volume discounts and minimum spend discounts (if any). The ideal frequency of the reporting is quarterly, however, monthly reporting can be negotiated in the participating addendum if desired.

Fastenal's Contract Management system tracks all branch accounts for NASPO ValuePoint ordering entities and generates the following reports from the invoice data which satisfy the reporting requirements stated in the NASPO ValuePoint terms & conditions:

- Net Spend Report showing spend per account under the contract.
- Usage Detail showing invoice level part detail for each account under the contract.
- Concept Spend showing contract spend within specific product categories.
- Executive Summary Report multi-faceted contract level dashboard report including total spend, spend by product category, spend by agency type, accounts receivable, spend by individual account, cost savings (freight saved, invoice dollars saved, previous price paid, receiving disbursement, inventory management, PO reduction, extra value services, other savings, vendor reduction, product source, emergency services, kiting, committed inventory, material substitution), inactive accounts, spend by account specialty.

Rebate and administrative fee remittance is substantiated by the above referenced reports. Fastenal has additional reporting available that may be negotiated at no additional charge to provide information regarding contract spend, high usage item reporting, invoice registers, outstanding invoice statements, and payment trends as needed by the customer.

# Supplier Diversity Reporting

Tier 2 reporting is available on a quarterly basis as value added service. Reporting is available in multiple formats (online reports, Excel spreadsheets, Word documents and other media) to meet each NASPO ValuePoint purchasing agent's needs. Fastenal's Small Business Liaison Officer will work with each Participating State to ensure proper reporting is made available throughout the life of the contract.

#### **Environmentally Preferred Products Reporting**

Fastenal's Sustainable Products Coordinator manages reporting to customers regarding environmentally preferred products (EPP). This report is available on a quarterly basis. For the proposed market basket, nearly 20% of the list has been identified as EPP solutions available to NASPO ValuePoint members. In addition to the proposed items, Fastenal's Sustainable Products Coordinator will review usage and suggest environmentally preferred alternatives throughout the life of the contract.

#### **FAST Solutions Reporting**

In addition to controlling product consumption, our FAST Solutions vending program allows your organization to unveil complete transparency all the way down to the individual user. Prior to vending an item, users can be prompted to enter up to five levels of user-defined information (e.g., department, group, cost center, project, etc.), enabling management to track usage accordingly. Because the software that runs the machines is web-hosted, all of this information is available online in real-time, 24/7. Transactional reports can be uploaded into the customer's ERP system or exported into excel.

#### Workflow Management Reports via Online Catalog

The Workflow Management feature within the NASPO ValuePoint online catalog has built-in reporting capabilities for managers to view, authorize, and approve purchases made online. This feature provides the ability to define three levels of authorization, access, and approval. The top level has authorization ability and visibility globally. The second level allows certain personnel to authorize and approve orders, with visibility to all orders they have approved. These users also have the ability to order. The third level has access to order only, with no authority to approve orders.





# NASPO ValuePoint Online Catalog Reporting

Fastenal's online ordering system provides robust reporting for ordering entities to manage their budgets and track their purchases. Available online reporting includes:

- Usage Reporting View and review your purchasing patterns over a selected time period.
- Open Balances and Statements View and print any Fastenal invoice with an open balance. This includes all orders placed with Fastenal, regardless if it was placed online or not.
- Order Status and Tracking NASPO ValuePoint ordering entities can see the status of their orders at any time during the order process. 3rd party tracking numbers are made available in status updates where applicable, and the local branch can provide tracking information on branchdelivered parts.
- Order History View history of orders placed online with Fastenal.com. Previous orders can be reordered and edited for future use.
- FAST Solutions Vending Reports View your vending items and consumption. See "FAST Solutions Reporting" above for detail.
- Planogram Bin Location Reports View items, locations, and consumption for inventory Fastenal manages for you.

# Cost Savings & Continuous Improvement Documentation and Reporting

Fastenal can provide monthly cost savings reports documenting our progress towards a mutually agreed upon cost reduction target goal. Hard and soft cost savings are reported through Fastenal's point-of-sale (POS) computer system, which will document our progress towards your cost reduction target on a daily basis. Some of the metrics that are typically targeted for cost savings reporting include:

- Price Improvements
- Substitutions
- Inventory Reduction
- Consumption Reduction
- Freight
- Labor Savings
- Training

- Vendor Consolidation
- Rebates/VIA
- Purchase Order Reduction
- Emergency Services
- Specialty Services (Engineering, Safety, Metalworking)
- Waived Fees

Additional information regarding the administration and examples of Fastenal's reporting capabilities are provided in administration and marketing section 6.6.7.

# Disaster Recovery Plan



Fastenal understands that the impact of a disaster is felt locally and the response is best mobilized on the local and regional level. This is why Fastenal believes our capability to bring a positive and quick response to a disaster is second to none. We have inventory, personnel, and our transportation network positioned to respond to each local market's need. Fastenal's response is not next day, it is same day.

To better understand what Fastenal brings to support each NASPO ValuePoint Participating State's emergency management plan, it's important to truly

understand what Fastenal offers. With 2,100+ U.S. locations and 20,000+ employees, we truly are where you are. Our network of branches is supported by 17 distribution centers strategically located across the U.S. One thing that differentiates Fastenal within the industrial supply marketplace is that we own our transportation routes. Our branches are serviced by our own fleet of 325 semi-trailers, 150 straight trucks and 139 sprinters, so we don't have to rely on 3rd party carriers during times of need. With our fleet of





7,500+ local delivery vehicles, investment in locations, and over a billion dollars in available inventory spread across all 50 states, Fastenal has the ability to respond more quickly to the local market than any other distributor.

Fastenal's distribution network is the largest and most sophisticated of its kind in the industrial supply industry and, when coupled with local Fastenal employees, provides the customer with a valuable resource during times of need. Unlike traditional catalog houses that rely only on Internet ordering and a limited physical presence, Fastenal integrates our Internet ordering capabilities with local personnel, buildings, vehicles, and product for immediate deployment. This combination has enabled us to effectively respond to emergencies such as hurricanes (including Irma, Harvey, Sandy, and Katrina), tornadoes, wildfires, winter storms, and the 9/11 terrorist attacks.

A quick, effective response requires planning. Fastenal works closely with states at the procurement planning level – from the Departments of Health and Homeland Security to port authorities and local emergency management teams. Our collaboration involves developing local plans to deploy people and products on predetermined time frames. We follow predefined action items occurring at 12 hours, 24 hours, 48 hours, 72 hours, one week, and 30 days following an event. Although each state's needs vary due to proximity and predisposition, the process is methodical – people, planning, defining potential events, responding to the actual occurrence, proximity, products and logistics.

Additional information regarding Fastenal's disaster recovery plan can be found in additional services section 6.7.2.

# 6.2.4.2 Web based ordering System;

### https://www.fastenal.com

Fastenal.com is a state-of-the-art transactional website hosting the NASPO ValuePoint online catalog with visibility and access to:

- Descriptions
- Images
- Product Specifications
- CAD Drawings
- (M)SDS Sheets

- Contract Price
- Shopping Cart
- Order History
- Product Availability
- Order Templates

Additional detail can be found in scope of work section 6.5.5.



6.2.4.3 The number of available green environmentally preferable products that meet the solicitations specifications available, showing a robust supply of green products.

Fastenal's robust green and sustainable offering includes more than 46,000 products.





# 6.2.5. Reasonableness of pricing.

While the primary purpose of this solicitation is to select a offeror(s) who can offer the supplies for all Participating States, offerors are permitted to submit a proposal on more limited geographical areas, however, not less than one entire Participating State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all Participating States. However, if a Offeror elects to submit a Proposal for a single State then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the contract or any renewals.

A Participating State may evaluate and select an offeror for award in more limited geographical areas (e.g. A single state) where judged to be in the best interests of the State or States involved. Administration of any such award(s) will be done by the Participating State(s) involved unless the awarded contract includes the Lead State in its geographical area.

Participating States, and Purchasing Entities reserve the right to competitively solicit for additional sources for commodities during the contract term, where deemed to be in the best interests of the State(s) or entities involved. Further, Participating States may have existing awards for commodities within the scope of this solicitation.

Any Participating State reserves the right to award partial commodity categories or not participate in the award if deemed to not be in the best interests of that Participating State.

All pricing listed shall be ceiling prices with the option for Participating States to negotiate more favorable discounts for large orders.

Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

Products may be changed with thirty (30) day notice every six (6) months after initial term.

The Participating States and Purchasing Entities reserve the right to update product specifications based on changes in regulations, in addition to third party certification criteria.

The Participating State may elect to designate the resulting contracts as permissive, or mandatory.

Fastenal Company is proposing all categories for all 50 U.S. states, as well as Puerto Rico and Guam.

All provided prices are ceiling prices. Additional volume discounts and growth incentives are offered in volume discounts section 6.3 and administration and marketing section 6.6.11.

Fastenal acknowledges the pricing terms in experience and capabilities section 6.2.5.

#### 6.3. VOLUME DISCOUNTS

#### 6.3.1. General

Additional volume and other price discount options are encouraged, which can distinguish between individual order minimum quantities, cumulative volume discounts, and other discount terms that may be defined by the offeror. Extensions of additional discounts are not required but may be evaluated if offered. Fastenal understands that members may, from time to time, have unique purchasing needs requiring the purchase of products in a volume not related to ordinary purchase volume. Fastenal will assist members by identifying and passing on the additional value which may be obtained through reaching a volume





purchase. The volume discounts will be negotiated between the local Fastenal branch and the NASPO ValuePoint member based on market conditions.

Additionally, Fastenal offers each NASPO ValuePoint Participating State agency and political subdivision the opportunity to negotiate a "custom market basket" program. This program allows individual agencies within a Participating State to negotiate additional items to be added to the market basket and negotiate additional discounts to be applied to these items. The custom market basket may be reviewed annually and updated as required. All custom market basket items will fall within the scope of the NASPO ValuePoint Master Service Agreement award and participating addendum.

# 6.3.2. Cumulative Ordering Volume Discounts

The offeror is invited to identify additional percentage discounts if total cumulative ordering volumes (by all Purchasing Entities) exceed an amount specified by the offeror. If the volume of total orders exceeds that amount in any quarter, the offered discount will apply to future orders during the term of the award(s), as extended through option exercises.

Fastenal is offering an additional cumulative ordering volume discount if total cumulative product spend as reported under the NASPO ValuePoint Master Service Agreement (inclusive of all Participating Entities within a Participating State) exceeds the volume target established in a given contract year. The additional discount will apply to product category discounts offered per Cost Proposal Attachment D. The volume discount excludes market basket priced items. Additional discounts resulting from meeting cumulative ordering volumes will be effective no later than the 1st day of the 14th month (allowing a one-month evaluation period) of the contract for the second year of the contract and run for 12 consecutive months, at which time spend for the next year will be evaluated for minimum spend requirements to achieve the additional volume discount continuation. The maximum additional discount for the life of the contract is 3%. The Cumulative Ordering Volume Discount will be adjusted each contract year to coincide with the 1%, 2%, or 3% discount achieved.

CONTRACT YEAR SPEND of all Purchasing Entities within Participating State	Annual Spend	Annual Spend	Annual Spend
	\$5+million	\$8+million	\$12+million
Additional Discount per Spend Level	1%	2%	3%

#### Illustration:

CONTRACT YEAR	7/1/2018 — 6/30/2019	7/1/2019 — 06/30/2020	7/1/2020 - 6/30/2021	7/1/2021 — 6/30/2022	7/1/2022 — 6/30/2023
Spend	\$4 Million	\$6 Million	\$4 Million	\$9 Million	\$13 Million
Contract Year Qualified	No	Yes	No	Yes	Yes
Add'l Discount %	0%	1%	0%	2%	3%
Add'i Discount Start Date & End Date	N/A	8/1/2020 - 7/31/2021	N/A	8/1/2021 - 7/31/2022	8/1/2022 – 6/30/2023

#### 6.3.3. Additional Volume Discount for Minimum Order Quantity

The offeror is also invited to identify additional discounts for minimum order quantities. Purchasing Entities may consolidate purchases in order to take advantage of any volume discount extended by offeror for minimum orders, so long as a single delivery location at the discretion of the Purchasing Entity is specified.

Fastenal provides NASPO ValuePoint members with the additional value of no minimum order requirement. The discount structure provided by Fastenal gives each member the purchasing strength of the overall contract volume, reducing the need for concern about consolidating orders. However, as





unique situations occur, Fastenal provides members the opportunity to capture the value derived from consolidating operations. Fastenal will provide savings extracted from the operational efficiency of volume purchase to the member.

#### 6.3.4. Minimum Orders

No minimum dollar or item count is allowed on orders from Authorized Purchasers. Participating States reserves the right to authorize a minimum via their Participating Addendums. Fastenal acknowledges section 6.3.4.

# 6.4. ESTIMATED PURCHASES

The total purchase of any individual item on the contract is not known. The Purchasing Division has attempted to give an accurate estimate of probable purchases of each item for the contract period. The Purchasing Division does not guarantee that the Participating States will buy any or all estimated amounts of any specified item or any total amount.

Fastenal acknowledges section 6.4.

#### 6.5. SCOPE OF WORK

#### 6.5.1. Ordering Capabilities

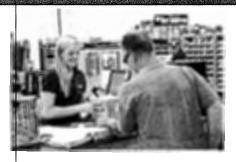
Orders resulting from this contract will be placed directly with the Offeror by the individual Purchasing Entity. The offeror must have toll free telephone, fax numbers and email address for use by those entities located outside of the offeror's toll free area. The offeror will ship and bill as requested by the purchasing agency. The purchasing agency will remit payment directly to the offeror. As an example, there are approximately 1,000 possible separate delivery locations within the State of Nevada. The number of locations will vary by Participating States.

With more than 2,100 local branches in the United States (including Puerto Rico and Guam), we are where you are. See administration and marketing section 6.6.2 and the attached Fastenal Branch Listing for a detailed list of Fastenal branch locations and sales personnel. One of Fastenal's key differentiators in the industrial supply distribution marketplace is the number of options we offer for order placement.

Below is a look at the various ways NASPO ValuePoint members can order from Fastenal:

#### WALK-IN / WALK-OUT AT THE LOCAL FASTENAL BRANCH

NASPO ValuePoint members can order items by walking into the local branch, calling the branch, or faxing or emailing their order. Local branches are open during normal business hours of 7:30 a.m. to 5:00 p.m. local time, Monday through Friday. Branches can be opened after hours for emergency service. Local Fastenal branch information is available 24/7 via www.fastenal.com under the Branch Locator as well as in the local phone books in more than 2,100 markets.



# **CUSTOMER SITE VISITS**

With over 10,200 representatives, Fastenal makes more than three million customer site visits per year. The goal these visits is to provide superior customer service and drive cost savings to each of Fastenal's customers by providing a local person to help in the ordering process.



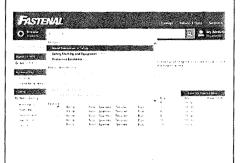
# THE FASTENAL NASPO VALUEPOINT CUSTOMER SERVICE CENTER

Fastenal's Customer Service Center includes dedicated NASPO ValuePoint customer service representatives. Fastenal has a toll-free phone number (877-507-7555) as well as a toll-free fax number (866-664-1246) and email address: nasposupport@fastenal.com



#### FASTENAL COM

NASPO ValuePoint members who prefer to place their orders online have the option to place orders through Fastenal's state-of-the-art website. Members will be able to log in with their branch account number to view the NASPO ValuePoint online catalog. Fastenal primarily fulfills online orders at the local branch, maintaining the continuity of the local relationship as well as the order history for local inventory stocking models and reporting. A detailed description of our online ordering capabilities can be found in scope of work section 6.5.3.



#### FAST SOLUTIONS - INVENTORY MANAGEMENT

Local Fastenal branches can stock customized dedicated inventory for NASPO ValuePoint ordering entities and keep just the right amount flowing to their stocking locations, minimizing waste, downtime, and total costs. Through these programs, local Fastenal personnel take on the "heavy lifting" of inventory monitoring, ordering, and replenishment. FAST Solutions (as detailed on the next page) are tailored to meet the needs of each individual site.



BIN STOCK: Fastenal currently has 40,000+ bin sto solutions implemented at customer facilities. Members utilize this solution to organize and add efficiency to the ordering process managed by the member or Fastenal. W organize & label new or existing bins and collaborate establish initial min/max levels and service schedul Suggested replenishment orders are submitted, reviewed and approved via Fastenal.com.

VENDING: Fastenal currently has 63,000+ industr vending machines installed at customer sites. Membe position these devices at the point of use allowing mo efficient access to inventory all while maintaining secur and ensuring allocation rules are followed. When stock run low, the machine sends an automated notification to the servicing branch and the Fastenal representative initiate the restock process.





ONSITE: Fastenal currently has 600+ onsite locations. Members who implement an onsite program can streamline all of these procurement needs:

- Point-of-use access via onsite representative to source, procure, and expedite product needs
- Various eBusiness solutions
- Integrated procurement systems
- Product standardization & substitutions
- Capital improvement projects
- Custom manufacturing
- Industrial services tool repair, regrind, lifting and rigging, hose assembly
- Preventative maintenance project kitting



ECOMMERCE INTEGRATION PLATFORMS: We are integrated with NASPO ValuePoint's eMarket Center as well as individual states' e-procurement systems. Whether we connect through a B2B connection, a portal, or our FastConnect punch-out platform your business results are the same: paperless transactions, lower administration costs, and clear usage and spending visibility. For more detail please see additional services section 6.7.4.



Please supply your toll free telephone, facsimile number and email address. NASPO ValuePoint Customer Service Center, P: (877) 507-7555, F: (866) 664-1246, nasposupport@fastenal.com.

In addition to the market basket items. Purchasing Entities will be allowed to order from a successful offeror's catalog(s) and website for delivery anywhere within the Participating States. NASPO ValuePoint requires internet catalogs.





A NASPO ValuePoint online catalog will be hosted at www.fastenal.com/naspo-value-point.

#### 6.5.2. F.O.B. Destination

Prices for all items associated with this contract are to be FOB Destination anywhere within the Participating State or geographic area offered. Any exceptions to this provision must be clearly stated as an exception to this document.

Fastenal prices for all items associated with this contract are FOB Destination anywhere within the Participating States or geographic area.

Exception to FOB Destination:

- 1) Items not in-stock at the local branch or not in-stock at the Primary Distribution Center for AK, HI, PR, & GU.
- 2) Sourced items and orders requiring special handling or expedited shipment. Items requiring an exception would be communicated to the member prior to acceptance of a purchase order. Approved charges would be prepaid and billed to the member.

#### 6.5.3. On-line Ordering

6.5.3.1 Successful offeror shall provide Internet Catalogs for all agencies as described below.

On-line Catalogs available? X Yes No

## 6.5.3.2 Provide a descriptive narrative for the type of internet catalog offered, and a URL link. <a href="https://www.fastenal.com">https://www.fastenal.com</a>

Fastenal.com is a state-of-the-art transactional website hosting the NASPO ValuePoint online catalog with visibility and access to:

- Descriptions
- Images
- Product Specifications
- CAD Drawings
- (M)SDS Sheets

- Contract Price
- Shopping Cart
- Order History
- Product Availability
- Order Templates

With our online capabilities, entities are able to view the NASPO ValuePoint Market basket items that are in stock at their local branch or within their facility.

The FAST 360° application on fastenal.com has been engineered to provide insight into your organization's relationship with Fastenal. This ability is exclusive to Fastenal and provides access to information critically important in managing your supply chain. Search, compare and manage your supply chain with three easy-to-use modules that are directly incorporated within Fastenal's eCommerce platform.

- My Business allows you to click into each of your facilities locations and all of the way down to the individual vending machine or bin stock which is managed by Fastenal and then pull up the device's respective planogram to get additional information on a specific SKU. Other companies will tell you what they have in stock. With FAST 360°, instantly see what YOU stock in your own facility.
- My Inventory allows you to search your own inventory for each of your associated account numbers. You can also use the search function to find items based on keyword, description or part number, and even search by your own part number when they're included in our system.
- My Spend is a detailed snapshot of your purchasing habits which provides awareness of planned and unplanned spend behaviors. Using invoice data, FAST 360° illustrates how current spend is being allocated. Monitor purchase activity by category and see which channel that

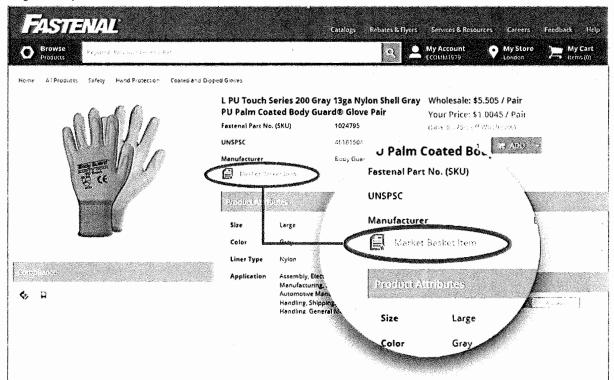




spend is flowing through. Fastenal.com is not just a portal for placing orders, but a tool for managing the supply chain needs.

6.5.3.3 Offerors must designate market basket items in their on-line catalogs for ease of ordering. What symbol or marking will you use to identify market basket items?

Each NASPO ValuePoint market basket item is clearly displayed in the online catalog and identified as a "Market Basket Item" in multiple instances over the course of the shopping experience. See the following example:



6.5.3.4 Offerors shall designate all environmental preferable products (EPP) in their on-line catalogs. Describe the designation (symbol) that you will use to identify these EPP products.

All environmental preferable products (EPP) are identified with the designation of "Green" and a clear designation symbol (displayed to the left).

6.5.3.5 Offerors shall provide accurate and meaningful labeling of environmentally preferable products offered in the on-line catalog when applicable.

Fastenal provides accurate and meaningful labeling of environmentally preferable products offered in our on-line catalog through the green leaf symbol to the left.

Additionally, in an effort to provide superior customer service, when the 'Green' symbol is clicked in our on-line catalogs or on Fastenal.com, the Compliance Information Section expands. This expanded view provides additional information regarding why the product is considered environmentally preferred. Compliance with 3rd party standards and certifications information is provided here as well.

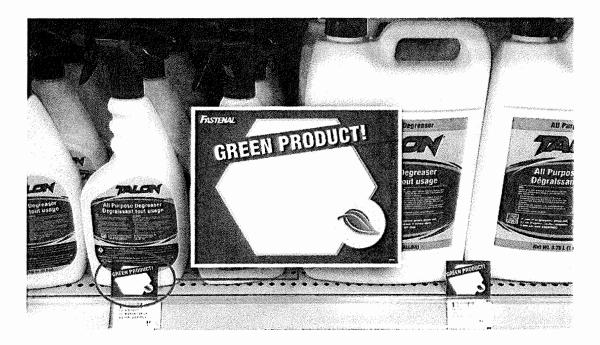




6.5.3.6 Offerors shall explain or describe what they do to clearly identify in their online catalogs and on their shelves how they designate all environmentally preferable products (EPP) that have received any of the following appropriate 3d-party designation certifications:

#### On the Shelf Identification

The standards below are identified as applicable within the "Compliance" section. They are also visible when clicking on the "Green" symbol when on Fastenal.com. Special promotions, along with Fastenal's Green Solutions & Services brochure, are available in branches and feature our environmentally preferable products offering. Branch locations have the ability to assist customers with easily identifying Environmentally Preferable Products with the below tag on the shelf.



#### Online Identification

3rd party certifications are defined on Fastenal's Green Resources webpage.

Electronic catalogs display the designated "Green" symbol as displayed to the right. In addition to green symbol labeling, Fastenal's online catalog offers multiple methods to clearly identify environmentally preferred products, including:



- Search options in the left navigation pane
- List view
- Keyword search
- Product Details
- 3rd party certification information

When the 'Green' symbol is clicked in our on-line catalogs or on Fastenal.com, the Compliance Information Section expands. This expanded view provides additional information regarding why the product is considered environmentally preferred. Compliance with 3rd party standards and certifications information is provided here as well, as illustrated below.





(1) Biodegradable Products Institute (compostable bags, food service ware);



#### Green

This green product carries the following certifications:

- BPI
- (2) Consortium for Energy Efficiency (lamps);



#### Green

This green product carries the following certifications:

- Consortium for Energy Efficiency
- (3) Cradle to Cradle (building materials, construction adhesives, etc.);

Fastenal does not yet identify these within the green program and will do further research in 2018. Contact <a href="mailto:gogreen@fastenal.com">gogreen@fastenal.com</a> for updates if a focus area.

(4) Design Lights Consortium (LED lighting equipment);



#### Green

This green product carries the following certifications:

- DLC
- (5) ENERGY STAR (HVAC and lighting equipment);



#### Greer

This green product carries the following certifications:

- ENERGY STAR
- (6) Forest Stewardship Council (wood and paper products);



#### Green

This green product carries the following certifications:

- FSC
- EcoLogo
- (7) Green Seal (cleaners, hand soap, janitorial paper products, paint);



#### Green

This green product carries the following certifications:

- Green Seal
- (8) Master Painters Institute (MPI) Green Performance Standard (paints and coatings);



#### Green

This green product carries the following certifications:

- Master Painters Institute (MPI)
- (9) NEMA Premium Efficiency (motors, ballasts);

NEMA is one of many industry standards and will accompany other product detail information.

NEMA Configuration 114-30P

(10) Scientific Certification Systems (SCS) Indoor Advantage Gold (building materials, furniture);



#### Green

This green product carries the following certifications:

- SCS
- (11) Scientific Certification Systems (SCS) FloorScore (carpet, flooring, flooring adhesives, underlayment, etc.);



#### Green

This green product carries the following certifications:

- SCS
- (12) UL GREENGUARD (adhesives, flooring, insulation, sealants, etc.);







#### Green

This green product carries the following certifications:

- Greenguard
- (13) UL EcoLogo (cleaners, deodorizers, hand soaps and sanitizers, floor polish and strippers, etc.);



#### Green

This green product carries the following certifications:

- EcoLogo
- (14) USDA Biobased (lubricants, building materials, etc.);



This green product carries the following certifications:

- USDA BioPreferred
- (15) USDA Organic;



#### Green

This green product carries the following certifications:

- USDA Organic
- (16) US EPA Safer Choice (cleaners, hand soaps, deicers, floor maintenance chemicals);



#### Green

This green product carries the following certifications:

- Safer Choice
- (17) WaterSense (water efficient fixtures, toilets, etc.);



#### Green

This green product carries the following certifications:

WaterSense

Offerors shall also explain or describe how products meet the following standards are clearly identified:

- (18) Restriction of hazardous Substances (RoHS) Directive;
  - Products compliant with the RoHS directive are clearly labeled with the following icon ROHS on Fastenal.com and online catalogs
- (19) South Coast Air Quality Management District (SCAQMD) limits on volatile organic compounds (VOCs, which apply to adhesives, sealants, coatings, etc.)

If a product is restricted for the use or sale in an area such as SCAQMD, it will contain the Restricted Products icon and list the restricted areas. Like parts are tied to this for ease so a compliant alternative option is available and during check out will inform a user if they're within a restricted area when using Fastenal.com. Some manufacturers have made it clear within the

item description that an item complies within this area so we support multiple ways of identifying this information.



#### Restricted Product

This product is restricted for sale or use in the following areas:

#### Notes

Quick drying super strong cleaner that's powerful enough to clean all 4 disc brakes.

- · Effectively cuts grease instantly
- Excellent for various industrial uses
- 5100636 VOC compliant for OTC states
- 5100645 VOC compliant for SCAQMD (Southern California)





(20) US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs);

Most of these products fall within the Non-Certified green category and would display known recycled content information within the Notes section of Fastenal.com once to the item level detail.

(21) Rechargeable Batteries; and

#### Notes

- . Up to 70% recycled content
- · Eligible for LEED credit
- · Linear low density film for heavy use applications



#### Green

This green product carries the following certifications:

- · Rechargeable Battery
- (22) Solar Powered Equipment.



#### Green

This green product carries the following certifications:

Solar Powered

Offerors may suggest other 3rd party certifications as applicable and include a description.

Sustainable Forestry Initiative (SFI) standards promote sustainable forest management in North America and responsible procurement of forest products around the world.

In addition, offer shall describe the designation (symbol) that you will use to identify these EPP products provided, including the certification or standard that it meets, and where a buyer would find clarification on the website about what the designation means.

Fastenal.com and our electronic catalogs display the symbol designated for 'Green' as displayed previously. Additional information regarding certifications or standards can be found by clicking the icon, as well as visiting our Green resources page: <a href="https://www.fastenal.com/en/35/green-resources">https://www.fastenal.com/en/35/green-resources</a>
Fastenal's green resources page provides information on and links to 3rd party certification websites.



When it comes to protecting the environment, we all have a role to play. The decisions we all make every day will determine what kind of world we live in and future generations inherit.

If you're trying to make a difference, Fastenal can help. View our green product solutions, learn about our recycling programs, and read tips to conserve energy and keep toxins out of the environment.

Learn more about what Fasterial is doing to promote sustainability. Read our Green Policy Statement.













#### 6.5.4. E-commerce description

The successful offeror shall have a proven record of E Commerce capabilities, with the technology and support personnel to provide content deployment or punch out access to their online catalog, for the purpose of supporting the purchasing web sites of the Participating States. Provide a clear narrative addressing the statement above. Integration of a punch out site is required per Section 9d of the NASPO ValuePoint eMarket Center Section of Attachment B, NASPO ValuePoint Master Agreement Terms and Conditions.

Fastenal has provided more than 1,000 customized integrated e-commerce solutions to our customers throughout the world, including current NASPO ValuePoint members. This includes electronic ordering and invoicing through EDI and cXML formats as well as integrated catalog functionality through punchout and hosted catalogs. Fastenal's in-house IT and EDI teams work in collaboration with our customers and 3rd party software providers to implement custom-tailored solutions to drive cost-savings in the Procure-to-Pay Cycle. We have a dedicated E-Commerce Solutions Team of more than 45 people focused on developing the best solution based on NASPO ValuePoint members' needs and system capabilities. We have more than 20 years of experience with e-commerce, interacting with tens of thousands of users annually and resulting in more than \$90 million in revenue in 2017.

Fastenal has participated in the NASPO ValuePoint eMarket Center since its creation. All eMarket Center orders are directly fulfilled by our local branches and participating States and entities receive unmatched local service from their Fastenal representatives, along with an easy-to-use and feature-rich punchout catalog and electronic ordering platform.

Fastenal Punchout catalogs have many of the same features and benefits of our website, but allow for direct connection with our customers' internal procurement systems.

Notable Features of Fastenal's Punchout:

- Product Availability, including what products and quantities are available in your local branch
- eQuotes to allow for even easier ordering of requested and suggested products
- Order Templates for fast ordering of frequently purchased products
- Product Resources including (M)SDS, CAD Drawings, and Product Specifications

#### 6.5.5. E- Commerce and Web Catalog Capabilities

(1) Multiple search options from narrow options to specific search criteria;

Products can be searched by using:

- product categories
- descriptions
- key words
- manufactures
- manufacturer part numbers
- industry part numbers
- competitor part numbers
- customer-specific part numbers
- · green products

All results can be narrowed down by using attribute refinements.

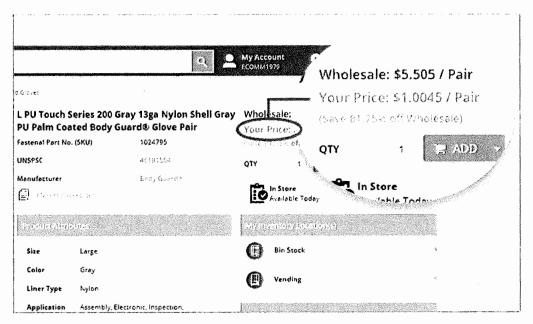
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#### (2) Display contract pricing;

NASPO ValuePoint ordering entities can view market basket, catalog, and expanded catalog items as well as the NASPO ValuePoint contract pricing online when logged in with their branch account number. The pricing displayed allows the user to clearly identify their contracted pricing compared to wholesale.

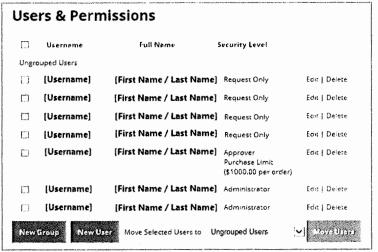






(3) Have workflow management controls;

Spending limits can be set and managed for an unlimited number of users, approvers, or account administrators. Control spending by limiting users to a set budget over a flexible period of time and/or by limiting the size of individual orders. Any user can be set up to be an order requestor, an order approver, or an account administrator.



(4) On-line ordering capability;

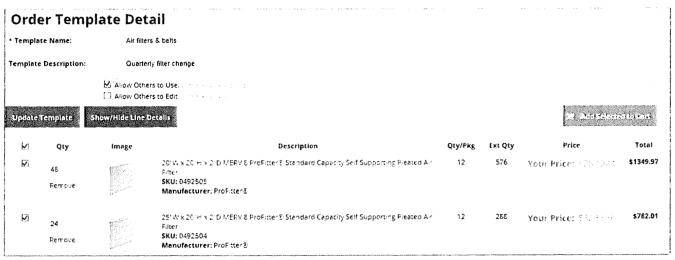
Fastenal hosts a state-of-the-art transactional website to process online orders. All orders are processed through your local branch and sales representative providing quick confirmation and seamless fulfillment on NASPO items. Authorized Purchasers can order catalog items online through multiple time-saving functions.

Superior online ordering capabilities include:

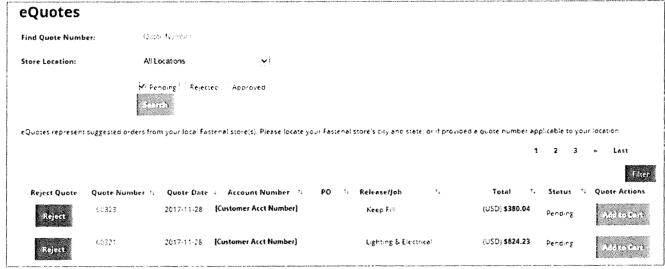
- Product Search: See item 6.5.5 (1).
- Custom Order Templates: Order templates are easy to use and easy to create. Simply add items
  to your cart and save the cart for future use. Give an identity to the Custom Template by choosing
  a name and applying a description to the Template. Order Templates are user specific or can be
  shared among users under one Fastenal.com account.



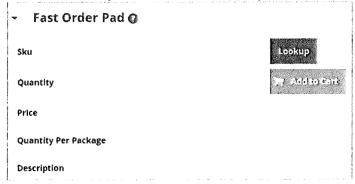




 Electronic Quotes (eQuotes): eQuotes are electronic quotes sent to a user from their Fastenal Sales Representative. This is a method of converting customer product requests, vendor managed inventory requests, or vending machine transactions into customer orders without having to enter or re-type data. A notification is sent via email to the user and the eQuote is sent to the user's Fastenal.com account. Approve the eQuote and your local servicing branch will fulfill.



• Fast Order Pad: Quickly add items to shopping cart by entering part number and quantity.







 File Upload: Import an excel spreadsheet list of part numbers and quantities into the shopping cart.



(5) Order status and order tracking capabilities;

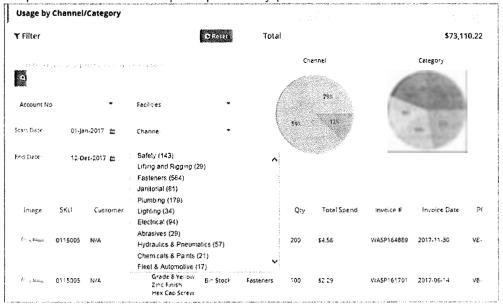
NASPO ValuePoint ordering entities can see the status of their orders at any time during the order process. The local branch can provide tracking information on branch-delivered parts and 3rd party tracking numbers are made available in status updates where applicable.

Completed						
Qty	Carrier	Tracking No.	Invoice #	EDA	Status	Date
10					Received At Business Unit	2017-11-20
10	FTRK		WASP164958		Picked	2017-12-05
10			WASP164958		Shipped	2017-12-05
10			WASP164958		Delivered	2017-12-05

#### (6) Order history;

Ordering entities can view their history of orders placed online with Fastenal.com. Order history can be reordered and edited for future use and commonly ordered items can be saved into order templates for ease of re-ordering.

In addition to Order History, users have the power of FAST 360° to review their spend and evaluate it by time period, category, and location. Users may search for items previously purchased and utilize the data to see where the product went and the price previously paid.







## (7) Allow users to develop personal lists and profiles, and a secure means for storing procurement card information;

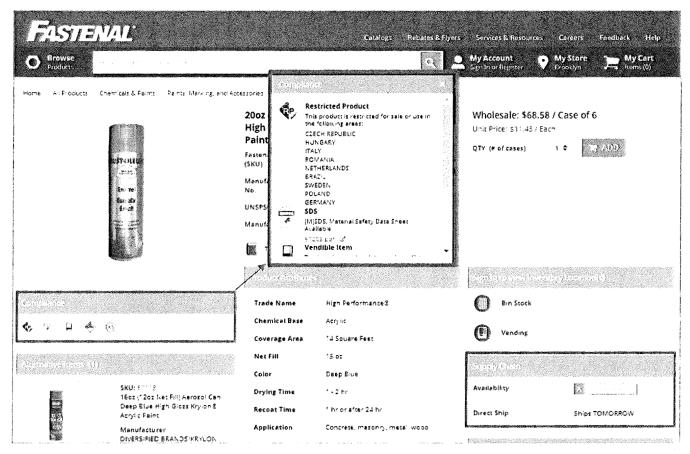
Fastenal.com offers user profiles and user hierarchy. Each user profile can manage and store account information such as shipping and billing locations, along with encrypted and secured procurement card information on a PCI Compliant website. In addition to storing card information, users can also store their favorite items in an order template or their frequently shipped to locations in My Addresses.

(8) Online help to use site should be available at minimum during normal work hours. Support is available from both the local branch and a dedicated online support team. The NASPO ValuePoint Customer Service Center will be staffed from 8 a.m. to 5 p.m. in every time zone of the NASPO ValuePoint Participating States – toll free at 877-507-7555.

E-commerce support is available toll free at 877-507-7555 and webhelp@fastenal.com.

(9) Technical data, illustrations, Material Safety Data Sheets, parts availability, and access to webbased product sourcing is required;

All products contain technical information in the form of product attributes, product descriptions, and detailed notes fields. This information can guide the user by the type of product or the specific application of the product. Many products contain CAD Drawings and "Product Standards" informational PDF sheets which contain technical data such as chemical, mechanical, and performance information. Where applicable, links to (M)SDS sheets are made available in the product detail page of the corresponding part. Additionally, the "Supply Chain" section shows availability at the local Fastenal branch. All products visible on fastenal.com can be sourced in various manners.



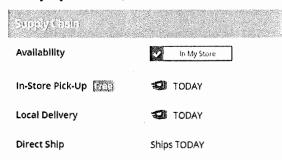




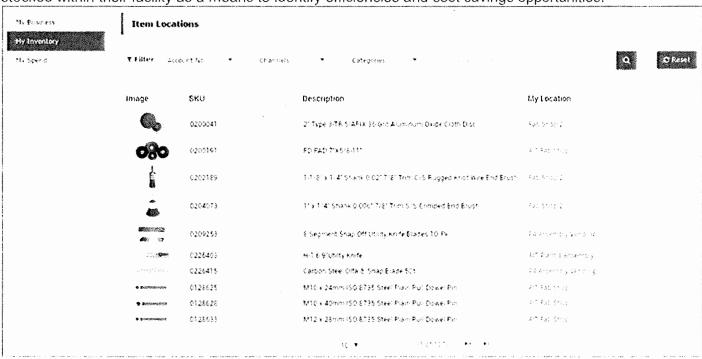
#### (10) Allow viewers to view on line Offeror's product availability by location;

All standard parts display product availability information and an estimated delivery range. When a NASPO ValuePoint member is logged into their branch account, inventory from that branch is visible on the "My Branch" tab so they can easily shop the items that are available for same day pickup or delivery.

In addition to the product view on fastenal.com, FAST 360° provides our customers with unmatched visibility to inventory and purchasing habits from an all-in-one



dashboard, right on Fastenal.com. With FAST 360°, customers can search by part number, description, or category to see if that product currently resides within the NASPO ValuePoint member's stocking locations. Using My Inventory allows the member to analyze inventory provided by Fastenal and stocked within their facility as a means to identify efficiencies and cost savings opportunities.



#### (11) Ability to block certain items or categories.

Products or categories may be restricted from purchase. Restricted items will be displayed as restricted and the user is not allowed to purchase the items.

Q) EX	PRESS	Fastenal Part No. (SKU) 0600437	Each	Your Price:	~	In My Store
		24" Clean Choice® Fine Polypropylene Wood Block		\$22.2327 Each	-	Annual Control of Cont
ALCOHOL:	Access to the second	Push Broom Clean Choice®		1911		
		Clean Charles				
Co	ompare	Restricted Item				
Sho	pping	Cart	To believe the fact of the fact			100-10-74 p. p. 1 1 10-00 pp - 15 1 de tem 1077 pp - 15 10-1
0	These SKU	s are not in your custom catalog. Contact your local Fastenal store for sourcing	and availability	ı.		
These SKUs must be removed before you can check out.						
L					***************************************	reason and a reason of





(12	() AD	niity to ac	cept "P-Card" pa	ayments.				
Fasten	al ha	s the abili	ty to process Vis	sa, MasterCard,	and American	Express LI, LII,	and LIII transactions	٠.
(13	) W	eb-based	Catalog availab	ole?				
	X	Yes	No					

- (14) Contract pricing available on line?

  X Yes __No
- (15) Online workflow management?

  X Yes __No
- (16) Order Status/Tracking Online?
  _X_Yes __No
- (17) Order History?

  X Yes __No
- (18) Personal Lists?

  X Yes __No
- (19) Online Availability?

  X Yes _No
- (20) What are you doing to ensure that your EPP products are properly identified and labeled in your Catalogs?

Fastenal's EPP offering, as well as all online and printed promotions, are reviewed by our Sustainable Products Coordination Team to ensure accuracy. If there is a question as to whether a product meets a certain certification or standard, it is reviewed with the product manufacturer as well as 3rd party certifier.

- (21) Offeror is able to highlight EPP products either through prioritizing the EPP products in the online catalog, or by offering to substitute conventional with greener products?

  X Yes No
- 6.5.6. Storage Of Electronic Data
- 6.5.6.1 Describe in detail how the electronic information for each Participating State shall be stored. The electronic information for each state is securely stored and administered within various systems including point-of-sale (POS), contract management, and sales management system. All data is managed in accordance with Fastenal's cyber security protocols.
- 6.5.6.2 Do you have a dual system as a backup in the unlikely event that the main information storehouse becomes unusable?

Yes. Fastenal has a Business Continuity plan to outline our order processing and product distribution processes to accommodate such an event. This plan covers all aspects of our business, including our corporate operations, distribution centers, and branches. Due to the sensitive and confidential nature of the technology controls and security measures we utilize, a more detailed description of our security protocols will not be provided.

6.5.6.3 Provide a general description of security protocol including storage of data, ordering security and data file security.

Fastenal's approach to information security is based on a philosophy of continuous improvement that is informed through a risk-based evaluation of the people, processes, and technology used to safeguard our sensitive data and systems. Fastenal Company utilizes various information technology security controls and processes to support operational activities including, but not limited to: security and computer operations management, service delivery and change management, secure software





development, vulnerability management, strategy and planning, end-user computing, internal security audit, configuration management, risk management, incident response, disaster recovery, and business continuity planning. To ensure robust adoption of sound information security principles and governance, Fastenal has chosen to align with industry best practice standards and frameworks such as CIS, NIST, ISO, and PCI, where applicable.

#### 6.5.7. Catalogs

The successful offeror must provide paper and/or computer media catalogs to all agencies upon request for the duration of this contract. Offeror to explain if catalog identifies environmentally preferable products with associated EPP certifications.

A NASPO ValuePoint online catalog will be hosted at <a href="www.fastenal.com/naspo-value-point">www.fastenal.com/naspo-value-point</a>. Fastenal has various print media which identify EPP certified products that are available to all NASPO members upon request. All EPP are identified by the 'Green' designation symbol to the right, and associated EPP certifications are visible when the 'Compliance' section is expanded by clicking the 'Green' symbol.



#### 6.5.8. Procurement Card Policy

6.5.8.1 The successful offeror must offer the capability to accept procurement cards as an acceptable form of payment.

No

Level III reporting is preferred.			
Procurement Cards Accepted?	X	Yes	

6.5.8.2 Explain in detail your reporting capabilities for procurement card transactions. Detailed reporting can be provided for all purchases through Fastenal regardless of how payment is received (this includes procurement cards). Fastenal can provide reporting with specified date ranges by line item detail, transaction, product categories, location, etc. We can provide additional reporting detail when using our bin stock and vending solutions.

#### 6.5.9. Forced Substitutions

6.5.9.1 Forced substitutions are not allowed. If an ordered item is out of stock, the Offeror must notify the purchasing entity for prior approval before substituting for the out of stock item. Explain your methodology for items that are discontinued or out of stock. This must include your substitution policy.

Fastenal will not conduct forced substitutions. The local servicing branch will work directly with the member to identify possible equivalent substitutions which will satisfy the member's needs.

6.5.9.2 Explain how you will notify customers about out of stock items and how you will provide information about how the substituted product compares with the product that is out of stock.

For back-ordered or out of stock items, the member will be notified by their local Fastenal branch. The local branch has first-hand information as to when the back-ordered item can be delivered, what items are available immediately should the customer wish to consider a substitute, as well as all technical information about the proposed substitution.





#### 6.5.10. Customer Service Representatives

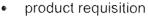
6.5.10.1 Offerors shall provide each authorized purchaser with customer service representatives assigned to handle questions and resolve all problems that arise.

#### Local Branches:

NASPO ValuePoint members are serviced by a local Fastenal branch team that is dedicated to their satisfaction. After an account has been opened by a member, it is automatically loaded into Fastenal's Sales Management System (SMS) where it is assigned to an Outside Sales Representative's (OSR)

book of business, establishing a relationship between the local Fastenal OSR and the customer.

With more than 10,200 sales personnel nationwide, Fastenal's level of support and accountability is unparalleled among industrial supply distributors. Fastenal customers rely on their direct relationship with local personnel who can solve problems, provide onsite/on-call service, and support their needs. This is what sets Fastenal apart in the eyes of our customers – knowing that their dedicated Outside Sales Representative will be stopping by to assist with:



- billing/lead time questions
- answering sourcing questions
- providing local insight into supply chain solutions
- demonstrations, promotions, training, product applications, new item introductions
- warrantee issues
- recycling programs

No matter where a member is located – from a remote rural area to a major metropolis – they benefit from a local relationship backed by corporate support and a national distribution network.

#### NASPO ValuePoint Customer Service Center:

The NASPO ValuePoint Customer Service Center is staffed from 8:00 a.m. to 5:00 p.m. in each time zone as required by the Participating State. Expanded hours of operation may be negotiated within the State's participating addendum to include emergency support hours as required by any negotiated disaster recovery plan requirements.

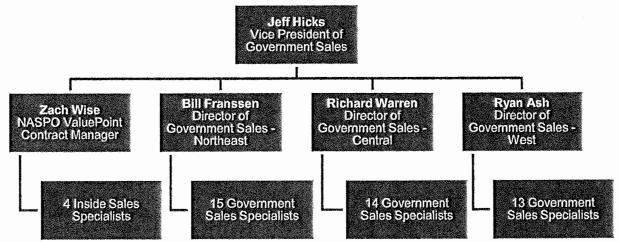
NASPO ValuePoint Customer Service Center representatives can assist customers in the following ways:

- accept orders for catalog items
- · identify local branches and provide information on how to order
- assist with registration and ordering from the online catalog
- · troubleshooting and problem resolution
- assist with returns or warrantee issues or concerns
- resolve billing issues





#### Government Sales Department:



Fastenal's Government Sales department is composed of high-level professional sales people dedicated to the success of the NASPO ValuePoint Master Service Agreement. This includes Mr. Jeff Hicks, VP of Government Sales; Mr. Ryan Ash, Director of Government Sales – West; Mr. Bill Franssen, Director of Government Sales – Northeast; Mr. Richard Warren, Director of Government Sales – Central; and Mr. Zach Wise, NASPO ValuePoint Contract Manager.

Reporting to the Government Sales Management team is a national team of professional, experienced Government Sales Specialists. Each state will be supported by Fastenal Government Sales Specialists whose focus is strictly State agencies, higher education, and political subdivisions.

These specialists work directly with agencies and Fastenal branches to:

- support contract best practice, compliance, and training (including customer and employee training)
- develop custom market baskets and additional discounts within agencies
- support FAST Solutions implementation
- respond to disasters
- resolve issues
- perform quarterly business reviews (QBR) and ensure overall customer satisfaction.

# 6.5.10.2 Service representatives shall be available, at a minimum, from 8:00 am to 5:00 pm in EACH time zone, Monday through Friday. Service representatives shall be available by phone (via local or toll free number), fax, or email during the required times for each participating state.

Fastenal's local branch hours exceed the NASPO ValuePoint requirement. Local Fastenal branch standard hours are 7:30 a.m.-5:00 p.m. local time, Monday through Friday. Fastenal has local branches in all 50 states, Guam and Puerto Rico. Local account personnel will be available by phone, fax, and email during these hours. Additionally, contact information will be provided for any emergency needs outside of these hours.

Fastenal's NASPO ValuePoint Customer Service Center is available 8:00 a.m.-5:00 p.m. in all time zones of NASPO Participating States, Monday through Friday. Representatives are available via a toll-free phone number (877-507-7555) as well as a toll-free fax number (866-664-1246) and email address: nasposupport@fastenal.com.





## 6.5.10.3 This solicitation is for all States and all time zones. Describe how you will manage the servicing of the contract for each time zone.

Fastenal has more than 2,100 local branches and more than 10,200 local inside and outside sales representatives in all 50 states, Puerto Rico, and Guam, available during regular business hours, 7:30 a.m.-5:00 p.m. in each time zone, to provide customer service and support. Additionally, Fastenal's NASPO ValuePoint Customer Service Center is available 8:00 a.m.-5:00 p.m. in all time zones of NASPO Participating States, Monday through Friday. Representatives are available via a toll-free phone number (877-507-7555) as well as a toll-free fax number (866-664-1246) and email address: nasposupport@fastenal.com.

#### 6.5.10.4 Provide an Emergency number and contact for afterhours use.

Authorized Purchasers will be given emergency contact information to reach their local Fastenal representative in the event of an emergency. In addition, an emergency toll-free phone number has been established: 877-507-7555.

6.5.10.5 All service representatives shall have online access to account information and provide a timely response to inquiries concerning the status of orders (shipped or pending), delivery information, back-order information, contract pricing, category discounts, product availability, product information, account and billing questions, and contract compliance requirements.

All Fastenal customer service representatives – both our local branch employees and the NASPO ValuePoint Customer Service Center staff – have online access to all relevant account information through the Fastenal point of sale (POS) system or online account information. The response times and capabilities of Fastenal are superior to all other nationwide distributors. With more sales representatives embedded in the NASPO ValuePoint member's local community than any other industrial supplier, our ability to respond same day is not limited to only providing information, but includes personnel and product availability unlike any other distributor.

## 6.5.10.6 Describe in detail the process that shall be used to ensure adequate service representatives will be available.

With more than 10,200 local branch representatives, Fastenal's ability to serve NASPO ValuePoint members is unparalleled in the industrial supply industry.

After an account has been opened by a NASPO ValuePoint member, it is automatically loaded into Fastenal's Sales Management System (SMS) where it is assigned to an Outside Sales Representative's (OSR) book of business, establishing a relationship between the local Fastenal OSR and the customer. This level of local sales support and accountability is superior among industrial supply distributors, and Fastenal customers rely on their direct relationship with local personnel who can solve

problems, provide on-site/on-call service, and support their needs. This is what sets Fastenal apart in the eyes of our customers – knowing that their dedicated Outside Sales Representative will be stopping by to assist with

- product requisition
- billing/lead time questions
- answering sourcing guestions
- providing local insight into supply chain solutions
- demonstrations, promotions, training, productions
- warrantee issues
- recycling programs







No matter where the member is located – from a remote rural area to a major metropolis – they benefit from a local relationship backed by corporate support and a national distribution network.

In addition to the Fastenal Government Sales department as referenced in section 6.5.10.1 (including the NASPO ValuePoint Contract Manager) and NASPO ValuePoint Customer Service Center, Fastenal currently has more than 20,000 sales, sales support, and distribution personnel dedicated to servicing customers. Fastenal branch employees have access to internal experts trained in specialties such as: e-commerce, safety, lean practices, vending, metalworking, and industrial services. The specialist are available to interact with each NASPO ValuePoint member where additional expertise is necessary to maximize the value proposition to the member.

The company owned distribution channel developed by Fastenal is the largest of all MRO distributors. The distribution channel utilized by the local branch location allows Fastenal to move products to the enduser more efficiently and cost effectively than any other distributor in the MRO spectrum.

#### 6.6. Administration and Marketing

#### 6.6.1. Return Policy

#### What is your standard return policy?

For market basket and catalog products, Fastenal must approve cancellation of any order prior to shipment. Any returns for shipping errors, damage or loss upon delivery must be reported within 10 days of the delivery date. Except as otherwise agreed, Products will not be accepted for return after 30 days from the date of delivery to the Purchaser. Any cancellation or returns accepted after 30 days may be subject to a restocking fee and other charges, for which the Purchaser shall be responsible. All returns should be made to a Fastenal branch or as otherwise designated by Fastenal, and must be in resalable condition and accompanied with an Invoice.

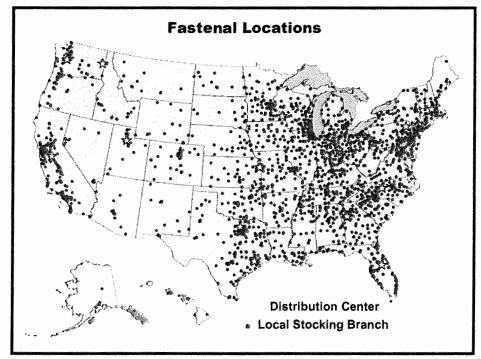
Sourced Items ordered and delivered to the Customer may be non-returnable and non-refundable. Sourced Items that have been ordered by the Customer and are non-cancelable by the manufacturer, Customer must accept and pay for the delivered quantities, excluding non-conforming items. If Customer requests to cancel a Sourced Item order prior to shipment or delivery, Seller will exercise reasonable commercial efforts to discontinue the production of the items by the manufacturer. However, Customer will be responsible for any restocking fee or costs imposed by the manufacturer related to the cancellation of the Sourced Item. In the event the Customer requests Seller to stock and maintain an inventory of certain quantities of Sourced Item for Customer, Customer agrees to purchase all remaining Sourced Items maintained by Seller in its inventory at the time the contract is terminated or within thirty (30) days after Customer discontinues use of the Sourced Item.

#### 6.6.2. Distribution Points

It is desirable that a successful offeror has inside and outside sales staff and distribution facilities located in all Participating States or geographic area offered. Offerors must provide the locations of their distribution points and information regarding sales staff for each Participating States or geographic area offered.

At Fastenal, we understand that delivery speed is a function of distance — and that the shortest supply chain wins. So while others have embraced a centralized direct-ship model (with a 'built-in' one-day lead time), we've never stopped working to decentralize, providing faster, better service as we move ever closer to our customers.

Fastenal's distribution footprint allows us to exceed NASPO ValuePoint's delivery schedule of 24 to 48 hours on many in-stock items by offering same-day service in 2,100+ local markets, something no other industrial



supplier can do. The key to this solution has been our ability to cost-effectively operate local branches in not only major cities but also small towns and rural areas across North America, positioning dedicated service teams and customized inventory minutes away from the customers we serve.

In fact, 'same-day' may be too broad of a term. The maps below show the areas our local branch teams can service within 30 minutes and 60 minutes. As you can see, if a NASPO ValuePoint member has a need, we can generally be there within the hour.





Fastenal's branch-based service model enables us to:

- · Stock product locally for immediate availability
- Tailor local branch inventory to match our NASPO ValuePoint members' needs
- Manage customers' inventory to lower their total cost of ownership
- Provide industry leading in-person, flexible, value added customer service





Our multiple distribution points not only provide service to NASPO ValuePoint members, they also contribute to each of the local communities by paying local taxes, hiring local employees, experiencing the local business environment, and understanding the culture and MRO requirements unique to that area. Please see the attached Fastenal Branch Listing for a full list of Fastenal's distribution points.

Fastenal Branches and Impact by State/Territory

	ECONOMIC	# OF	s and impact by S # OF INSIDE	# OF OUTSIDE	# OF DISTRIBUTION I
STATE	IMPACT*	BRANCHES	SALES PEOPLE	SALES PEOPLE	SUPPORT PEOPLE
Alabama	\$14,013,752	42	120	87	
Alaska	\$1,627,768	5	6	8	
Arizona	\$4,883,183	13	40	27	
Arkansas	\$9,281,689	31	67	62	
California	\$65,160,349	158	340	306	208
Colorado	\$13,070,108	36	70	83	
Connecticut	\$12,539,153	16	40	26	
Delaware	\$2,351,110	7	15	15	
Florida	\$26,519,249	89	218	163	15
Georgia	\$31,024,247	61	165	140	317
Guam	\$480,235	1	4	1	
Hawaii	\$2,269,725	7	8	18	3
Idaho	\$5,190,301	16	35	33	
Illinois	\$33,834,475	74	216	174	
Indiana	\$52,365,561	80	213	178	409
Iowa	\$14,878,424	37	109	99	
Kansas	\$19,833,370	37	73	92	301
Kentucky	\$16,454,562	48	119	121	
Louisiana	\$10,171,330	36	70	81	
Maine	\$3,152,310	13	20	18	
Maryland	\$9,928,247	33	81	67	
Massachusetts	\$9,940,415	33	72	53	
Michigan	\$20,961,327	63	193	133	
Minnesota	\$122,947,211	67	156	194	351
Mississippi	\$8,184,648	25	69	50	
Missouri	\$21,062,726	61	110	138	
Montana	\$3,705,869	11	23	25	
Nebraska	\$7,097,945	20	57	52	
Nevada	\$3,287,425	11	24	23	
New Hampshire	\$3,864,100	14	27	21	
New Jersey	\$9,875,382	31	68	61	
New Mexico	\$2,527,136	10	19	20	
New York	\$24,578,242	72	217	154	
North Carolina	\$33,509,548	77	244	163	262
North Dakota	\$5,859,998	11	35	30	
Ohio	\$45,228,357	102	316	225	190
Oklahoma	\$12,804,268	43	101	94	
Oregon	\$9,584,610	42	78	67	
Pennsylvania	\$40,236,624	80	274	222	275
Puerto Rico	\$1,866,026	7	13	14	





STATE	ECONOMIC IMPACT*	# OF BRANCHES	# OF INSIDE SALES PEOPLE	# OF OUTSIDE SALES PEOPLE	# OF DISTRIBUTION / SUPPORT PEOPLE
Rhode Island	\$1,135,950	4	8	10	
South Carolina	\$11,764,691	38	118	85	
South Dakota	\$4,677,573	14	26	39	
Tennessee	\$19,877,007	58	149	122	
Texas	\$70,470,213	158	391	391	344
Utah	\$14,093,109	23	41	47	167
Vermont	\$2,204,421	8	25	14	
Virginia	\$14,387,471	48	130	89	
Washington	\$31,114,793	55	164	117	146
West Virginia	\$4,594,926	13	41	30	
Wisconsin	\$41,373,178	75	292	216	
Wyoming	\$2,931,249	12	22	19	
TOTAL	\$954,775,586	2,126	5,532	4,717	2,988

^{*}Economic Impact includes: taxes, licenses, and fees; rent; utilities; and payroll.

We are where you are. With our exceptional distribution network consisting of a footprint of 2,100+ local Fastenal branches and 17 distribution centers, Fastenal has a proven track record of superior past performance in supporting NASPO ValuePoint members.

Fastenal holds more than \$1 billion worth of inventory, immediately available to NASPO ValuePoint members through our local branches. Each Fastenal branch serves as a local distribution point for a vast range of MRO and Facilities Maintenance supplies – backed by our global distribution and sourcing strength, yet free to tailor its inventory and service to meet the needs of local customers.



Branches are serviced by the nearest of 17 Fastenal distribution centers throughout the U.S. through our company-owned fleet:

Fleet Vehicles: 7,580

• Semis: 325

Straight Trucks: 150

Sprinters: 139

Our U.S.-based distribution centers are located in Akron, OH; Atlanta, GA; Denton, TX; Edwardsville, KS; High Point, NC; Houston, TX; Indianapolis, IN; Jessup, PA; Lakewood, WA; Leominster, MA; Modesto, CA; Orlando, FL; Pearl City, HI; Salt Lake City, UT; Spokane Valley, WA; and Winona, MN.

Below are some of the distribution performance metrics that distinguish Fastenal in the marketplace:

- 80% of all customer transactions are for products stocked in the local branch or available at a regional distribution center, representing either same-day or 24 to 48 hour fulfillment.
- If a standard product is not already in stock at your local branch, we can usually get it there on our own trucks before the next business day begins. 80% of branch deliveries via Fastenal trucks from our distribution centers arrive before 8 a.m. on scheduled truck days.
- Fastenal's branches and distribution centers carry more than a billion dollars in inventory in order to provide fast delivery for local customers.





#### 6.6.3. Contract Management

6.6.3.1 Describe the Offeror's strategy for contract management and sales support including roles and responsibilities as they relate to each participating state for each of the proposed account teams that will handle contract management issues.

The goal of Fastenal's Contract Management and Sales Support department is outstanding customer service resulting in increased customer loyalty. We recognize that flawlessly executed contracts are as important to government agencies as our products and services. To ensure efficient and effective contract management, Fastenal executes a lean quality management strategy which establishes cross-functional teams that work in collaborative learning circles with Legal, Government & Diversity Affairs, Tax & Finance, the Fastenal School of Business, IT, Marketing, Supplier Diversity, Sustainability, Product Development, Government Sales, and most importantly, the local branch.

The administration and management of the NASPO ValuePoint Master Service Agreement are overseen by the NASPO ValuePoint Contract Manager, Vice President of Government Sales, Government Sales Directors, the Vice President of Contract Development and Support, and the Director of Contract Management.

This management team reports to the Senior Executive Vice President of Sales Operations, who is a direct report of the CEO.

#### Roles and Responsibilities for Contract Management

#### **NASPO ValuePoint Contract Manager**

Fastenal has a dedicated NASPO ValuePoint Contract Manager. The NASPO ValuePoint Contract Manager is responsible for collaborating with Fastenal personnel who are directly involved with supporting the contract. The NASPO ValuePoint Contract Manager is responsible for ensuring a high level of customer service and satisfaction is achieved. Some examples of how this is achieved include surveys, conflict resolution, cost savings documentation, quarterly meetings, etc.

The NASPO ValuePoint Contract Manager also helps guide Sales personnel through the various terms & conditions such as FOB terms, pricing/discounts, eligible ordering entities, any unique terms & conditions of a Participating State, primary point of contact information, etc. In addition, the Contract Manager collaborates with our Marketing department for the development of sales collateral and other marketing efforts highlighted in administration and marketing section 6.6.6.

#### **Government Sales**

Fastenal's Government Sales department is composed of high-level professional sales managers dedicated to the success of the NASPO ValuePoint Master Service Agreement. Reporting to the Government Sales Management team is a national team of professional, experienced Government Sales Specialists. Each state will be supported by Fastenal Government Sales Specialists whose focus is strictly State agencies, higher education, and political subdivisions.

These specialists work directly with agencies and Fastenal branches to:

- support contract best practice, compliance, and training (including customer and employee training)
- develop custom market baskets and additional discounts within agencies
- support FAST Solutions implementation
- respond to disasters
- resolve issues
- perform quarterly business reviews (QBR) and ensure overall customer satisfaction.





#### **Contract Management**

Fastenal's Contract Management team helps implement contract terms, conditions, pricing, and time lines for deliverables such as reporting, rebates, and additional discounts (if any). Contract Management works closely with our Vice President of Government Sales, the VP of Contract Development and Support, and the Director of Contract Management. The NASPO ValuePoint contract will be managed within Fastenal's contract management system, a proprietary database that manages pricing, FOB terms, rebates, reporting, and other relevant terms.

The Contract Management team will be responsible for ensuring that the contract is correctly administered. This will include working with the Fastenal NASPO ValuePoint Contract Manager to document the execution of participating addenda, any unique terms & conditions, rebates or additional fees, and/or reporting requirements of that State. The Contract Management System administers the NASPO ValuePoint Master Service Agreement (including any participating addendum unique terms, fees or reporting) to the Fastenal branch account, driving compliance via the Fastenal branch point of sale (POS) system. The Contract Management team will also manage the administration of contract modifications, extensions, price updates, and other administrative correspondence.

#### Sales Coordinators

Once the NASPO ValuePoint contract and Participating Addendums are entered into the Contract Management System, the day-to-day workload of interfacing with the NASPO ValuePoint Contract Manager, Government Sales department, and Fastenal's branch sales personnel becomes the primary responsibility of the Sales Coordinator team. This group reports to the VP of Contract Development and Support and serves as a clearinghouse and liaison team between Contract Management and Sales.

Fastenal's Sales Coordinator team serves as the internal "customer service center" for our branch sales people, providing relevant contract information as well as the "linking" of branch accounts for ordering entities to the NASPO ValuePoint Master Service Agreement within the Contract Management System.

The Sales Coordinators are responsible for remitting reporting to NASPO ValuePoint and the Participating States. This includes sales reports, usage reports, supplier diversity reporting, sustainable purchases, etc.

6.6.3.2 It is desired that offerors have a representative(s) that has the sole responsibility of management of this NASPO ValuePoint contract. Provide a list the name(s) and title(s) of the dedicated representative(s) per region or State.

The following team is responsible for the management of the NASPO ValuePoint contract.

TITLE	CONTACT	LOCATION	PHONE	EMAIL	YEARS ATFASTENAL
VP of Government Sales	Jeff Hicks	National	507-313-7515	jhicks@fastenal.com	23
Director of Government Sales	Ryan Ash	Regional (West)	760-761-0004 x103	rash@fastenal.com	18
Director of Government Sales	Bill Franssen	Regional (East)	757-342-6123	wfransse@fastenal.com	15
Director of Government Sales	Richard Warren	Regional (Central)	252-944-1772	riwarren@fastenal.com	7
NASPO ValuePoint Contract Manager	Zach Wise	National	507-313-7206	zwise@fastenal.com	11
VP of Contract Development & Support	Donnalee Papenfuss	National	507-453-8339	dpapenfu@fastenal.com	18

Each participating NASPO ValuePoint State will also be supported by our 40+ Fastenal Government Sales Specialists whose focus is strictly state agencies, institutions of higher education, and political





subdivisions within their respective state(s). Government Sales Specialists report to the Directors of Government Sales and work directly with agencies and Fastenal branches to support contract best practice, compliance, training (including customer and employee training), the development of custom market baskets within agencies, implementation, disaster recovery leads, working with resellers, marketing of products, process mapping, local reporting, issue resolution, and customer satisfaction.

## 6.6.3.3 Does your contract management include customer training? Please provide a detailed narrative including, at a minimum, the following:

Yes. Trainings are available in-person with Fastenal personnel or manufacturing representatives, or via video or literature. In addition to the items specified in the following questions, Fastenal offers trainings including:

- Contract Terms & Conditions
- Pricing & Discounts
- Custom Market Basket Development
- Incentives
- Scope of Award

- Sustainability/Green
- Supplier Diversity
- Delivery & Freight
- Return Policy
- Warranty
- Ordering Process
- E-Commerce

- Online Ordering
- FAST Solutions
- Lean Process Mapping
- Safety
- Product Application

## 6.6.3.4 Sustainable Products (e.g., energy efficient, water efficient, low toxicity, recycled content, etc.):

Fastenal's Green Resources webpage (https://www.fastenal.com/en/35/green-resources) features information and tips regarding energy conservation, green cleaning and maintenance, waste reduction, water conservation, and recycling. Additional information is provided regarding lighting legislation and other industry updates. This page also provides a guide for finding EPP / Sustainable products on www.Fastenal.com. Fastenal also has a Sustainable Products Coordinator on staff, available to assist or provide guidance whenever needed.

## 6.6.3.5 Review of environmentally preferable products with third party certifications (see section 6.5.3.6 above for a list of some of the 3rd party certifications).

Fastenal has a Sustainable Products Coordinator available to assist or provide guidance with 3rd party certifications.







#### 6.6.3.6 New products;

With the assistance of manufacturing representatives, Fastenal actively engages customers to provide education on new products. Trainings can be provided at the member's facility by Fastenal personnel and Fastenal vendor personnel. These training opportunities include open houses, vendor days, demonstration trucks, application training, samples, marketing literature, etc.

#### 6.6.3.7 Equipment and operation- Manufacturer/certified set up and training;

Fastenal partners with hundreds of leading manufacturers and suppliers to train our customers on set up, operation, and maintenance of their product. These trainings are arranged by the local branch service team to ensure NASPO ValuePoint members have the product knowledge and certifications they need to safely and efficiently use the product.

#### 6.6.3.8 Seminars and other learning opportunities:

Fastenal will provide customized training programs to meet NASPO ValuePoint members' needs. Training sessions would generally be held at the member's facility, with training conducted by a local Fastenal employee and/or a Fastenal certified vendor. Because of our local presence, these trainings can be offered to the NASPO ValuePoint members frequently throughout the year, at no cost.

Fastenal branch representatives and other customer support personnel are kept current on product and industry trends through ongoing training, yearly reviews of industry standards, and close interaction with our suppliers. In addition to customer training, our sales and support personnel participate in career-long professional education and development to continually improve their knowledge and service. The result is a well-trained sales force that can provide technical expertise to end users within a local environment.

#### Fastenal's Certified Vendor Training Program:

Fastenal's Certified Vendor Training program includes training from certified vendors in the following areas:

- New products
- Equipment & operation manufacturer/certified set-up/training
- Safety and OSHA training
- Product application, features and benefits
- Cost savings, lean, and vendor managed inventory (VMI) solutions

Although designed for our employees, Fastenal's Certified Vendor Training program will be offered to NASPO ValuePoint ordering entities as customized training workshops. Many of our product trainings are focused on safety, but the program also includes vendors outside of the safety category who provide training on various products and applications. In order to participate in the Certified Vendor Training program, the vendor must design training and present to the Fastenal School of Business (FSB) team, initiating a rigorous certification process that includes a consensus between the FSB instructors and the vendor on the following:

- Training requirements
- Hands-on and interactive delivery methods
- Markets targeted for products
- · Product applications and uses

#### Safety Training:

To support our safety product offering, we've positioned trained Safety Specialists across the United States. These personnel carry multiple certifications, including Masters in Occupational Health and Safety, QSSP Certification, and OSHA 30-Hour Training. Their job is to identify hazards, document risk factors, garner worker feedback regarding PPE, and ultimately develop a business plan to reduce workplace incidents while maximizing productivity and profits.





Working with our key safety suppliers, Fastenal's Safety Specialists provide trainings and PPE equipment assessments for the following concepts:

- Eye Protection product selection/rationalization, fit testing
- Hearing Conservation fit testing
- Face and Head Protection
- Respiratory Protection qualitative fit testing
- Skin Care Needs Analysis prevention/reduction of occupational dermatitis, reduction of sick days
- Hand Protection job-specific assessments, product testing
- Fall Protection application assessment, harness/lanyard inspection, competent person training
- Ladder Inspection and Certification
- Hoist and Sling Inspection and Certification
- Heat Stress Evaluation program development
- Spill Containment and Flammable Storage
- Lock Out/Tag Out Program
- AED, BBP, First Aid Training
- ARC Flash Assessments



#### **Energy Efficient Lighting Audits and Training:**

Fastenal works in conjunction with our lighting vendors to provide energy efficient lighting audits and training as a value-added service for customers. This program includes:

- Lamp/Ballast Standardization Recommendations
- Lighting Energy Audits/Analysis/Presentations
- Energy Saving Initiatives Specific to Lighting/Ballast
- Sustainability Initiatives Specific to Lighting/Ballast & Other Products
- Product Design Recommendation/Implementation of the Latest in LED Technology for Enhanced Energy and Maintenance Saving Strategies
- Lighting upgrade installation and project management

#### Green and Sustainability Training:

Fastenal's Certified Vendor Training includes information about green and sustainability initiatives offered by our various manufacturer partners. We also offer training on our green and sustainability product reporting and ways NASPO ValuePoint ordering entities can work with Fastenal's Sustainability Coordinator to establish goals and manage spend to achieve their goals.

#### **Annual Customer Show**

Fastenal hosts an annual customer show to provide a venue for customers and manufacturing partners to participate in new product rollouts, cost savings training, demonstration of solutions, etc. Additionally, NASPO ValuePoint members are afforded an opportunity for government cooperative training provided by National Cooperative Procurement Partners (NCPP).

#### 6.6.4. Delivery

6.6.4.1 Delivery time for in-stock items should not exceed 24-48 hours for all points within in the Participating States. Non-stocked items must be delivered within 10 working days. The





Participating State reserve the right to impose restrictions. Explain in detail your delivery policy.

Fastenal has the ability to exceed the solicitation delivery requirements of in-stock items delivered within 24-48 hours by providing same-day **inside delivery** of many in-stock items. In fact, 'same-day' may be too broad of a term. The maps below show the area NASPO ValuePoint members can shop or will-call within 30 minutes and 60 minutes. As you can see, if a NASPO ValuePoint member has a need, they can generally fulfill the need within the hour.





Fastenal prides itself on its local presence, which provides us with a unique position in the market to make **inside deliveries** same-day to NASPO ValuePoint members across the entire United States. Our network of 2,100+ branches allows us to get the products needed to the end user with remarkable efficiency. We further streamline the supply chain by utilizing our own fleet of over 300 tractor-trailers that get our product to the local servicing branch from one of our 17 regional distribution centers. This means we do not rely exclusively on 3rd party carriers in order to get the product to where you need it.

In 2016 alone, Fastenal-owned vehicles drove 143 million miles and delivered 689 million pounds of product to Fastenal branches. This product was then delivered by our fleet of over 7,500 pickup trucks to our customer locations to service 45,000+ bin stocks, 63,000+ vending devices and 600+ customer onsite locations. Our Customer Service Project in 2016 greatly expanded the product offering in-branch as well, assisting in the diversification of product availability for increased same day delivery response.

#### 6.6.4.2 Specify Guaranteed Delivery Time for In-Stock Items.

Fastenal's guaranteed delivery time for In-stock Items does not exceed 24 to 48 hours. Delivery times in AK, HI, PR, and GU may differ.

#### 6.6.4.3 Specify Guaranteed Delivery Time for Non-Stock Items.

Fastenal's guaranteed delivery time for Non-stock Items does not exceed 10 days from the date of order. Delivery times in AK, HI, PR, and GU may differ.

#### 6.6.4.4 SDS must accompany all orders at the time of delivery (where applicable).

SDS sheets are available for all applicable products on fastenal.com or upon request at any branch location.

6.6.4.5 The Participating States expect high delivery standards from all contractors. Penalties may be imposed on contractors that have continual late deliveries. These penalties may include but are not limited to cancellation of orders, request for discounted pricing, non-use of an offending contractor or cancellation of the contractor's participating addendum(s).





Fastenal acknowledges section 6.6.4.5.

#### 6.6.5. Shipping

6.6.5.1 All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package:

Authorized Purchaser; Delivery Address; Purchasing entity and floor; Contact; and

Telephone number.

Fastenal can comply with the solicitation requirement to provide **inside delivery** to the purchasing department/division address and with all exterior package requirements. Fastenal is uniquely positioned to provide **inside delivery** directly to the purchaser. Because we utilize our local branch personnel and company-owned fleet for shipping and delivery, all shipments can be **delivered inside**, directly to the

6.6.5.2 A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order:

Line item description;

purchaser, by a local Fastenal representative.

Date ordered:

Quantity ordered;

Quantity included in shipment;

Any backordered items;

Unit Price and extension;

Number of parcels;

Purchase Order Number:

Purchasing entity name; and

F.O.B. Destination.

Fastenal can comply with all packing slip requirements.

- 6.6.5.3 Describe in detail how your company has implemented environmentally sound shipping and transportation practices. For example:
  - Is your company a US EPA SmartWay Partner?

Yes, Fastenal has 360 Commercial Motor Vehicles in class 6/7/8 (straight trucks and semis) which are SmartWay compliant.

• Does your company use alternative fuel vehicles (e.g., electric, battery hybrid electric, bio-based diesel, etc.?

Fastenal has straight trucks and semis which run on bio-diesel.

 Does your company reduce energy usage or other environmental impacts during shipping?

Fastenal's truck routes are established with Global Information System (GIS) to maximize fuel efficiency. Fastenal also strategically plots out its branch delivery routes to maximize customer service while keeping fuel consumption in check. Fastenal's Commercial Motor Vehicles and standard pickup trucks are late model vehicles that achieve a higher miles per gallon rate than just a few years ago, thus reducing our carbon footprint. Additionally, we re-use shipping materials (boxes, etc.) as we are able, encourage drivers not to idle their trucks, and have a recycling program at our distribution centers for pallet wrap, cardboard, etc.





6.6.6. Implementation

6.6.6.1 Implementation of this contract is vital to the Participating States. Describe in detail your implementation program including an estimated time line to include at minimum the following points.

As an incumbent NASPO ValuePoint contractor since 2011, Fastenal has demonstrated competence in the administration, marketing, and compliance with the terms and conditions of the NASPO ValuePoint contract. Fastenal has 44 state-wide MRO contracts, 31 of which are with states that have signed a NASPO ValuePoint participating addendum. Additionally, Fastenal has over 15 years of experience implementing many state-wide MRO contracts with cooperative use features. These statewide contracts span the spectrum of city, county, and state government agencies and utilize participating addendums.

Over the last five years Fastenal has increased the number of NASPO ValuePoint accounts by 144% and increased sales 103%. This growth demonstrates that we have successfully implemented the NASPO ValuePoint contract nationally. Fastenal's experienced government sales team has a close relationship with each state and our large local presence of more than 2,100 branches and 10,200 local sales people ensures the successful implementation of the NASPO ValuePoint contract.

6.6.2 Describe in detail the Offeror's implementation plan, including all process steps.

Fastenal's implementation plan will roll out in three phases: Announcement of the NASPO ValuePoint award; Execution of the Participating Addendums with current and potential NASPO ValuePoint States; and Implementation of the State Agreements with State Agencies and Political Subdivisions.



#### PHASE 1 ACTIVITIES

- Make immediate company announcement on our intranet site and release Fast News video to all Fastenal employees.
- Circulate press release announcement through AP, trade publications, and post on social media and Fastenal.com.
- Release video message from our President/CEO Dan Florness to all Fastenal employees endorsing the new NASPO ValuePoint Master Service Agreement.
- Hold conference calls with Fastenal sales leadership to discuss the details of the NASPO ValuePoint award and implementation plan.
- Schedule meetings with key decision makers within all states and territories.
- Publish a NASPO ValuePoint article in our Fastenal Quarterly newsletter which is distributed to all 20,000+ Fastenal employees.
- Update the internal NASPO ValuePoint landing page on our intranet site where Fastenal sales representatives will be directed to access: Master Service Agreement information, NASPO ValuePoint support contacts, Fastenal School of Business training, and a downloadable training document to help prepare for sales calls.
- Update the Fastenal.com landing page dedicated to NASPO ValuePoint contract information: https://www.fastenal.com/naspo-value-point.

DAYS 11-30

EXECUTION OF THE PARTICIPATING ADDENDUMS

DAYS 31-60

AGREEMENTS WITH STATE AGENCIES AND POLITICAL

#### **PHASE 2 ACTIVITIES**

- Meet with state contract administration personnel to understand the unique needs of each state, key initiatives, scope of the contract and cooperative use rules.
- Customize the NASPO ValuePoint contract to meet the states' needs through market baskets, vending, onsite, vendor managed inventory, delivery, administrative fees, incentives, and marketing requirements.
- Work with each Participating State to obtain a listing of all entities who can utilize the NASPO ValuePoint Master Agreement and obtain cooperative use rules and regulations.
- · Execute a participating addendum within each State.

#### PHASE 3 ACTIVITIES

- Launch email and telemarketing campaign to all Fastenal employees in Participating NASPO ValuePoint States detailing the NASPO ValuePoint Master Service agreement and action items for the coming weeks to support the agreement.
- Update the state landing pages on Fastenal.com detailing the state agreement.
- Update co-branded marketing materials with state agencies which will be available for Fastenal sales representatives on the NASPO ValuePoint intranet landing page. These marketing materials include:
  - Each state's economic impact statement
  - NASPO ValuePoint Master Service Agreement executive summary-customized for each state
  - Product-specific flyers for: Facilities Maintenance, Lighting, and Industrial Supplies & Tools
  - Sustainable products & solutions
  - o Supplier Diversity products & solutions
  - FAST Solutions resources (vending, onsite, bin stock and eBusiness solutions)
  - Emergency preparedness plan
- Complete NASPO ValuePoint training with each local branch within their Participating State to ensure each branch understands the scope of the NASPO ValuePoint contract within their state.
- Distribute co-branded NASPO ValuePoint literature and Partner Brochure to all current state and local government agencies in each Participating State via our local Fastenal sales employees.
- Hold the NASPO ValuePoint implementation meeting with each participating state. Implementation meetings with the customer can be set up as an in-person meeting, E-Learn Center, webinar, conference calls, and/or audio/video.





The implementation team will include: Regional & State Government Sales representatives, District Managers, General Managers, local Outside Sales Representatives, and others as required. Each local Fastenal branch will work with its Regional & State Government Sales representative to initiate the NASPO ValuePoint Implementation Workshops for current and potential government customers.

NASPO VALUEPOINT IMPLEMENTATION MEETING						
Stage 1 (Initial Preparation & Strategy Session)	Stage 2 (Action Steps)					
<ul> <li>Custom needs analysis</li> <li>Evaluate resources needed</li> <li>Establish implementation strategy to meet states' unique needs</li> <li>Develop project timeline (implementation team)</li> <li>Develop event details</li> <li>Create and distribute co-branded customized flyer and/or email for event</li> <li>Collaborate with implementation team on items needed for workshop success</li> </ul>	<ul> <li>Confirm internal and external workshop attendees</li> <li>Create goals for each NASPO ValuePoint customer</li> <li>Begin workshops at specified customer sites</li> <li>Perform NASPO ValuePoint customer site analysis</li> <li>Educate NASPO ValuePoint members on various methods available to acquire products within the contract.</li> <li>Learn how to register for an account on www.fastenal.com and other E-Commerce platforms</li> <li>Learn about Fastenal's government-specific services and solutions, including but not limited to: Vending, Onsite, Sustainable Products &amp; Solutions, Supplier Diversity, Emergency Preparedness, Cost Savings, and more</li> <li>Set up monthly, quarterly or semi-annual business reviews to ensure key objectives and cost saving measures are being met with each State.</li> <li>Monitor cost savings goals, continuous improvement initiatives, training, service implementation and outreach initiatives to ensure successful implementation of the customer needs and requirements.</li> </ul>					

#### Strategic Marketing:

Fastenal's marketing team is committed to promoting Fastenal's products, services, solutions, and preeminent customer service to all state government departments, institutions of higher education, agencies, and political subdivisions. Our team will execute a strategic marketing plan that will be rolled out in conjunction with the NASPO ValuePoint implementation/ training program.

This plan will focus on promoting both organizations and will ensure that our sales force and current and potential government customers understand the power of Fastenal and NASPO ValuePoint working together. We will utilize our considerable internal resources to achieve success, including our in-house Marketing and Graphic Design teams, print shop, and vinyl shop.



Our go-to-market strategy is to educate our sales and support personnel, provide tools to grow our local sales representatives' business through the NASPO ValuePoint Master Service Agreement, and promote the NASPO ValuePoint agreement to our customers at every available opportunity.

#### Marketing Channels:



#### **Print Marketing**

Our in-house Marketing, Graphic Design, and Print and Vinyl Shop teams will assist our Government Sales team and local branches in developing customized NASPO ValuePoint literature for our current and potential customers. Our teams work under quick turn-around times and are able to produce printed literature at a substantially lower cost than outside print vendors. We also publish barcodes on all of our printed literature, which allows us to track each piece's distribution and sales impact down to the individual customer level. Our print marketing materials include flyers, linecards, brochures, catalogs, direct mail, advertisements, and more.

#### **Online Marketing**

Fastenal.com

Fastenal has focused tremendous effort and resources toward improving our site functionality, performance, and product availability. The growing awareness of our website, both internally and externally, has created many opportunities for us to market our products, services, and solutions through targeted approaches via referral sources, searches on our website, etc. Upon award of the NASPO ValuePoint Master Service Agreement, our Web

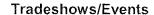


Marketing team will update and monitor NASPO ValuePoint's landing page and develop targeted campaigns to continue to drive traffic to this page. Web promotions can also be developed at the discretion of NASPO ValuePoint and the Government Sales team.



#### Email Marketing

Fastenal's email marketing program has a proven track record of reaching active email subscribers. We will support the NASPO ValuePoint Master Service Agreement by developing co-branded, customized email campaigns. One thing that makes our program unique is that customers receive personalized emails from their Fastenal sales representative, improving campaign effectiveness while helping to grow customer relationships. Our email marketing program also offers detailed reporting for our Government Sales and local sales teams, which will be crucial to measuring the success of the email marketing program promoting the NASPO ValuePoint Master Service Agreement to current and potential customers.



Fastenal is committed to attending government tradeshows when applicable. Tradeshows we have attended and will continue to participate in are:

- NASPO Exchange
- NIGP
- NAEP
- Various Participating State shows, as opportunities arise
- Various Green/Sustainable and Supplier Diversity shows

We also host our own annual tradeshow events, which provide an excellent venue to showcase our government capabilities to thousands of employees, suppliers and customers. Upon award of the NASPO ValuePoint Master Service Agreement, Fastenal







will commit to promoting and providing training for the NASPO ValuePoint contract at the Fastenal Customer Show in Nashville, TN.

Key Implementation & Marketing Support Contacts

Jeff Hicks VP of Government Sales

Ryan Ash

Bill Franssen

Richard Warren

Zach Wise

Director of Government Sales – West

Director of Government Sales – East

Director of Government Sales – Central

NASPO ValuePoint Contract Manager

Kevin Fitzgerald VP of FAST Solutions

Brooke Mlsna VP of Marketing

Donnalee Papenfuss VP of Contract Development & Support Melissa Puchalla Director of Supply Chain Compliance

## 6.6.6.3 Detail the specific information, resources, and assistance the offeror will require from each Participating State to implement the contract.

Fastenal's Government Sales Directors and Government Sales Specialists will work with each State to determine the information, resources and assistance required to implement the contract. As applicable, this information will be detailed in the participating addendum. Below are examples of the information and assistance we anticipate may be required from each Participating State:

- Identify the champion within the State to facilitate the roll-out of the NASPO ValuePoint contract to State agencies and political subdivisions
- Provide the State's expectations for participation and compliance
- Identify reporting points of contact for fee/rebate remittance (if applicable)
- Identify reporting points of contact for ESB/MBE/WBE/DV subcontracting plans and the negotiation of supplier diversity goals
- Identify the point of contact for Sustainability/Green reporting and establishment of goals
- Analyze historical spend information to identify high-use items for inclusion in the custom market basket; identify products and services that represent the best value
- Provide member with contact information and shipping locations
- Identify top customers within the state to include political subdivisions (if applicable)
- Establish clear timelines for contract implementation milestones and assign roles and responsibilities to each
- Provide marketing support linecards, logos, landing page links on state's website
- Provide suggestions for local media and government trade publications for press releases
- Host events and scheduling of contract kick-off events

## 6.6.6.4 Describe how soon from execution of the Participating Addendum the online ordering system will be available to each Participating State. If a phased implementation is planned in terms of limited functionality vs. complete functionality, please specify.

Fastenal's online ordering system is completely functional and in use today by existing NASPO ValuePoint members. Within 1 to 5 days from the execution of a participating addendum and establishing an account number at the local Fastenal branch, new ordering entities will be able to view contract pricing when logged in with their branch account number.

## 6.6.6.5 Describe in detail the Offeror's experience when implementing customer relationships of equivalent size and complexity.

As an incumbent NASPO ValuePoint contractor since 2011, Fastenal has demonstrated competence in the administration, marketing, and compliance with the terms and conditions of the NASPO ValuePoint contract. Fastenal has 44 state-wide MRO contracts, 31 of which are with states that have signed a





NASPO ValuePoint participating addendum. Additionally, Fastenal has over 15 years of experience implementing many state-wide MRO contracts with cooperative use features. These statewide contracts span the spectrum of city, county, and state government agencies and utilize participating addendums.

Fastenal has continuously grown the amount of sales and accounts under the existing NASPO ValuePoint agreement. Since 2012, Fastenal has increased the number of government agencies using the NASPO ValuePoint agreement by 144% to over 34,000 accounts and sales for those agencies have increased 103%.

With 2,100+ locations and 10,200 local sales people, Fastenal has been able to extend the full value of the NASPO ValuePoint contract to all members, big and small, rural and metro and increased the amount of customers utilizing the NASPO ValuePoint contract each and every year.

Fastenal's contract management system and internal controls ensure sound administration of the pricing, terms and conditions. Clear policies, procedures and work instructions ensure the sound execution of participating addendums and the administration of any unique terms & conditions.

## 6.6.6.6 Describe any customization abilities for different States or political subdivisions within a Participating State.

#### Tailored Local Inventory:

The most important customization ability that Fastenal offers is the ability to customize the inventory stocked at our 2,100 local branches to reflect the needs of individual State agencies or political subdivisions for same-day **inside delivery**. This ability to provide a custom stocking model based on historical usage and/or planned purchases is at the heart of why Fastenal is considered a strategic supplier as opposed to a transactional supplier. Fastenal's local presence allows for same-day delivery to inside locations.

#### Agency-Specific Custom Market Baskets:

The custom market basket is another area of customization offered. It reflects agency-specific, high-use items, green/environmentally preferable products, Supplier Diversity products, Community Rehabilitation Program products, and/or regional manufacturers to provide NASPO ValuePoint customers with member-specific cost savings.

#### Fastenal Vending Program

Fastenal has more than 63,000 customized vending machines in all 50 States that provide purchasing transparency, product usage reduction, and total cost of ownership cost savings. Each vending machine can be tailored to fit the specific needs of the customer and configured to the ever-changing demands of the government agency. Fastenal customers typically see 30% consumption reduction through the use of our vending program.



#### Fastenal Onsite Program

Fastenal has more than 600 onsite locations that stock product inside the customer's location. This offers the customer a completely customizable inventory management system that drives out cost in procurement and inventory management. Each onsite agreement is designed specifically to achieve the customer's cost saving goals and product needs. Advantages of this program include:

- Full program customization based on process mapping exercise.
- Dedicated onsite Fastenal team to handle all inventory management functions the first time your employees touch the product is at the point of use.
- Consigned onsite inventory within the Fastenal crib.





- Customized inventory modeling to eliminate stock-outs.
- Detailed, flexible reporting based on your business priorities.

Deep collaboration, including participation in Kaizen events and other company initiatives.



#### Fastenal Bin Stock Program

Fastenal has more than 45,000 customized bin stocks installed at customer locations. Fastenal works with each customer to develop planograms to ensure the customer has the right amount of the products they need while minimizing the inventory to reduce overstocking of products they don't need.

#### Additional Customization

Additional customization abilities include customized models for:

- Reporting Capabilities
- Rebates/Administrative Fees
- Training for Products/Applications
- Safety Audits and Training
- Lean Process Improvement

- Cost Savings Documentation
- Volume Discounts and Growth Incentives
- Restrictions and Messaging
- Supplier Diversity Programs
- Green and Sustainability Programs

#### 6.6.7. Reporting Capabilities

6.6.7.1 The offeror shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. If there are other reports available at additional pricing, information on these reports is also required. Please note the reporting requirement in the NASPO ValuePoint terms and conditions; in addition states may have additional reporting requirements.

#### **Contract Reporting**

NASPO ValuePoint's master contract reporting is submitted through the required NASPO ValuePoint reporting tool. Each participating state's spend is broken out from the NASPO ValuePoint master report and recorded accordingly. Copies of the master report are also submitted to the required parties for NASPO ValuePoint and the lead state.

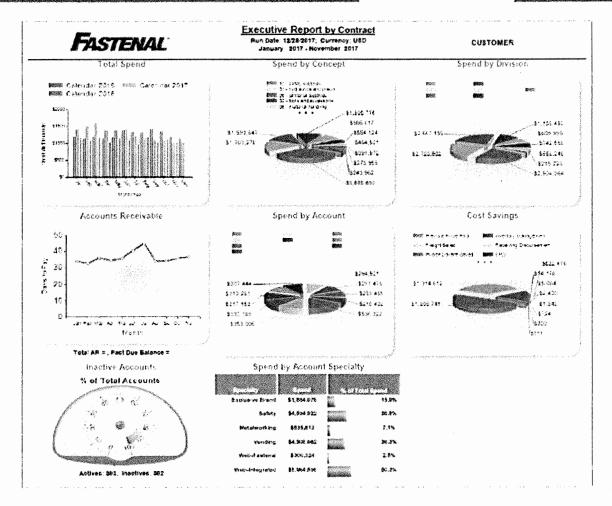
Fastenal's Contract Management and Sales Support department administers all reporting that supports the remittance of rebates, Participating States' administrative fees, cumulative discounts, volume discounts and minimum spend discounts (if any). The ideal frequency of the reporting is quarterly, however, monthly reporting can be negotiated in the participating addendum if desired.

Fastenal's Contract Management system tracks all branch accounts for NASPO ValuePoint ordering entities and generates the following reports from the invoice data which satisfy the reporting requirements stated in the NASPO ValuePoint terms & conditions:

- Net Spend Report showing spend per account under the contract.
- Usage Detail showing invoice level part detail for each account under the contract.
- Concept Spend showing contract spend within specific product categories.
- Executive Summary Report multi-faceted contract level dashboard report including total spend, spend by product category, spend by agency type, accounts receivable, spend by individual account, cost savings (freight saved, invoice dollars saved, previous price paid, receiving disbursement, inventory management, PO reduction, extra value services, other savings, vendor reduction, product source, emergency services, kiting, committed inventory, material substitution), inactive accounts, spend by account specialty.







Rebate and administrative fee remittance is substantiated by the above referenced reports. Fastenal has additional reporting available that may be negotiated at no additional charge to provide information regarding contract spend, high usage item reporting, invoice registers, outstanding invoice statements, and payment trends as needed by the customer.

#### Supplier Diversity Reporting

Tier 2 reporting is available on a quarterly basis as value added service. Reporting is available in multiple formats (Online reports, Excel spreadsheets, Word documents and other media) to meet each NASPO ValuePoint purchasing agent's needs. Fastenal's Small Business Liaison Officer will work with each Participating State to ensure proper reporting is made available throughout the life of the contract.

SAMPLE COMPANY Q2 TII	ER II SPENDING	)
Dates: April 1, 2017 through June 30, 2017		
Category	Spend	% of Total Spend
Small Business (SBE)	\$37,654	17.36%
Woman-Owned Business (WBE)	\$6,180	2.85%
Minority-Owned Business (MBE)	\$4,912	2.26%
Small, Disabled Veteran-Owned Business (SDVOB)	\$2,119	0.98%
Small, Veteran-Owned Business (SVOB)	\$1,002	0.46%
Historically Underutilized Business Zone (HUBZone)	\$371	0.17%
Small, Disadvantaged Business (SDB)	\$325	0.15%
8 (a)	\$177	0.08%
Disadvantaged Business Enterprise (DBE)	\$113	0.05%
Total Q2 Spend	\$216,916	24.37%





#### **Environmentally Preferred Products Reporting**

Fastenal's Sustainable Products Coordinator manages reporting to customers regarding environmentally preferred products (EPP). This report is available on a quarterly basis. Please see the image provided below for an example of this reporting. For the proposed market basket, nearly 20% of the list has been identified as EPP solutions available to NASPO ValuePoint members. In addition to the proposed items, Fastenal's Sustainable Products Coordinator will review usage and suggest environmentally preferred alternatives throughout the life of the contract.

SAMPLE COMPANY GREEN PRO	DUCTS Q2 SUI	VIMARY
Dates: April 1, 2017 through	June 30, 2017	
Category	Spend	% of Total Spend
Environmentally Preferred	\$33,262	15.32%
Leadership in Energy & Environmental Design (LEED)	\$9,182	4.23%
Green Seal	\$4,379	2.02%
ENERGY STAR	\$1,191	0.55%
EcoLogo	\$980	0.46%
GREENGUARD	\$925	0.41%
Design for Environment (DfE)	\$759	0.37%
UL Environment Certified	\$515	0.23%
Sustainable Forestry Initiative (SFI)	\$441	0.18%
Forest Stewardship Council Certified (FSC)	\$359	0.18%
Carpet & Rug Institute Seal of Approval	\$253	0.14%
USDA BioPreferred	\$239	0.10%
Total Q2 Spend (Incl, Non-Green)	\$997,814	24.19%

#### **FAST Solutions Reporting**

In addition to controlling product consumption, our FAST Solutions vending program allows your organization to unveil complete transparency all the way down to the individual user. Prior to vending an item, users can be prompted to enter up to five levels of user-defined information (e.g., department, group, cost center, project, etc.), enabling management to track usage accordingly. Please see the list below for an overview of the various data collection points that you can view. Because the software that runs the machines is web-hosted, all of this information is available online in real-time, 24/7. Transactional reports can be uploaded into the customer's ERP system or exported into excel.

FAST SOLUTIO	NS REPORTING
Current Inventory Report	Usage by Machine
Restock Report Sorted by Department By Machine	Master Transactions
Restock Sorted by Vendor	Transactions by Employee
Item Usage by Employee	Transactions by Item
Usage by Item by Employee	Monthly Summary of Usage by Item
Consumption by Employee	Monthly Summary of Usage by Department
Consumption by Vendor	Low Usage Items
Consumption Comparison	High Usage Items
Usage by Department	Comparative Usage Reports
Usage by Vendor	Stock Out Report
Usage by Item	

#### Workflow Management Reports via Online Catalog

The Workflow Management feature within the NASPO ValuePoint online catalog has built-in reporting capabilities for managers to view, authorize, and approve purchases made online. This feature provides the ability to define three levels of authorization, access, and approval. The top level has authorization ability and visibility globally. The second level allows certain personnel to authorize and approve orders,





with visibility to all orders they have approved. These users also have the ability to order. The third level has access to order only, with no authority to approve orders.

#### NASPO ValuePoint Online Catalog Reporting

Fastenal's online ordering system provides robust reporting for ordering entities to manage their budgets and track their purchases. Available online reporting includes:

- Usage Reporting View and review your purchasing patterns over a selected time period
- Open Balances and Statements View and print any Fastenal invoice with an open balance. This includes all orders placed with Fastenal, regardless if placed online or not.
- Order Status and Tracking NASPO ValuePoint members can see the status of their orders at any time during the order process. 3rd party tracking numbers are made available in status updates where applicable, and the local branch can provide tracking information on branch-delivered parts.
- Order History View history of orders placed online with Fastenal.com. Previous orders can be reordered and edited for future use.
- FAST Solutions Vending Reports View your vending items and consumption. See "FAST Solutions Reporting" above for detail.
- Planogram Bin Location Reports View items, locations, and consumption for inventory Fastenal manages for you.

#### Cost Savings & Continuous Improvement Documentation and Reporting

Fastenal can provide monthly cost savings reports documenting our progress towards a mutually agreed upon cost reduction target goal. Hard and soft cost savings are reported through Fastenal's point-of-sale (POS) computer system, which will document our progress towards your cost reduction target on a daily basis. Some of the metrics that are typically targeted for cost savings reporting include:

- Price Improvements
- Substitutions
- Inventory Reduction
- Consumption Reduction
- Freight
- Labor Savings
- Training

- Vendor Consolidation
- Rebates/VIA
- Purchase Order Reduction
- Emergency Services
- Specialty Services (Engineering, Safety, Metalworking)
- Waived Fees
- 6.6.7.2 Explain your company auditing policy to ensure that pricing and services are in compliance with the contract. Explain your policy for revenue recovery in the event that any auditing reveals incorrect pricing.

Fastenal is committed to contract compliance. When contracts are implemented, terms and conditions are entered by our contract compliance team and controlled by this group for the life of the contract to ensure compliance on a local level. Regular business reviews are conducted with the customer to ensure the terms and conditions established in the contract are fully executed.

Fastenal's contract compliance team regularly conducts price audit reviews. If a price audit reveals any pricing inaccuracies due to timing or other issues, Fastenal investigates and rectifies the cause of the inaccuracies and communicates the results to the contract holder. Any discrepancies are settled through check or account credit at the contract holder's discretion.

6.6.7.3 Does your company provide a green product spend report? Please describe how your company reports environmentally preferable product purchases.

#### **Environmentally Preferred Products Reporting**

Fastenal's Sustainable Products Coordinator manages reporting to customers regarding environmentally preferred products (EPP). This report is available on a quarterly basis. Please see the image provided below for an example of this reporting. For the proposed market basket, nearly 20% of the list has been





identified as EPP solutions available to NASPO ValuePoint members. In addition to the proposed items, Fastenal's Sustainable Products Coordinator will review usage and suggest environmentally preferred alternatives throughout the life of the contract.

Dates: April 1, 2017 through	June 30, 2017	W. C.
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USDA BioPreferred	\$239	0.10%
Total Q2 Spend (Incl, Non-Green)	\$997,814	24.19%

#### 6.6.8. Sustainability/Environmental Practices

Sustainability and sound environmental practices are important to many of the Participating States. Thoroughly describe your sustainability and environmental practices that you currently have in place. This description should include the following:

#### (1) Sustainability Program

a. Does your company have a corporate-wide sustainability policy? If yes, attach or provide a link to your sustainability policy as well as any related policy initiatives such as a Climate Action Plan, a Zero Waste Policy, a Toxics Reduction Strategy, or a Green Fleet Policy. Also, please summarize what your corporate sustainability policy directs your company to do.

Fastenal Company is self-certified to the international standard for environmental management systems, ISO 14001, and conducts annual audits to evaluate our performance and recommend future initiatives. Additionally, Fastenal has a Green Policy Statement which can be viewed at <a href="https://www.fastenal.com/en/96/green-corporate-responsibility">https://www.fastenal.com/en/96/green-corporate-responsibility</a>

b. Describe the key elements of your company's sustainability program including sustainability staff positions, qualifications and training.

Fastenal's green policy is to proactively seek ways to improve our green credentials as part of our continuous process improvement. Our green strategy is also aligned with our government contract compliance initiatives and corporate social responsibility initiatives. It is our mission to operate our business in the most environmentally-friendly way possible.

#### Staff

Dedicated roles that help advocate for environmentally sound solutions:

- Sustainability Manager(s) at the Distribution Centers focused on recycling.
- Compliance Specialist within Supply Chain acting as the key liaison for suppliers and products that result in Fastenal's offering today.
- Corporate Environmental Health and Safety Director David Olson is a registered environmental professional and certified safety professional.
- Corporate Environmental Health and Safety Managers oversee our ISO 14001 efforts, along with the EHS Management System Team. The EHS Management System Team oversees annual





audits and provides strategic direction. This includes Lead Environmental Auditors Randy Parnow and Brooke Applequist.

#### **Green Offering**

- Establishing a green product offering from key vendors for national distribution and clearly identifying those items in our marketing materials, catalog, web site, and branches.
- Offering recycling programs for lamps, ballasts, mercury-containing devices, batteries, printer cartridges, and PPE safety products ensuring safer disposal.
- Partnering with lighting specialists to assist in planning, specification and implementation of retrofit projects.

#### **Green Efforts – Internal Consumption**

- Receiving electronic POs, invoices, and other business documents from vendors and customers whenever possible
- Purchasing green products from our suppliers
- Capturing green consumption data on our usage reports and cost savings documentation

#### Reduce-Reuse-Recycle

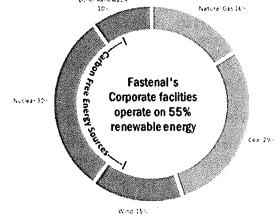
- Reducing waste and recycling & reusing materials at every opportunity
- Reusing or recycling most of our incoming packaging materials (cardboard, polystyrene, shredded paper, air bags, pallets, etc.)
- · Using composite pallets and totes for shipping, and our corrugated boxes used for repackaging are made from post-consumer recycled content.
- Recycling our old computers and spent fluorescent lamps, ballasts, batteries, and printer cartridges.
- Repairing rather than throwing away whenever possible.
- A sampling of 100 Fastenal locations has revealed that over 730 tons of material were recycled between 2015 and today at these locations. This equates to a reduction of 2,346 metric tons in Greenhouse Gas emissions over the last 3 years.
- So far in 2017, nearly 350 tons of cardboard have been recycled by five of our eleven distribution centers. (Although all DCs participate in the recycling efforts described above, tonnage information was not readily available from all DCs.)

#### Energy

- Reducing our electrical energy consumption
- Retrofitting our distribution centers with energy-efficient lighting systems.
- 55% of the electricity used to power Fastenal's corporate facilities in Winona, MN is sourced from Carbon Free, renewable energy sources. These sources include wind, nuclear, and other renewable sources like hydro, biomass, and solar.

#### Fleet & Transport

- Operating our own fleet and distribution network, allowing us to closely monitor and control fuel consumption.
- Wind 15% Designing truck routes with Geographic Information Systems (GIS) to maximize fuel efficiency and minimize miles traveled with empty trucks.







c. Describe Proposer's environmental practices that are applicable to items that Proposer markets. Provide links to your published statements, policies and reports and summarize key accomplishments.

Visit https://www.fastenal.com/en/1090/promoting-sustainability to view Fastenal's Sustainability initiatives and https://www.fastenal.com/en/287/green-resources for product solutions.

#### Green Benefits of FAST Solutions - Industrial Vending

The same features and benefits that make our industrial vending machines lean also make them green. The core environmental benefit of the machines is that they reduce wasteful consumption — a result of supervisors being able to set controls limiting usage and track exactly what each employee is vending. This visibility and control creates a green ripple effect — because fewer products are used, fewer need to be produced, transported and disposed of. Additional environmental benefits result from the system's automated ordering process, web-hosted software, and re-stocking services by the local Fastenal branch.

FAST vending solutions "green" checklist:

- Reduces product consumption many customers are reducing consumption by 30% or more, which translates into fewer items produced, creating less waste
- Automated reordering the local Fastenal branch receives an automated order when stock runs low, eliminating paperwork, and in turn, paper, ink, toner, and processing
- Increases productivity less time traveling to the tool crib = less machine idle time
- Eliminates stock outs and rush orders no extra trips, saves fuel, lowers emissions
- It's a true Internet appliance meaning no hard drives to draw power, and no extra PCs to end
  up in landfills
- Low energy consumption many FAST Solutions use less energy than a standard light bulb
- Supports compliance can be stocked with broad range of environmentally preferred products available through Fastenal

#### (2) Product Take Back/End of Life:

a. Provide a list of products for which you provide end of life take-back and recycling (e.g. fluorescent lamps, batteries, solvents, metals, etc.). List subcontractors if any you use for these services. List any fees or conditions for these services. Certificates of Disposal must be provided for hazardous waste. This is an EPA requirement.

Products with recycling solutions are clearly identified in on-line catalogs and Fastenal.com with the symbol to the right. Fastenal currently offers recycling solutions for lamps, ballasts, mercury-containing devices, batteries, printer cartridges, and personal protective equipment.



- Ink & Toner Cartridge Recycling Fastenal also offers simple, convenient recycling of printer cartridges. Let us do the work for you; it's easy, quick and free.
- RecyclePak® When the container is full, simply ship it out it's prepaid. Fastenal offers a
  wide range of RecyclePak packaging to meet your hazardous material recycling needs.

Visit Fastenal's Recycling Programs page for more information on each programs https://www.fastenal.com/en/308/recycling-programs.

b. Proposers are to minimize or eliminate the use of disposable containers; is made from recycled content or other bio-based fibers; is easily recyclable, contains a minimum of 25% by weight of post-consumer materials; and/or meets or exceeds the minimum post-consumer content level for respective packaging in the U.S. Environmental Protection Agency Comprehensive Procurement Guidelines.

Fastenal has implemented the above expectations and guidelines into our Standard Operating Procedures (SOP) document. This document is provided to every vendor Fastenal distributes products





for at the beginning of the relationship and each year at the time of contract renewal. These expectations are reviewed and managed by the Supplier Operations and Logistics teams to ensure that compliance and guidance is provided. Local Fastenal branches utilize latex-free bags and recycled content boxes when packaging product for customers. Recycled content bags are available upon request, and most can be re-used and/or recycled.

Additionally, Fastenal has outfitted our distribution centers with automated storage and retrieval systems (ASRS). We have 1.3 million reusable totes in our ASRS systems, which has allowed us to reduce our cardboard waste by upwards of 50% in the last 10 years, while doubling our sales output from \$2 to \$4 billion worth of product.

c. Proposers are to provide packaging that does not contain inks, dyes, pigments, adhesives, stabilizers, or any other additives to which any lead, cadmium, mercury or hexavalent chromium has been included as an element during manufacture or distribution in such a way that the sum of the concentrations levels of such lead, cadmium, mercury or hexavalent chromium exceed the following concentration level: 100 parts per million by weight (0.01%).

Fastenal has implemented the above expectations and guidelines into our Standard Operating Procedures (SOP) and Supplier Terms and Code of Conduct documents. These documents are provided to every vendor Fastenal distributes products for at the beginning of the relationship and at contract renewal time. These expectations are reviewed and managed by the Material Declarations and Supply Chain Compliance teams to ensure that compliance and guidance is provided.

d. All drums shall remain the property of the supplier.

Empty drums shall not become the property of the affected state entity under any circumstance or condition. All empty drums, including their respective caps, plugs, or bungs, shall be collected by the supplier within a reasonable time frame specified by the affected state entity for reuse or recycling via the most reasonable transport method.

All drums shall remain the property of Fastenal. Empty drums, including their respective caps, plugs and bungs, will be collected by the local Fastenal branch within a reasonable time frame as specified by the state entity. Fastenal will reuse or recycle the drums after they have been transported back to our distribution center via company-owned transport, which is the most reasonable transport method available.

#### (3) Product Choice:

 a. Proposers green claims are consistent with the Federal Trade Commission's Green Guides. (for more information visit: https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides)
 Yes X No_____

#### (4) Other Sustainability Practices:

b. Offerors may provide additional information their company's sustainability policies, practices and/or achievements. Attach appropriate documentation to substantiate claim.

Fastenal has partnered with companies such as US Energy Recovery to perform energy audits on our branch and distribution locations as a means to reduce our carbon footprint. Below is an example of an audit performed at one of Fastenal's distribution centers.



Fastenal Atlanta DC Fastenal Co. Jamey Koehler 6445 Fulton Industrial Blvd Atlanta, GA 30336

#### **Power Generation Emissions Reduction**

The proposed energy reduction project will help decrease air pollution and environmental damage by the following amounts over the 2D year lifecycle of the product:

# GO₂ SO₂ NO GH₂

Carbon Oloxide

Sulfur Dioxide

Nitrogen Oxide

Methane

ANNUAL	350.53 tons	0.62 tons	0.21 tons	12.79 pounds
UFECYCLE	7,010,64 tons	12.32 tons	4.10 tons	255.72 pounds

lower deneration Emissions Reduction is calculated for the State work is to be performed with calculated by the 2012 Emissions & Generation Resource Integrated Detabases

#### **Effective Environmental Impact**



,314 Acres



2,037 Cars

or

1,041,009 Gallons

#### Social Responsibility

Proposal #:
Proposal Date:

17202160-1-0 10/30/2017 Jim Powell 500-834-9757



Beyond the energy savings of our projects we firmly believe it is important to enrich the communities of our customers and their employees. "First Fruits" are the first portion of anything we receive. U.S. Energy Recovery established First Fruits, a program through which we give a percentage of each project to local non-profit organizations that support the community.

What this means is that a total of

\$2,350.96

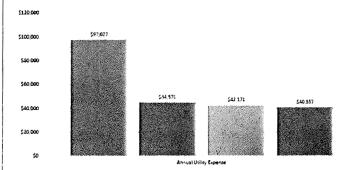
from this project is immediately directed toward efforts beyond Fastenal Co.. Together, we celebrate how this project helps fuel some significant stories in the community.

### US ENERGY RECOVERY

AN ENERGY SOLUTIONS TECHNOLOGY COMPANY

Fastenal Atlanta DC Fastenal Co. Jamey Koehler 6445 Fulton Industrial Blvd Atlanta, GA 30336

#### Proposed Energy Savings



Utility Provider Georgia Power-Sout		ower-Southern
Mean kWh Rate	Georgia	\$0.087
sherery wassessendering	KWh	*
Existing System Consumption	1,115,251	\$97,027
Proposed Consumption (Base Fixtures)	512,391	\$44,578
Proposed Consumption (Base Fixtures Incl. Controls)	484,727	\$42,171
Proposed Annual System Energy Reduction	630,525	\$54,856
COOLING LOAD BEDIEFION	A 10	
Potential Cooling Load Savings (GA, Atlanta)	18,555	\$1,614
ASHRAE Factor	0.35	
Total Annual Energy Savings Benefit	649,079	\$56,470

#### **Energy Savings: Overview**

Proposal #: Proposal Date: Energy Consultant: 17202160-1-0 10/30/2017 Jim Powell 800-834-8737

#### Peak Demand Reduction

Peak Demand Reduction	
DISPLACED CAPACITY (kW)	
Existing	176 79
Proposed	78.62
Proposed Displaced Capacity (kW)	98.17
INFRASTRUCTURE DRAW (Amps)	15 G 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Existing	641
Proposed	285
Proposed Amp Load Reduction	356
TOTAL SYSTEM REDUCTION	
kW Peak Demand Reduction	56%
kWh Total Consumption Reduction	57%
Displaced Capacity (kW)	
	176 79
	1,6,7
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- 6.6.9. Emerging Small Business, Minority Business Enterprise, Women Business Enterprise, And Disabled Veteran Owned Business.
- Some Participating States, may desire to purchase products and services from ESB/MBE/WBE/DV & DBE companies. Some Participating States may or may not have an ESB/MBE/WBE/DV & DBE program and therefore each state will integrate this desirable into its Participating Addendum, if applicable. In some Participating States, to qualify as an ESB/MBE/WBE/DV & DBE supplier the listed companies must be registered with either the government or a recognized certifying entity and provide a certification type and number. Registered ESB/MBE/WBE/DV & DBE companies must be operating from a legitimate commercial site, carry all applicable insurance policies, required business licenses, and have operated continuously for at least two years. Please explain how the Offeror will provide opportunity for, ESB/MBE/WBE/DV & DBE companies.

Throughout the life of the contract, the Small Business Liaison Officer (SBLO) will focus on historic usage to identify areas for increased participation and share those opportunities with the servicing Fastenal branches and Participating States. Progress can be tracked by the Supplier Diversity quarterly reporting as explained in administration and marketing section 6.6.7.1 of this proposal.

Fastenal Company will provide opportunity for ESB/MBE/WBE/DV & DBE companies by continuing to aggressively bring together diverse business enterprises to build productive relationships and new opportunities for all of our business partners. In 2016, Fastenal's spend with WBE/MBE products exceeded \$49 million, representing over 1,000 woman-owned suppliers and over 500 minority-owned suppliers. More than 6,500 ESB/SBE suppliers are included in our Tier 2 program, accounting for over \$490 million in spend in 2016.

Fastenal's Supply Chain Diversity team has an understanding of each Participating State's ESB/MBE/WBE/DV program. This team is dedicated to meeting those needs by providing local service and support through each Fastenal branch. Educating each servicing branch on the availability of ESB/MBE/WBE/DV products is key, followed by continuous outreach to help increase participation and create opportunities for local businesses. The Participating States looking for items supplied or manufactured by a small or Diverse US Business whether using customized integrated punch-out solutions, NASPO ValuePoint eMarket Center or online ordering should look for the identifier shown below.

The Supplier Diversity identifier is published on catalogs, marketing materials and Fastenal.com. This icon indicates product supplied by a SBE, MBE, WBE, SDB, HUBZone, VBE, or SDVBE certified business.



#### **Supplier Diversity**

This item is supplied or manufactured by a Small and/or Diverse US Business.

- 6.6.9.2 At a minimum, the following policies and practices must be described in detail:
- 6.6.9.2.1 Describe in detail how the Offeror will work with the registered companies to determine what products can be a part of the contract.

Each registered company will have a set of guidelines regarding the type of certifications that may apply. Fastenal's Supplier Diversity Team is aware of each Participating State's program for ESB/MBE/WBE/DVs, and products offered and proposed will work towards meeting those goals. Fastenal is committed to working with small and diverse businesses to promote opportunities and outreach for local businesses upon award. Outreach includes trade show involvement, workshops and training, marketing support, and the monitoring of performance to evaluate compliance with the agreed upon goals.





Each Participating State has a Unified Certification Program plan that will be supported by Fastenal's Diversity Team and initiatives. The Supplier Diversity team will review supplier profiles and help match the customer's needs to the supplier's capabilities.

#### Additional focus:

- · Potential early involvement in the design and establishment of requirements
- · Realistic and understandable specifications
- Accurate forecasting of our anticipated needs and timely distribution of pertinent information

### 6.6.9.2.2 Describe in detail how the Offeror will track all ESB/MBE/WBE/DV & DBE Products and services, including ordering, delivery, and invoicing.

Detailed usage reporting will be made available to each Participating State. Although there is a standard report format, Fastenal is able to customize the format of these reports to meet each purchasing agent's needs. From online reports to Microsoft Excel forms, reporting can provide as little or as much detail as needed to promote participation throughout the life of the contract.

Today, all reports are based on historic invoice summaries. Every purchase made is reviewed over a specific time period.

SAMPLE COMPANY Q2 TIER II SPENDING		
Dates: April 1, 2017 through	June 30, 2017	
Category	Spend	% of Total Spend
Small Business (SBE)	\$37,654	17.36%
Woman-Owned Business (WBE)	\$6,180	2.85%
Minority-Owned Business (MBE)	\$4,912	2.26%
Small, Disabled Veteran-Owned Business (SDVOB)	\$2,119	0.98%
Small, Veteran-Owned Business (SVOB)	\$1,002	0.46%
Historically Underutilized Business Zone (HUBZone)	\$371	0.17%
Small, Disadvantaged Business (SDB)	\$325	0.15%
8 (a)	\$177	0.08%
Disadvantaged Business Enterprise (DBE)	\$113	0.05%
Total Q2 Spend	\$216,916	24.37%

### 6.6.9.2.3 Provide a list of Products that may be available to be purchased from ESB/MBE/WBE/DV & DBE companies under the proposed Contract.

Product categories that are available to be purchased from ESB/MBE/WBE/DV suppliers on Fastenal.com are as follows: Janitorial, HVAC, Safety Supplies, Material Handling, Electronic Supplies, Paints & Chemicals, Lighting, Abrasives, Tools & Equipment, Fasteners and Office Equipment. There are 31,444 products available on Fastenal.com that are either supplied or manufactured by US Diverse Businesses.

We have available a list of key ESB/MBE/WBE/DV suppliers and their product offering overview. Every product category has options to support this initiative. More information is available upon request; please contact suppliercert@fastenal.com.

# 6.6.9.2.4 Describe how Offeror will make best efforts to increase the number of Products available to Authorized Purchasers under the Contract acquired from ESB/MBE/WBE/DV & DBE businesses.

Based on the Participating State's priority and involvement, the Supplier Diversity Team will review usage to identify areas for improvement in terms of participation with ESB/MBE/WBE manufacturers. Best efforts are focused on working with servicing Fastenal branches and the end users (departments within a Participating State).

Fastenal is a member of the National Minority Supplier Development Council (NMSDC) and participates in national and regional supplier diversity outreach events to identify potential ESB/MBE/WBE/DV & DBE





business vendors. On a statewide or regional level, Fastenal regularly participates in State-sponsored outreach events such as supplier diversity expos and vendor fairs.

In addition to outreach events, Fastenal's Supplier Diversity section on www.fastenal.com encourages ESB/MBE/WBE/DV & DBE businesses to complete our vendor application for consideration. As part of our Suppler Diversity Manager's efforts to meet contract goals, review of State directories of certified vendors and coordination with State agencies responsible for supplier diversity efforts are routinely conducted.

### 6.6.9.2.5 Describe what other products or services the Offeror can offer within a category that supports ESB/MBE/WBE/DV & DBE suppliers.

Fastenal has developed a three-pronged approach to supply chain diversity that includes supplier diversity, vendor diversity, and a 1st tier authorized reseller program.

Fastenal's 1st tier program features strategic partners with a wide range of manufacturing, distribution and service capabilities as well as a full complement of supplier diversity certifications, including ESB/MBE/WBE/DV.

The full line of Fastenai's fasteners and industrial supplies are available for purchase through our authorized resellers. Some resellers are stocking distributors; others are service providers with agreements for Fastenal to provide logistics and distribution services in support of their customers' requirements. All authorized resellers are the vendor of record – responsible for contract negotiations, pricing, invoicing and accounts receivable management.

Our resellers also have access to our full line of FAST Solutions (vending, onsite, bin stock) and industrial services including: Custom Chain Sling Fabrication & Inspection; Custom Logo Program; Cutto-Length Metal, Chain & Cable; Hose Fabrication; Tool & Hoist Repair & Certification; and Weld-to-Length Bandsaws.

# 6.6.9.3 Community Rehabilitation Program (CRP) / Qualified Rehabilitative Facilities (QRF): Describe how the Offeror supports the use of products and/or services sourced from QRF and the CRP programs.

Fastenal is a long-standing supporter of the employment of people who are blind or disabled, with years of participation at the state level through the Community Rehabilitation Program, and at the federal level through the Ability One Program (formally JWOD).

Over the past decade Fastenal has retained the services of the Winona Occupational Resource Center (ORC) and Winona Development Achievement Center (DAC). Since 1973, Winona ORC has served community members by providing job-related services and learning opportunities in Southeast Minnesota and Western Wisconsin. Since 1963, Winona DAC has served community members by providing job-related services and learning opportunities in Southeast Minnesota. Winona ORC and Winona DAC are both 501(c)3 non-profits which partner with more than 40 businesses to create job opportunities as part of Minnesota's Community Rehabilitation Program (CRP).

#### 6.6.10. Retail Store Purchases/Will Call:

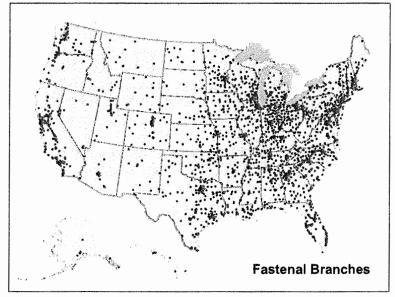
6.6.10.1 Describe the availability of contracted items through Offeror's branch locations. Please provide a list of branch locations that provide a will call service in each of the Participating States.





At Fastenal, we understand the importance of inventory being readily available in the local market to meet the unplanned needs of NASPO ValuePoint members. So, while others have embraced a centralized directship model (with a 'built-in' one-day lead time), we've never stopped working to decentralize, providing faster, better service as we move ever closer to our customers.

Fastenal is able to offer same-day will-call in 2,100+ local markets, something no other industrial supplier can do. The key to this solution has been our ability to costeffectively operate local branches in not only major cities but also small towns and areas across North America,



positioning dedicated service teams and customized inventory minutes away from the customers we serve. Please see the attached Fastenal Branch Listing.

In fact, 'same-day' may be too broad of a term. The maps below show the area NASPO ValuePoint members can shop or will-call within 30 minutes and 60 minutes. As you can see, if a NASPO ValuePoint member has a need, they can generally fulfill the need within the hour.





Fastenal's branch-based service model enables us to:

- Stock product locally for immediate availability
- Tailor local branch inventory to match our NASPO ValuePoint members' needs
- Provide industry leading in-person, flexible, value added customer service

6.6.10.2 Provide a narrative that explains how authorized purchasers will be able to make purchases at will call branch locations, make payment for those items and have those items included in the reporting.





Local branches are open during normal business hours of 7:30 a.m. to 5:00 p.m. local time, Monday through Friday. Branches may be opened after hours for emergency operations.

Local Fastenal branch location information is available 24/7 via <a href="www.fastenal.com">www.fastenal.com</a> under the Branch Locator as well as in the local phone books in more than 2,100 markets.

NASPO ValuePoint members can utilize fastenal.com to search for products that are stocked within the member's facility or available same day in the local Fastenal branch.



With more than 2,100 retail locations in the United States (including Puerto Rico and Guam), Fastenal is uniquely positioned to support emergency, spot buy and unplanned purchases from NASPO ValuePoint members. Irrespective of the ordering method – online, phone, fax, will call or walk-in/walk-out – the local branch is the primary point of fulfillment for the customer. Members are able to make a purchase at the local branch by establishing an account specific to them. The branch account is linked to the NASPO ValuePoint Master Service Agreement via Fastenal's Contract Management System – see administration and marketing section 6.6.3 for a detailed description of how the NASPO ValuePoint Master Service Agreement and Participating Addendum T&Cs are administered to the local branch account.

#### Availability of Contracted Items Through Branch Locations:

All contract items are available for purchase from the local Fastenal branch. The single most powerful feature of the Fastenal branch model is the ability of the local branch General Manager to customize their local inventory. This ability enables the branch to base their inventory on historical usage patterns or forecasts of the NASPO ValuePoint members they serve, increasing the availability of same-day availability.

#### Payment:

Authorized purchasers can make payment via credit card at the branch at the time of purchase or they can order on account and be invoiced for payment via check or EFT.

#### Local Pricing & Term Administration:

Fastenal's Contract Management System drives compliance to the Fastenal branch point of sale (POS) system. A signed and executed Participating Addendum is required that clearly identifies eligible members before any branch account is linked to the NASPO ValuePoint Master Service Agreement. The function of linking branch accounts to the Contract Management System is to establish the relationship between the member's account at the branch and the terms, conditions, and pricing of the NASPO ValuePoint Master Service Agreement. It also ensures that all accounts are tracked for sales reports that drive rebates, fees, growth incentives, and additional discount administration. See administration and marketing section 6.6.3 for a detailed explanation of how the pricing, terms, and conditions are administered to the local branch accounts.

#### 6.6.11. Growth Incentives:

6.6.11.1 Describe in detail any contract growth incentives, e.g. larger revenue, different levels of discounts for large orders that may be offered to the Participating States/purchasing agency.





Fastenal is offering a robust Growth Incentive Program for the NASPO ValuePoint members so the members have the ability to not only bring value to their supply chain, but encourage participation with activities which will provide even greater savings through program compliance. The greatest challenge to any contract is execution and participation. The incentive structure provided through Fastenal will act as a tool for procurement officials to assist with driving compliance to the operations within their organization that can reduce the operational expense involved with the supply chain.

The various incentives offered by Fastenal are designed to encourage the adoption of supply chain processes which, when implemented in partnership with Fastenal, provide for maximum value to the members. Each member's needs are unique, so Fastenal will work with each member to assist them in identifying how the growth incentives will impact their business. Through the partnership established, Fastenal will develop strategies to assist with encouraging program compliance required for maximization of the value available. Incentives are structured around custom market baskets, creating efficiencies with technology, implementing industry leading supply chain programs such as vending and onsite, strengthening the relationship between manufacture-distributor-member, supporting environmentally safe products, and other programs focused on bringing value to the supply chain.

Growth Incentive Program Choices:

- 1. Single Award
- 2. Multiple Award with Fasteners & Safety Categories Single Award
- 3. Multiple Award
- 4. Multiple Award with incentive for Political Subdivision / Higher Education to select Single Award

Fastenal will work with each NASPO ValuePoint member to analyze which incentive program will maximize the value within the supply chain structure they wish to implement. The member will have the opportunity to analyze and identify the program which creates the greatest value in relation to their individual needs with the participating addendum.

#### Single Award Incentive Program

Participating States that select the Single Award Incentive Program will position their State and participating agencies with the greatest value opportunity. With a single award program, Fastenal realizes supply chain efficiencies which we will pass through to those who participate in the program.

	SINGLE AWARD INCENTIVE PROGRAM
Administration Fee	3% paid on annual contract spend
Sales Growth Incentive	3% paid on all contract spend in excess of previous year's contract spend
E-commerce Incentive	2% paid on e-commerce sales when total e-commerce spend increases over previous year
Green/Sustainability Incentive	2% paid on annual purchases of Green/Sustainability products when total Green/Sustainability spend increases over previous year
Fastenal Brands Incentive	2% paid on annual purchases of Fastenal Brands when total Fastenal Brand spend increases over previous year
Fastenal Solutions Incentive	3% paid on all annual purchases of products through Fastenal Vending or Fastenal Onsite programs
Customized Market Basket	States can customize a market basket of 500 items in addition to the NASPO ValuePoint market basket, which aligns with the State's unique volume products

#### Multiple Award with Single Fastener & Safety Award Incentive Program

Fastenal's local teams have the unique ability to provide exceptional value for two select categories: Fasteners and Safety. The product expertise, consultation, training, and managed inventory programs Fastenal offers within these two categories provides a level of value that is unmatched by any other distributor. For Participating States that find value in establishing a deeper partnership for Fasteners & Safety but desire the value of the Multiple Award Incentive Program for all other product categories,





Fastenal has developed an incentive program to promote participation with efforts to maximize the value proposition within these two categories. With a single award program for two specific product categories, Fastenal realizes supply chain efficiencies which we will pass through to those who participate in the program.

articipate in the stegram.	
MULTIPLE AWARD WITH SINGLE FASTENER & SAFETY CATEGORY AWARD	
Administration Fee	2% paid on annual contract spend
Sales Growth Incentive	2% paid on all contract spend in excess of previous year's contract spend
E-commerce Incentive	1% paid on e-commerce sales when total e-commerce spend increases over previous year
Green/Sustainability Incentive	1% paid on annual purchases of Green/Sustainability products when total Green/Sustainability spend increases over previous year
Fastenal Brands Incentive	1% paid on annual purchases of Fastenal Brands when total Fastenal Brand spend increases over previous year
Fastenal Solutions Incentive	2% paid on all annual purchases of products through Fastenal Vending or Fastenal Onsite programs
Fastener Category Incentive	5% paid on all annual purchases of products in the Fastener category
Safety Category Incentive	3% paid on all annual purchases of products in the Safety category
Customized Market Basket	States can customize a market basket of 300 items in addition to the NASPO ValuePoint market basket, which aligns with the State's unique volume products

#### Multiple Award Incentive Program

Fastenal has developed a growth incentive program to assist Participating States with encouraging participation in the contract, resulting in overall growth. Fastenal's multiple award incentive offering is designed to drive participation in the supply chain management functions which will result in even greater value to the Participating State or Political Subdivision.

wer gr	MULTIPLE AWARD INCENTIVE PROGRAM
Administration Fee	1% paid on annual contract spend
Sales Growth Incentive	1% paid on all contract spend in excess of previous years contract spend
Fastenal Solutions Incentive	2% paid on all annual purchases of products through Fastenal Vending or Fastenal Onsite programs
Customized Market Basket	States can customize a market basket of 300 items in addition to the NASPO ValuePoint market basket, which aligns with the State's unique volume products

Multiple State Award with Political Subdivision / Higher Education Single Award Incentive Program

Fastenal has developed an incentive offer that allows the Participating State to pass the value realized in a single award scenario directly to the Political Subdivision or Higher Education institution. This incentive encourages the State to select the multiple award for meeting the State's needs, while establishing the option for a Political Subdivision or Higher Education institution to select a single award within their organization as a means to maximize the contract value as it pertains to their unique needs.

MULTIP	LE STATE AWARD WITH POLITICAL SUBDIVISION HIGHER EDUCATION SINGLE AWARD INCENTIVE PROGRAM
	Participating State Incentive
Administration Fee	1% paid on annual contract spend
Sales Growth Incentive	1% paid on all contract spend in excess of previous years contract spend
	Political Subdivision / Higher Education Single Award Incentive
Administration Fee	1% paid on annual contract spend
Sales Growth Incentive	2% paid on all contract spend in excess of previous years contract spend





Fastenal Brands Incentive	2% paid on annual purchases of Fastenal Brands when total Fastenal Brand spend increases over previous year
Fastenal Solutions Incentive	3% paid on all annual purchases of products through Fastenal Vending or Fastenal Onsite programs
Customized Market Basket	Political Sub-divisions / Higher Education can customize a market basket of 300 items in addition to the NASPO ValuePoint market basket, which aligns with the State's unique volume products

Eligible annual activity includes all product spend (gross product spend less product returns) and excludes freight (if charged) and sales taxes (if charged). The benchmark for year 1 will be determined by the eligible activity (irrespective of contract vehicle) for the previous contract year. Purchasing entity will receive an activity report to support all calculations. Fastenal reserves the right to hold Growth Incentive Program payments until open invoices for the subject contract year are paid. Growth Incentive Program payments shall not automatically roll over in the event that Buyer continues to purchase product from Seller upon expiration of the Agreement. The Growth Incentive Program period terminates at the end of the Agreement term and may only be extended by a written agreement signed by both parties. In the event that the underlying purchase Agreement is prematurely terminated by the Buyer, for any reason, Growth Incentive Program credits accrued in the current contract year shall be forfeited by the Buyer. The Growth Incentives earned by the member will be paid annually within the first contract quarter following each consecutive contract year in the form of a single disbursement. Any Political Subdivision must accrue \$50,000 in annual product spend within any combination of the Political Subdivision incentive categories to qualify for payment of the incentive.

6.6.11.2 Describe in detail any incremental pricing incentives for on-line ordering verses fax or call in

Fastenal's pricing will remain the same for all ordering methods.

#### 6.7. Additional Services

#### 6.7.1. Training

Offeror shall provide all training as necessary at no additional pricing to all Participating States 6.7.1.1. on all aspects of ordering, online ordering, product delivery, product returns, EPP's, and customer service processes.

Fastenal acknowledges section 6.7.1.1.

6.7.1.2 Describe in detail the Offeror's ability to offer training that may be required to ensure purchasing entities have a thorough understanding of all ordering processes including any online systems. No pricing for product training, safety training, or travel and per Diem.

Training on the Ordering Process and Online Systems:

The NASPO ValuePoint Contract Manager, Government Sales team, and our Government eCommerce Specialist will facilitate training to ordering entities though traditional channels such as in-person trainings, instructional emails and literature, workshop instruction, and regularly scheduled live WebEx trainings.

The training provided by Fastenal will include the following:

- The NASPO ValuePoint Master Service Agreement features, benefits, and terms and conditions
- How to register and order on www.fastenal.com
- How to set up an account at a local Fastenal branch
- Available value-added services offered by Fastenal
- FAST Solutions vending program
- Additional trainings as described in administration and marketing section 6.6.3.8 (including certified vendor training, safety training, etc.)





In addition, Fastenal's inside and outside sales staff as well as the NASPO ValuePoint Contract Manager and Government Sales personnel are fully trained on all ordering processes, including online ordering, and are equipped to provide individual instruction or workshop instruction to NASPO ValuePoint ordering entities in the field.

6.7.2. Disaster Recovery

Please describe your emergency management plan to aid States during an emergency or disaster recovery. Be specific as to response time, supplies availability and other goods and services that you offer.

Fastenal understands that the impact of a disaster is felt locally and the response is best mobilized on the local and regional level. This is why Fastenal believes our capability to bring a positive and quick response to a disaster is second to none. We have inventory, personnel, and our transportation network positioned to respond to each local market's need. Fastenal's response is not next day, it is same day.

To better understand what Fastenal brings to support each NASPO ValuePoint Participating State's emergency management plan, it's important to truly understand what Fastenal offers. With 2,100+ U.S. locations and 20,000+ employees, we truly are where you are. Our network of branches is supported by 17 distribution centers strategically located across the U.S. One thing that differentiates Fastenal within the industrial supply marketplace is that we own our transportation routes. Our branches are serviced by our own fleet of 325 semi-trailers, 150 straight trucks and 139 sprinters, so we don't have to rely on 3rd party carriers during times of need. With our fleet of 7,500+ vehicles, investment in locations, and over a billion dollars in available inventory spread across all 50 states, Fastenal has the ability to respond more quickly to the local market than any other distributor.

Fastenal's distribution network is the largest and most sophisticated of its kind in the industrial supply industry and, when coupled with local Fastenal employees, provides the customer with a valuable resource during times of need. Unlike traditional catalog houses that rely only on Internet ordering and a limited physical presence, Fastenal integrates our Internet ordering capabilities with local personnel, buildings, vehicles, and product for immediate deployment. This combination has enabled us to effectively respond to emergencies such as hurricanes (including Irma, Harvey, Sandy, and Katrina), tornadoes, wildfires, winter storms, and the 9/11 terrorist attacks.

A quick, effective response requires planning. Fastenal works closely with states at the procurement planning level – from the Departments of Health and Homeland Security to port authorities and local emergency management teams. Our collaboration involves developing local plans to deploy people and products on predetermined time frames. We follow predefined action items occurring at 12 hours, 24 hours, 48 hours, 72 hours, one week, and 30 days following an event. Although each state's needs vary due to proximity and predisposition, the process is methodical – people, planning, defining potential events, responding to the actual occurrence, proximity, products and logistics. The team below is designed to address the various logistical supply challenges presented by a disaster.

**Disaster Response Team** 

**VICE PRESIDENT OF GOVERNMENT SALES** 

CORPORATE EHS DIRECTOR

#### **GOVERNMENT SALES TEAM**

Director of Government Sales Government Sales Specialist Sales Development Specialist Inside Sales Support





#### LOCAL RESPONSE

Regional Vice President District Sales Manager Branch General Manager

#### DISTRIBUTION

Vice President of Operations
Vice President of Transportation & Safety
Regional Operations Manager
Corporate Traffic Manager

#### PRODUCTS

Vice President of Products & Supply Chain Director of Supply Chain Supply Chain Manager

Below are items of discussion that are typically addressed during planning meetings:

- Assessment of potential risks for disaster
- Identification of key points of contact within the state and Fastenal, local staff and contact information
- Management and communication of Blue Team Responds email and phone contact information
- Identification of strategically defined locations within the State and satellite locations
- Pre-assembly of "Go Kits" kits to deploy during time of need; often requires multiple suppliers working together at consolidation points and a predetermined number of kits and shipment locations
- Review of Logistics discussion of utilization of Fastenal's fleet of approximately 7,500 branch and distribution center vehicles to quickly deliver product. Branch locations deliver pre-positioned inventory same day, while distribution vehicles replenish same day or next day.
- Discussion of potential roadblocks proximity of event and impact to strategic locations
- Review of response times: 12 hours, 24 hours, 48 hours, 72 hours, one week, and 30-day Continuity of Operations plan
- Discussion of additional considerations: proximity of event, population density, warehouse/storage space, logistics, response times, relocation, primary and secondary items/commodities
- Inventory assessment and monitoring of potential high-demand products
- Working with manufacturers on logistics and specific inventory items, including our regional distribution facilities
- Deployment of containers, products, and kits, in addition to working with similarly situated distributors to provide the customer with distribution routes where possible.

#### 6.7.3. Installation, if applicable

Please describe Offeror's ability to provide installation services of products or equipment that Participating States may chose, if applicable to their States rules.

To ensure a fast, seamless and *risk-free* implementation across NASPO ValuePoint member facilities, we have dedicated Implementation teams throughout the U.S. With more than 152 implementation specialists overall, Fastenal completed over 1,800 large-scale implementation projects with our customer base in 2016. This nationwide dedicated team of implementation specialists will provide installation services for shelving, racking, bins, dispensers, vending machines, and other items related to the MRO product line.





#### 6.7.4. Value added solutions

Offerors are encouraged to suggest value added solutions that may improve the States use of the contracts and products offered. One such value-add is product sourcing.

#### 6.7.4.1 Sourced Products

(1) Supplier sourced products is a product which is not currently listed in the suppliers contract catalog or on-line ordering system at the time of order receipt but is capable of being supplied through the offeror.

Fastenal's sourcing model is a value-added service that we offer to customers to source products. The local Fastenal branch manages the sourcing, procurement, delivery, and, if required, the inventory management of the sourced product as part of a Fastenal vendor managed inventory solution.

(2) If the offeror is capable of supplying sourced products they must be direct line extension products which have a similar item to an established product category and the offeror must already have a publically recognized business partnership with the "brand".

Fastenal's sourced products are a direct line extension of the product offering consisting of thousands of vendors with whom we have developed a publically recognized business relationship around promoting and developing the brands representative of the vendor.

(3) The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge.

Fastenal offers sourced products as defined by NASPO ValuePoint at no additional up charge. Pricing for these sourced products is based on current market conditions and is negotiated locally on a per-order basis. As specified in Addendum No. 3, question 41, we have not included our response for the up charge in our cost proposal.

#### 6.7.4.2 Vending Machines

- (1) Vending style machines that can dispense singular or multiple products with control type methods.
- (2) Offerors are encouraged to list their vending solutions.

## FAST Solutions

With tens of thousands of machines currently implemented at customer sites, Fastenal is the dominant leader in industrial vending. Why? It's a combination of our innovative technology, our low-cost, no-risk program, and most important of all, our "machine

behind the machine" – the thousands of local Fastenal personnel making sure each solution is perpetually filled, functioning, and fully optimized for maximum savings.

- Wide variety of machines to support virtually any product needs.
- Dynamic web reporting view real-time usage data when, where and how you want to see it.
- Machines provided free of charge based on a one-year renewable service agreement.
- Your servicing Fastenal branch teams monitor and replenish the machines no paperwork or labor required.
- Dedicated vending specialists work hand-in-hand with our local branches to analyze usage patterns, suggest areas for improvement, and make sure the solution is driving the results you want to see.
- Fastenal's industrial vending solutions have the added benefit of reducing product consumption, typically by 25–35%.









#### FAST 5000 & FAST 3000

With tens of thousands of units driving results at customer sites, this is most widelyused industrial technology in the world – a simple, versatile solution to track and control items ranging from PPE to general MRO items. The FAST 3000 is simply a more compact version of the FAST 5000. Both can function as stand-alone solutions or used in conjunction with our standard lockers.

#### Standard Lockers

Our standard (semi-secure) lockers are used to: 1) track and control access to larger-sized consumable products (relying on the user to enter the quantity taken), and 2) automate check-out and return of tools and other assets. They can be used with a standalone controller or in conjunction with a FAST 5000 or FAST 3000 machine.







#### FAST 10000SL (Secure Locker) Series

This next-generation technology extends the benefits of vending to four very common (yet traditionally difficult to vend) product types: 1) boxes, 2) cylinders/cans, 3) 'floppy' items (Tyvek suits, belts, hoists, etc.), and 4) loose components (fasteners, fittings, cutting tools, etc.). The machines automatically sense and report the exact amount taken by each user, providing per-item traceability and a frictionless 'grab and go' experience.

#### Outdoor Lockers

With a tough steel exterior, ruggedized electronics and optional temperature control, these lockers are built to operate in harsh outdoor environments. Keep tools perpetually stocked, secure and accessible on the jobsite, and automatically track check-out/check-in of expensive tools.





#### FAST CT (Cutting Tool) Machines

Designed to dispense and track inserts and round tools, either individually or in predetermined quantities. The compact design of the machines (combined with the low cost of our vending program) makes it practical to install multiple point-of-use machines throughout the shop (versus a single centralized unit) for increased productivity.

#### FAST Bev

Provides 24/7 access to chilled beverages at the point of use along with reporting to ensure workers are receiving proper hydration during the day – an efficient solution to drive compliance with your hydration program. (Subject to state and local restrictions.)



#### **Additional Value Added Solutions**

## FAST Solutions

Fastenal's bin stock solutions are a perfect fit for any production and MRO items you cannot dispense out of a vending machine but are still needed on your shelves. Each solution is unique, but all share three common elements:

- 1. A labeled location and min/max inventory range for each part.
- 2. A nearby Fastenal branch to carry the inventory and make sure you always have just the right amount on hand.
- 3. Detailed usage reporting by location, clarifying 'how much of which parts should be stocked where.'



#### Manual Solutions:

Fastenal Managed Inventory (FMI)

Save time and money by utilizing our local experts to manage your bin stock inventory.

- We organize & label new or existing bins, collaborate to establish initial min/max levels and service schedule.
- We visit regularly to monitor & replenish inventory.
- Suggested replenishment orders are submitted, reviewed and approved via Fastenal.com.
- Flexible delivery (we deliver to dock or put product away).

#### FAST Scan

If you prefer to handle the scanning and ordering internally, Fastenal will provide an iOS-based scanning solution for your personnel to quickly generate replenishment orders.

- We organize and label bins and shelving.
- We set up profiles for local users on Fastenal.com and provide scanning devices.
- Your local personnel determine inventory levels and controls.
- We provide flexible delivery, reporting, and suggestions for improvement.



#### **Electronic Solutions:**

FAST Scale

Utilizes weight sensor technology to provide a real-time view of your exact quantity on hand (QOH) – a good fit for critical production parts. Users log onto Fastenal.com to view live inventory levels and adjust reorder triggers.

- We install the scale system, organize and label parts.
- An order is automatically generated when stock hits 'min' level.
- View and approve suggested orders via Fastenal.com.
- Flexible delivery (we deliver to dock or put product away).



#### Auto Bin (coming soon)

Offers a real-time view of your inventory 'health' ('above min,' 'below min' or 'out of stock' – not exact QOH) along with electronic signals prompting replenishment when stock runs low. There are two basic options:

- Infrared Bins An order is triggered when stock falls below a specified 'water mark' in the bin.
- 2-Bin System An order is triggered by placing the empty bin next to an RFID chip built into the shelving.

## FAST Solutions

The purest expression of our local service philosophy is our Onsite service model, positioning not only our solutions but also Fastenal

personnel and Fastenalowned inventory -

essentially a dedicated branch — within the walls of your facilities. Just like vending and bin stocks, this is a natural extension of our distribution infrastructure and a model we've pioneered in our industry.

#### The Fastenal Onsite Advantage:

Full program customization based on process mapping exercise.







- Dedicated onsite Fastenal team to handle all inventory management functions the first time your employees touch the product is at the point of use.
- Consigned onsite inventory within the Fastenal crib we own it until it's on your production floor.
- Customized inventory modeling to eliminate stock-outs.
- Immediate access to planned needs (within our crib) and a variety of spot-buy needs (via our local branch).
- Detailed, flexible reporting based on your business priorities.
- Deep collaboration, including participation in Kaizen events and other company initiatives. (As we like to say, it's like having a team of supply chain experts on your staff, but not on your payroll.)

#### How Will Your Business Benefit?

#### ✓ Save money

- Lower markup structure (reflecting our lower operating costs vs. our traditional branch-based service model).
- Utilize Fastenal labor for purchasing, quality inspection, inventory management, etc.
- Reduce transportation costs through better inventory planning and utilization of Fastenal's trucking system.

#### ✓ Reduce inventory/working capital

- ▶ Upon moving Onsite, we will sell down your current inventory and replace it with our own.
- Moving forward, the inventory in the Fastenal crib is on our books until we move it to the production floor. This transformation creates a dollar-for-dollar reduction in your working capital.

#### ✓ Gain efficiency in your facility

- Simply put, we are experts with the knowledge, solutions, and systems to run a truly world-class supply chain for your business.
- Put our decades of experience to work for you in the areas of quality/source control, OEM critical spares management, inventory planning, point-of-use supply flow, and other critical activities.

Fastenal's FAST Solutions agreement(s) (vending, bin stock, onsite) will be executed and/or incorporated in the resulting Participating Addendum with the respective state and/or political subdivision.

#### Industry-Specific Services and Specialists

As a complement to our local branch sales force, Fastenal has trained and deployed hundreds of industry specialists to provide high-level support in key areas of our business, including:



#### Safety

To support our safety product offering, we've positioned 50+ trained Safety Specialists across the U.S. and Canada. These personnel carry multiple certifications, including Masters in Occupational Health and Safety, QSSP Certification, and OSHA 30-Hour Training. Their job is to identify hazards, document risk factors, garner worker feedback regarding PPE, and ultimately develop a business plan to reduce workplace incidents while maximizing productivity and profits.

Working with our key safety suppliers, Fastenal's Safety Specialists provide trainings and PPE equipment assessments for the following concepts:

- Eye Protection product selection/rationalization, fit testing
- Hearing Conservation fit testing
- Face and Head Protection





- Respiratory Protection qualitative fit testing
- Skin Care Needs Analysis prevention/reduction of occupational dermatitis, reduction of sick days
- Hand Protection job-specific assessments, product testing
- Fall Protection application assessment, harness/lanyard inspection, competent person training
- Ladder Inspection and Certification
- Hoist and Sling Inspection and Certification
- Heat Stress Evaluation program development
- Spill Containment and Flammable Storage
- Lock Out/Tag Out Program
- AED, BBP, First Aid Training
- ARC Flash Assessments

#### Manufacturing/Metalworking

As part of our metalworking product expansion, we've stationed 40+ Metalworking Specialists across North America. These individuals have undergone three levels of training, culminating with intensive hands-on training at our key suppliers' facilities. They work directly with customers to help them select the best products for the job and run them the right way for maximum productivity and cost-effectiveness.



#### Lean Consulting/Six Sigma



Our 70+ employees who have completed Black Belt training and 110+ internally-trained 'Blue Belts' are available to participate in Lean events and support your Lean initiatives. Services include DMAIC Process Mappings working with your personnel to map the movement of product through your current system and identify areas where costs can be reduced or eliminated. Based on the information gathered, a gap analysis is presented along with a business plan to achieve a specific cost savings goal.

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#### Section 4

#### **Market Basket Cost Proposal**

#### 4.2 Price and Rate Guarantee Period

The prices, rates and costs proposed in the Offeror's response will be valid for an initial term of one year after any resulting Master Agreement is signed. Offeror's cost proposal must describe how future cost increases will be minimized and capped and how both increases and decreases will be passed on to the Lead State if the Master Agreement is renewed after the initial term. The Offeror must explain the proposed process to implement cost changes, and how the Lead State will be notified. Any request for price or rate adjustment following the initial Master Agreement term, is detailed in Section 11 of the Master Agreement.

Fastenal has a team of talented analysts within our Commodity Intelligence Team who track currency fluctuation, international trade trends and regulations, commodity prices, and market indexes. We strive to mitigate or absorb as much of any market cost increase pressure as possible by aggressively negotiating price increases with vendors and manufacturers. Additionally, Fastenal places equal emphases on negotiating price decrease with vendors and manufacturers as market intelligence warrants, resulting in price decreases for our customers.

Our procurement professionals also continuously leverage our distribution and supply chain volume to find our customers cost savings opportunities. If there is sufficient justification to recommend a pricing change, Fastenal will provide adequate documentation in writing not less than 30 days prior to the effective date to substantiate proposed price adjustments (increase or decrease). Such documentation may include but is not limited to third-party market reports, documentation from seller's suppliers, and reputable commodity indexes. With the exception of unforeseen raw material scarcity or Force Majeure, Fastenal's intention is to negotiate price increase caps with vendors and manufacturers that do not exceed the current rate of inflation.

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#### **Exhibit B-1 - Vending Machines**



With tens of thousands of machines currently implemented at customer sites, Contractor is the dominant leader in industrial vending. Why? It's a combination of Contractor's innovative technology, Contractor's low-cost, no-risk program, and most

important of all, Contractor's "machine behind the machine" – the thousands of local Contractor personnel making sure each solution is perpetually filled, functioning, and fully optimized for maximum savings.

- Wide variety of machines to support virtually any product needs.
- Dynamic web reporting view real-time usage data when, where and how you want to see it.
- Machines provided free of charge based on a one-year renewable service agreement.
- Participating Entity's servicing Contractor branch teams monitor and replenish the machines no paperwork or labor required.
- Dedicated vending specialists work hand-in-hand with Contractor's local branches to analyze
  usage patterns, suggest areas for improvement, and make sure the solution is driving the results
  you want to see.
- Contractor's industrial vending solutions have the added benefit of reducing product consumption, typically by 25–35%.

#### FAST 5000 & FAST 3000

With tens of thousands of units driving results at customer sites, this is most widely-used industrial technology in the world – a simple, versatile solution to track and control items ranging from PPE to general MRO items. The FAST 3000 is simply a more compact version of the FAST 5000. Both can function as stand-alone solutions or used in conjunction with Contractor's standard lockers.

#### Standard Lockers

Contractor's standard (semi-secure) lockers are used to: 1) track and control access to larger-sized consumable products (relying on the user to enter the quantity taken), and 2) automate check-out and return of tools and other assets. They can be used with a standalone controller or in conjunction with a FAST 5000 or FAST 3000 machine.

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#### **Outdoor Lockers**

With a tough steel exterior, ruggedized electronics and optional temperature control, these lockers are built to operate in harsh outdoor environments. Keep tools perpetually stocked, secure and accessible on the jobsite, and automatically track check-out/check-in of expensive tools.

#### FAST CT (Cutting Tool) Machines

Designed to dispense and track inserts and round tools, either individually or in pre-determined quantities. The compact design of the machines (combined with the low cost of Contractor's vending program) makes it practical to install multiple point-of-use machines throughout the shop (versus a single centralized unit) for increased productivity.

#### **FAST Bev**

Provides 24/7 access to chilled beverages at the point of use along with reporting to ensure workers are receiving proper hydration during the day – an efficient solution to drive compliance with Participating Entity's hydration program. (Subject to state and local restrictions.)

#### **Additional Value Added Solutions**



Contractor's bin stock solutions are a perfect fit for any production and MRO items you cannot dispense out of a vending machine but are still needed on Participating Entity's shelves. Each solution is unique, but all share three common elements:

- 1. A labeled location and min/max inventory range for each part.
- 2. A nearby Contractor branch to carry the inventory and make sure you always have just the right amount on hand.
- 3. Detailed usage reporting by location, clarifying 'how much of which parts should be stocked where.'

#### Manual Solutions:

Contractor Managed Inventory (FMI)

Save time and money by utilizing Contractor's local experts to manage Participating Entity's bin stock inventory.

- We organize & label new or existing bins, collaborate to establish initial min/max levels and service schedule.
- We visit regularly to monitor & replenish inventory.
- Suggested replenishment orders are submitted, reviewed and approved via Contractor.com.
- Flexible delivery (we deliver to dock or put product away).

#### FAST Scan

If you prefer to handle the scanning and ordering internally, Contractor will provide an iOS-based scanning solution for Participating Entity's personnel to quickly generate replenishment orders.

- We organize and label bins and shelving.
- We set up profiles for local users on Contractor.com and provide scanning devices.
- Participating Entity's local personnel determine inventory levels and controls.
- We provide flexible delivery, reporting, and suggestions for improvement.

#### **Electronic Solutions:**

#### FAST Scale

Utilizes weight sensor technology to provide a real-time view of Participating Entity's exact quantity on hand (QOH) – a good fit for critical production parts. Users log onto Contractor.com to view live inventory levels and adjust reorder triggers.

- We install the scale system, organize and label parts.
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- Infrared Bins An order is triggered when stock falls below a specified 'water mark' in the bin.
- 2-Bin System An order is triggered by placing the empty bin next to an RFID chip built into the shelving.



The purest expression of Contractor's local service philosophy is Contractor's Onsite service model, positioning not only Contractor's solutions but also Contractor personnel and Contractor-owned inventory – essentially a dedicated branch – within the walls of Participating Entity's facilities. Just like vending and bin stocks, this is a natural extension of Contractor's distribution infrastructure and a model we've pioneered in Contractor's industry.

#### The Contractor Onsite Advantage:

- Full program customization based on process mapping exercise.
- Dedicated onsite Contractor team to handle all inventory management functions the first time
   Participating Entity's employees touch the product is at the point of use.
- Consigned onsite inventory within the Contractor crib we own it until it's on Participating Entity's production floor.
- Customized inventory modeling to eliminate stock-outs.
- Immediate access to planned needs (within Contractor's crib) and a variety of spot-buy needs (via Contractor's local branch).
- Detailed, flexible reporting based on Participating Entity's business priorities.
- Deep collaboration, including participation in Kaizen events and other company initiatives. (As we like to say, it's like having a team of supply chain experts on Participating Entity's staff, but not on Participating Entity's payroll.)

#### How Will Participating Entity's Business Benefit?

#### ✓ Save money

- Lower markup structure (reflecting Contractor's lower operating costs vs. Contractor's traditional branch-based service model).
- Utilize Contractor labor for purchasing, quality inspection, inventory management, etc.
- Reduce transportation costs through better inventory planning and utilization of Contractor's trucking system.

#### ✓ Reduce inventory/working capital

- Upon moving Onsite, we will sell down Participating Entity's current inventory and replace it with Contractor's own.
- Moving forward, the inventory in the Contractor crib is on Contractor's books until we move it to the production floor. This transformation creates a dollar-for-dollar reduction in Participating Entity's working capital.
- ✓ Gain efficiency in Participating Entity's facility
  - Simply put, we are experts with the knowledge, solutions, and systems to run a truly world-class supply chain for Participating Entity's business.
  - Put Contractor's decades of experience to work for you in the areas of quality/source control, OEM critical spares management, inventory planning, point-of-use supply flow, and other critical activities.

Contractor's FAST Solutions agreement(s) (vending, bin stock, onsite) will be executed and/or incorporated in the resulting Participating Addendum with the respective state and/or political subdivision.

#### **Industry-Specific Services and Specialists**

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#### Safety

To support Contractor's safety product offering, we've positioned 50+ trained Safety Specialists across the U.S. and Canada. These personnel carry multiple certifications, including Masters in Occupational Health and Safety, QSSP Certification, and OSHA 30-Hour Training. Their job is to identify hazards,

document risk factors, garner worker feedback regarding PPE, and ultimately develop a business plan to reduce workplace incidents while maximizing productivity and profits.

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- Eye Protection product selection/rationalization, fit testing
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- Face and Head Protection
- · Respiratory Protection qualitative fit testing
- Skin Care Needs Analysis prevention/reduction of occupational dermatitis, reduction of sick days
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- Fall Protection application assessment, harness/lanyard inspection, competent person training
- Ladder Inspection and Certification
- Hoist and Sling Inspection and Certification
- Heat Stress Evaluation program development
- Spill Containment and Flammable Storage
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- · AED, BBP, First Aid Training
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As part of Contractor's metalworking product expansion, we've stationed 40+ Metalworking Specialists across North America. These individuals have undergone three levels of training, culminating with intensive hands-on training at Contractor's key suppliers' facilities. They work directly with customers to help them select the best products for the job and run them the right way for maximum productivity and cost-effectiveness.

#### Lean Consulting/Six Sigma

Contractor's 70+ employees who have completed Black Belt training and 110+ internally-trained 'Blue Belts' are available to participate in Lean events and support Participating Entity's Lean initiatives. Services include DMAIC Process Mappings – working with Participating Entity's personnel to map the movement of product through Participating Entity's current system and identify areas where costs can be reduced or eliminated. Based on the information gathered, a gap analysis is presented along with a business plan to achieve a specific cost savings goal.

## Attachment D COST PROPOSAL and MARKET BASKET COST PROPOSAL

Offeror must submit cost, prices and rates as required by Attachment D-1, Cost Spread sheets. Prices and rates shall include all anticipated charges, including but not limited to, freight and delivery, cost of materials and product, travel expenses, transaction fees, overhead, profits, and other costs or expenses incidental to the Contractor's performance.

In addition, Offeror shall complete and submit the below discount information:

#### Percentage off list per category

Company Name Fastenal Company

Please provide the percentage off of list pricing for any of the categories Offeror proposes in the table below. The proposed discount percentage must not exceed 4 digits to the right of the decimal point (i.e.10.3729% is acceptable while 10.37292% is not).

Category  1. Ignitorial Equipment & Supplies (does not include Societies Cleaning Chemicale)	Discount
Janitorial Equipment & Supplies (does not include Sanitation Cleaning Chemicals)	30%
2. Sanitation Cleaning Chemicals & Supplies (does not include Janitorial Equipment & Supplies	25%
3. Fasteners	57%
4. Material Handling	25%
5. Plumbing	30%
6. Power Source	30%
7. Outdoor Garden	25%
8. Lamps & Lighting and Ballasts	30%
9. HVAC	30%
10. Hand Tools	25%
11. Power Tools (excluding automotive related tools and products)	25%
12. Electrical	30%
13. Paint	25%
14. Security	30%
15. Safety (does not include any public safety equipment)	30%

Note: This Price Schedule must be submitted together with Attachment D-1 (Market Basket Pricing Schedule) to the State as a <u>separate</u>, sealed package and clearly marked: "Pricing Proposal in Response to RFP No. DASPS-2183-17" per the Submittal Instructions.

The Offerors Percentage off list discount will not be reduced throughout the life of the Master Agreement except, Offeror can however provide a higher percentage off list discount by providing the Lead State a thirty (30) day notice and Lead State approving the discount.

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Question 15: Page 39 there appears to be a numbering or sequencing error starting with 6.6.9.2. It looks like the next six points should be sub set of 6.6.9.2 and would be numbered 6.6.9.2.1 (starting with Describe in detail how the Offeror will work with the registered companies...) ... through 6.6.9.2.6 (Community Rehabilitation program). This would make Retail Store Purchases/Will Call would be 6.6.10. Would this be correct?

Answer 15: Yes numbering error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 16: Page 78 Attachment E: Offer information-

- a. Is the State tax#; is it the sales tax payment number?
- b. Is the Secretary of State Corporations Division Registration #; is it the number assigned when we registered with our state of Incorporation?

Answer 16: (a) Yes, if applicable. (b) Yes.

Question 17: Should exceptions to the FOB Destination terms for non-stocked items delivered to Alaska, Hawaii and Puerto Rico be stated as exceptions within section 6.5.2 of the technical proposal as instructed or should exceptions to freight terms be submitted as a Protest to the RFP?

Answer 17: See section 2.18 of RFP regarding exceptions.

Proposers must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 11, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum.
Authorized Signature:
Print name of signer: Leland J. Hein
Date: 01/03/2018
Company Name of proposer:
Fastenal Company
(Please Print)

Commission Order # 399-2018
Replaced w/411-2018
TFOR on 9-11-18

# PURCHASE AGREEMENT FOR FACILITIES MAINTENANCE, REPAIR, AND OPERATING (MRO) AND INDUSTRIAL SUPPLIES

THIS AGREEMENT dated the 28 day of 400 to 2018 is made between Boone County, Missouri, a political subdivision of the State of Missouri through the Boone County Commission, herein "County" and Sid Tool Co., Inc./dba MSC Industrial Supply Co., Inc. herein "Vendor."

**IN CONSIDERATION** of the parties performance of the respective obligations contained herein, the parties agree as follows:

- 1. Contract Documents This agreement shall consist of this Purchase Agreement for a Term and Supply contract for Facilities Maintenance, Repair and Operating (MRO) and Industrial Supplies in compliance with all bid specifications and any addendums issued for the State of Missouri contract number CC182584002, and Boone County's Standard Terms and Conditions. All such documents shall constitute the contract documents which are incorporated herein by reference. Service or product data, specification and literature submitted with the bid response may be permanently maintained in the County Purchasing Office and/or State of Missouri bid file for this bid if not attached. In the event of conflict between any of the foregoing documents, this Purchase Agreement, the State of Missouri contract number CC182584002, and Boone County's Standard Terms and Conditions shall prevail and control over the vendor's bid response.
- 2. Contract Duration This agreement shall commence on the Date of Award referenced above through June 30, 2019 subject to the provisions for termination specified below. The contract may be renewed for five (5) additional one-year periods.
- 3. **Purchase** The County agrees to purchase from the Vendor and the Vendor agrees to supply the County with Facilities Maintenance, Repair and Operating (MRO) and Industrial Supplies on an as needed basis. Items shall be priced at current published catalog list pricing, including the Vendor's online catalog (whichever is less), minus the applicable firm, fixed discount specific to the product category as shown in **Attachment One** of this document. The exception to discounted pricing is "Sourced" items that are items that are available for purchase under the contract but are not found in the contract catalog including the on-line catalog, and otherwise comply with the definition in paragraph 3.14 of the contract. Pricing for "Sourced" items shall be determined at the time of purchase.
- 4. **Delivery** The contractor agrees to deliver the items as specified in the bid specifications. Delivery for in-stock items shall occur within 24-48 hours of order. Delivery for non-stock items shall occur within 10 business days of order. All deliveries shall be made FOB Destination, Freight Prepaid and Allowed, with the exception of "Sourced" items which may be FOB Origin with freight and handling charges added.
- 5. *Warranty* The County shall be provided the manufacturer standard warranty consistent with terms of the contract.

Commission Order # 399 - 2018

- 6. Billing and Payment All billing shall be invoiced to the ordering Boone County Office/Department and billings may only include the prices listed in the vendor's bid response. No additional fees for paper work processing, labor, or taxes shall be included as additional charges in excess of the charges in the Vendor's bid response to the specifications. The County agrees to pay all invoices within thirty days of receipt. In the event of a billing dispute, the County reserves the right to withhold payment on the disputed amount; in the event the billing dispute is resolved in favor of the Vendor, the County agrees to pay interest at a rate of 9% per annum on disputed amounts withheld commencing from the last date that payment was due.
- 7. Binding Effect This agreement shall be binding upon the parties hereto and their successors and assigns for so long as this agreement remains in full force and effect. This Agreement shall be governed under the laws of the State of Missouri and any action relating hereto shall be brought in the Circuit Court of Boone County, Missouri.
- 8. Termination This agreement may be terminated by the County upon thirty days advance written notice for any of the following reasons or under any of the following circumstances:
  - a. County may terminate this agreement due to material breach of any term or condition of this agreement, or
  - b. County may terminate this agreement if in the opinion of the Boone County Commission if delivery of products are delayed or products delivered are not in conformity with bidding specifications or variances authorized by County, or
  - c. If appropriations are not made available and budgeted for any calendar year.

IN WITNESS WHEREOF the parties through their duly authorized representatives have executed this agreement on the day and year first above written.

SID TOOL CO., INC. dba/ MSC INDUSTRIAL SUPPLY CO., INC.	BOONE COUNTY, MISSOURI
by <u>Anne Stattery</u> title State Acot Manager	by: Boone County Commission  Daniel K. Atwill, Presiding Commissioner
APPROVED AS TO FORM:  County Counselor	Taylor W. Burks, County Clerk

**AUDITOR CERTIFICATION:** 

In accordance with RSMo 50.660, I hereby certify that a sufficient unencumbered appropriation balance exists and is available to satisfy the obligation(s) arising from this contract. (Note: Certification of this contract is not required if the terms of this contract do not create a measurable county obligation at this time.)

8/21/18 No Encurbance Regussel

Date Appropriation Account

Commission Order # 399-2018

Replaced w 411-2018

on 9-11-18

## ATTACHMENT ONE FOR CONTRACT CC182854002 – DISCOUNTS PAGE

Facilities MRO and Industrial Supply Product Categories	Firm, Fixed Discount off MSC Industrial Supply Co., Inc. Published List Price		
1. HVAC	20%		
2. Lighting, Lamps, and Ballasts	20%		
3. Sanitation Cleaning Chemicals & Supplies	20%		
4. Material Handing	20%		
5. Security	25%		
6. Electrical	20%		
7. Fasteners	25%		
8. Outdoor Garden	20%		
9. Paint	20%		
10. Plumbing	20%		
11. Power Tools and Accessories – excludes automotive related tools and products	18%		
12. Safety – excludes public safety equipment	25%		
13. Hand Tools	25%		
14. Janitorial Equipment and Supplies – does not include Sanitation	20%		
Cleaning Chemicals  15. Power Source	25%		

Commission Order # 399-2018

Replaced w/411-2018 on 9-11-18

ONS-BOONE COUNTY, MISSOURI

### STANDARD CONTRACT TERMS AND CONDITIONS - BOONE COUNTY, MISSOURI

- Contractor shall comply with all applicable federal, state, and local laws and failure to do so, in County's sole discretion, shall give County the right to terminate this Contract.
- 2. Prices shall include all charges for packing, delivery, installation, etc., (unless otherwise specified) to the Boone County Department.
- The Boone County Commission has the right to accept or reject any part or parts of all bids, to waive technicalities, and to accept the offer the County Commission considers the most advantageous to the County. Boone County reserves the right to award this bid on an itemby-item basis, or an "all or none" basis, whichever is in the best interest of the County. The Purchasing Director reserves the right, when only one bid has been received by the bid closing date, to delay the opening of bids to another date and time in order to revise specifications and/or establish further competition for the commodity or service required. The one (1) bid received will be retained unopened until the new Closing date, or at request of bidder, returned unopened for re-submittal at the new date and time of bid closing.
- When products or materials of any particular producer or manufacturer are mentioned in our contracts, such products or materials are intended to be descriptive of type or quality and not restricted to those mentioned.
- 5. Do not include Federal Excise Tax or Sales and Use Taxes in billing, as law exempts the County from them.
- 6. The delivery date shall be stated in definite terms.
- 7. The County Commission reserves the right to cancel all or any part of orders if delivery is not made or work is not started as guaranteed. In case of delay, the Contractor must notify the Purchasing Department.
- 8. In case of default by the Contractor, the County of Boone will procure the articles or services from other sources and hold the Contractor responsible for any excess cost occasioned thereby.
- 9. Failure to deliver as guaranteed may disqualify Contractor from future bidding.
- 10. Prices must be as stated in units of quantity specified, and must be firm.
- The County of Boone, Missouri expressly denies responsibility for, or ownership of any item purchased until same is delivered to the County and is accepted by the County.
- The County reserves the right to award to one or multiple respondents. The County also reserves the right to not award any item or group of items if the services can be obtained from a state or other governmental entities contract under more favorable terms. The resulting contract will be considered "Non-Exclusive". The County reserves the right to purchase advertising from other vendors.

Commission Order #399-2018

The County, from time to time, uses federal grant funds for the procurement of goods and services. Accordingly, the provider of goods and/or services shall comply with federal laws, rules and regulations applicable to the funds used by the County for said procurement, and contract clauses required by the federal government in such circumstances are incorporated herein by reference. These clauses can generally be found in the Federal Transit Administration's Best Practices Procurement Manual – Appendix A. Any questions regarding the applicability of federal clauses to a particular bid should be directed to the Purchasing Department prior to bid opening.

- 14. In the event of a discrepancy between a unit price and an extended line item price, the unit price shall govern.
- 15. Should an audit of Contractor's invoices during the term of the Agreement, and any renewals thereof, indicate that the County has remitted payment on invoices that constitute an over-charging to the County above the pricing terms agreed to herein, the Contractor shall issue a refund check to the County for any over-charges within 30-days of being notified of the same.
- 16. For all titled vehicles and equipment the dealer must use the actual delivery date to the County on all transfer documents including the Certificate of Origin (COO,) Manufacturer's Statement of Origin (MSO,) Bill of Sale (BOS,) and Application for Title.
- 17. **Equipment and serial and model numbers** The contractor is strongly encouraged to include equipment serial and model numbers for all amounts invoiced to the County. If equipment serial and model numbers are not provided on the face of the invoice, such information may be required by the County before issuing payment.



#### NOTICE OF AWARD

State Of Missouri
Office Of Administration
Division Of Purchasing
PO Box 809
Jefferson City, MO 65102-0809
http://oa.mo.gov/purchasing

CONTRACT NUMBER	CONTRACT TITLE
CC182584002	Facilities MRO and Industrial Supplies
AMENDMENT NUMBER	CONTRACT PERIOD
N/A	July 1, 2018 through June 30, 2019
REQUISITION/REQUEST NUMBER	SAM II VENDOR NUMBER/MissouriBUYS SYSTEM ID
N/A	13552650606/MB00023754
CONTRACTOR NAME AND ADDRESS	STATE AGENCY'S NAME AND ADDRESS
Sid Tool Co, Inc. d/b/a MSC Industrial Supply Co., Inc. 75 Maxess Road Melville, NY 11747	State of Missouri Various Agency Locations

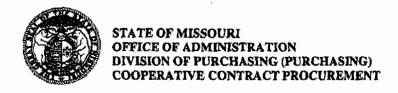
#### ACCEPTED BY THE STATE OF MISSOURI AS FOLLOWS:

In accordance with section 34.046, RSMo, contract CC182584002 between the State of Missouri and MSC Industrial Supply Co., Inc. is hereby awarded by the State of Missouri consisting of the attached documentation as specified on page 2 of the attached Cooperative Contract Procurement document.

<u>                                     </u>	
BUYER	BUYER CONTACT INFORMATION
John C. Stegmann	Email: john.stegmann@oa.mo.gov Phone: (573) 751-2497 Fax: (573) 526-9816
Signature of Buyer, Alegmann	DATE June 27, 2018
DIRECTOR OF PURCHASING	

Hund form

Karen S. Boeger



**CONTRACT NO.: CC182584002** 

REQ NO.: N/A

TITLE: Facilities MRO and Industrial Supplies

BUYER: John Stegmann PHONE NO.: (573) 751-2497

E-MAIL: john.stegmann@oa.mo.gov

TO: MSC Industrial Supply Co., Inc.

921 Fee Fee Road

Maryland Heights, MO 63043-3801

RETURN DOCUMENT TO THE DIVISION OF PURCHASING (PURCHASING) BY E-MAIL, FAX, OR MAIL/COURIER:

SCAN AND E-MAIL TO:	john.stegmann@oa.mo.gov
FAX TO:	(573) 751-2497
MAIL TO:	PURCHASING, P.O. Box 809, Jefferson City, Mo 65102-0809
COURIER/DELIVER TO:	PURCHASING, 301 West High Street, Room 630, Jefferson City, Mo
	65101-1517

#### DELIVER SUPPLIES/SERVICES FOB (Free On Board) DESTINATION TO THE FOLLOWING ADDRESS:

State of Missouri	H MASTER GREGG
State of Missouri Various Agency Locations	DOING TOUT TO OUT IN
NAXOVATA	Breen 4
ctor hereby agrees to provide the services and/or supplies described in the attached State of Mississipp	of Contract # 8200027989 for the
Lines to the conditions assessed as many 2. The Constitute Continue among that other a Nation of Assessed i	محافيت بنج يمك المحتيمية النبيد المحمدات و

The Contractor hereby agrees to provide the services and/or supplies described in the attached State of Mississippi Contract #8200027989 for the State of Missouri subject to the conditions stated on page 2. The Contractor further agrees that when a Notice of Award is signed and issued by an authorized official of the State of Missouri, a binding contract shall exist between the Contractor and the State of Missouri. The Contractor must be registered in MissouriBUYS. If not registered in MissouriBUYS, the Contractor must register in MissouriBUYS immediately upon request by the state.

#### SIGNATURE REQUIRED

VENDOR NAME	Missouribuys system ID (SEE VENDOR PROFILE - MAIN INFORMATION SCREEN)			
	MERCHANDO ED 319 FEM IN (SEE TENDOR PROFILE - MORAL AFFORMA ROM DOMEN)			
Sid Tool Co., Inc. d/b/a MSC Industrial Supply Co.				
MAILING ADDRESS				
75 Maxess Road				
CITY, STATE, ZIP CODE				
Melville, NY 11747				
CONTACT PERSON	EMAIL ADDRESS			
PHONE NUMBER	FAX NUMBER			
VENDOR TAX FILING TYPE WITH IRS (CHECK ONE)				
✓ CorporationIndividualState/Local GovernmentPartnershipSole ProprietorIRS Tax-Exempt				
AUTHORIZED SIGNATURE DATE				
My	4/20/18			
PRINTED NAME	TITLE			
oregi Levu	VD. NA+GOV+ sales			
J				

CONTRACT TITLE:

Facilities Maintenance, Repair and Operations (MRO) and Industrial Supplies

CONTRACT PERIOD:

Date of Award through June 30, 2019

Contract CC182584002 is awarded by the State of Missouri consisting of the following:

- The attached Contract #8499, signed by the State of Oregon on April 27, 2018 and subsequent Amendments.
- The attached RFP #DASPS-2183-17 issued by the State of Oregon on November 15, 2017 consisting of 109 pages.
- The attached Participating Addendum.

The contractor shall provide Facilities Maintenance, Repair and Operations (MRO) and Industrial Supplies specified by the State of Missouri, at the prices specified in the attached documentation. All references to the State of Oregon, in the attached documentation shall be deemed to refer to the State of Missouri with the exception of information specific to the State of Oregon such as background information, statistical/factual information, etc.

The contractor shall submit invoices for any and all above-mentioned products and services provided for the State of Missouri to the address shown on the Purchase Order.

#### Catalog Requirements for MissouriBUYS:

The contractor should provide, manage, and support a roundtrip (often referred to as punchout) catalog site(s) that must be fully operational and compatible with the MissouriBUYS implementation using the OCI 2.0 or newer (Open Catalog Interface) standard. If the contractor does not have the ability to provide, manage, and support a roundtrip catalog site at time of contract award, the contractor shall, within thirty (30) calendar days after notice to proceed with award, submit accurate product and price files in an Excel spreadsheet in the format required by the state for uploading into a state-hosted catalog into MissouriBUYS from which the state agency end user will place orders.

The contractor must assist the state on an as needed, if needed, basis at the sole option of the state to either provide data or enter data into Microsoft Excel spreadsheets necessary to create state-hosted catalogs. The data necessary to create the state-hosted catalogs is related to the line items identified in the contract and includes, but is not necessarily limited to the following:

Product Description;

Quantity;

Unit of Measure;

Unit Price (value, 6 decimal places, no rounding);

Part Number;

Commodity Code (8 digit UNSPSC code which is valid for the Item);

Contract Number: and

Manufacturer Name.

The contractor shall update data for hosted catalogs as necessary to address pricing changes, product additions, product deletions, etc.

The contractor shall not charge the state for services required to provide or enter data necessary to create or update state-hosted catalogs.

#### Federal Funds Requirement:

The contractor shall understand and agree that this procurement may involve the expenditure of federal funds. Therefore, in accordance with the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, Public Law 101-166, Section 511, "Steven's Amendment", the contractor shall not issue any statements, press releases, and other documents describing projects or programs funded in whole or in part with Federal funds unless the prior approval of the state agency is obtained and unless they clearly state the following as provided by the state agency:

- the percentage of the total costs of the program or project which will be financed with Federal funds;
- the dollar amount of Federal funds for the project or program; and
- percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.

#### Debarment Certification:

The contractor certifies by signing the signature page of this original document and any addendum signature page(s) that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, voluntarily excluded from participation, or otherwise excluded from or ineligible for participation under federal assistance programs. The contractor should complete and return the attached certification regarding debarment, etc., Exhibit A with their proposal. This document must be satisfactorily completed prior to award of the contract.

#### Cooperative Procurement Program:

The contractor shall participate in the State of Missouri's Cooperative Procurement Program. The contractor shall provide Facilities Maintenance, Repair and Operations (MRO) and Industrial Supplies as described herein under the terms and conditions, requirements and specifications of the contract, including prices, to other government entities in accordance with the Technical Services Act (section 67.360, RSMo, which is available on the internet at: <a href="http://www.moga.mo.gov/mostatutes/stathtml/06700003601.html">http://www.moga.mo.gov/mostatutes/stathtml/06700003601.html</a>). The contractor shall further understand and agree that participation by other governmental entities is discretionary on the part of that governmental entity and the State of Missouri bears no financial responsibility for any payments due to the contractor by such governmental entities.

#### Contractor's Personnel:

The contractor shall only employ personnel authorized to work in the United States in accordance with applicable federal and state laws. This includes but is not limited to the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) and INA Section 274A.

If the contractor is found to be in violation of this requirement or the applicable state, federal and local laws and regulations, and if the State of Missouri has reasonable cause to believe that the contractor has knowingly employed individuals who are not eligible to work in the United States, the state shall have the right to cancel the contract immediately without penalty or recourse and suspend or debar the contractor from doing business with the state. The state may also withhold up to twenty-five percent of the total amount due to the contractor.

The contractor shall agree to fully cooperate with any audit or investigation from federal, state, or local law enforcement agencies.

Contract CC182584002 Page 4

#### Missouri Statewide Contract Quarterly Administrative Fee:

The contractor shall pay a one percent (1%) administrative fee to the State of Missouri which shall apply to all payments received by the contractor for all products provided under the contract. Payment of the one percent administrative fee shall be non-negotiable.

The contractor shall pay the administrative fee at the end of each calendar quarter (i.e. March 31, June 30, September 30, December 31). The total administrative fee for a given quarter must equal one percent (1%) of the total payments (minus returns and credits) received by the contractor during the calendar quarter as reported on the contractor's Missouri Statewide Contract Quarterly Administrative Fee Report specified below. The administrative fee must be received by the Division of Purchasing (Purchasing) no later than the 15th calendar day of the month immediately following the end of the calendar quarter, unless the 15th is not a business day in which case the next business day thereafter shall be considered the administrative fee deadline.

Payments shall be made using one of the following acceptable payment methods:

- Check: Personal check, company check, cashier's check, or money order made payable to the "Missouri Revolving Information Technology Trust Fund" and sent to the following mailing address: Division of Purchasing, P.O. Box 809, Jefferson City, MO 65102 0809 OR Division of Purchasing, 301 West High Street, Room 630, Jefferson City, MO 65101-1517. The contractor's payment by check shall authorize the State of Missouri to process the check electronically. The contractor understands and agrees that any returned check from the contractor may be presented again electronically and may be subject to additional actions and/or handling fees.
- <u>Electronic Payment</u>: Instructions on how to submit payments electronically by automated clearing house (ACH) will be provided upon request by contacting the Division of Purchasing at (573) 751-2387.

All payments of the administrative fee shall include the contract number on any check or transmittal document. However, only one contract number must be entered on a check or transmittal document. If submitting an administrative fee payment for more than one contract, then a separate check or electronic payment and associated transmittal document must be submitted by the contractor for each contract.

#### Missouri Statewide Contract Quarterly Administrative Fee Report:

The contractor shall submit a Missouri Statewide Contract Quarterly Administrative Fee Report to the Division of Purchasing which shall identify the total payments (minus returns and credits) received by the contractor from state agencies, political subdivisions, universities, and governmental entities in other states that were made pursuant to the contract.

The contractor shall prepare and submit the Missouri Statewide Contract Quarterly Administrative Fee Report at the end of each calendar quarter (i.e. March 31, June 30, September 30, December 31) for total payments (minus returns and credits) received by the contractor during the calendar quarter. The Missouri Statewide Contract Quarterly Administrative Fee Report must be received by the Division of Purchasing (Purchasing) no later than the 15th calendar day of the month following the reporting quarter entered on the report, unless the 15th is not a business day in which case the next business day thereafter shall be considered the reporting deadline. Even if there has been no usage of the contract during the reporting quarter, the contractor must still submit a report and indicate no payments were received by marking the appropriate box on the report form.

The Missouri Statewide Contract Quarterly Administrative Fee Report form may be downloaded from the following Purchasing website: <a href="http://oa.mo.gov/purchasing/vendor-information">http://oa.mo.gov/purchasing/vendor-information</a>. The Missouri Statewide Contract Quarterly Administrative Fee Report is also included herein as Attachment 1. The Missouri Statewide Contract Quarterly Administrative Fee Report must be submitted using one of the following methods:

• Mail: Division of Purchasing,

P.O. Box 809, Jefferson City MO 65102-0809

OR

Division of Purchasing,

301 West High Street, Room 630, Jefferson City, MO 65101-1517

Fax: (573) 526-9815

• Email: ereports@oa.mo.gov

The contractor shall agree that the Division of Purchasing reserves the right to modify the requested format and content of the Missouri Statewide Contract Quarterly Administrative Fee Report by providing thirty (30) calendar days written notice to the contractor. The contractor shall also agree the Division of Purchasing may unilaterally amend the contract, with thirty (30) calendar days notice to the contractor to change the method of payment of the administrative fee, the timing for submission of the Missouri Statewide Contract Quarterly Administrative Fee Report, and/or timing for payment of the administrative fee. The contractor shall understand and agree that if such an amendment is issued by the Division of Purchasing, the contractor shall comply with all contractual terms, as amended.

#### Missouri Statewide Contract Quarterly Usage Report:

The contractor shall submit a Missouri Statewide Contract Quarterly Usage Report to the Division of Purchasing (Purchasing) which shall provide the Data Element information listed below:

Data Element	Description		
Contractor Name	Contractor name as it appears on the contract.		
Statewide Contract Number	Statewide contract number as listed on the cover page of your contract with the State of Missouri.		
Report Contact Name	Name of the person completing the report on behalf of the contractor.		
Contact Phone Number	Phone number for the person completing the report.		
Contact Email Address	Email address for the person completing the report.		
Date Report Submitted	Date the Missouri Statewide Contract Quarterly Usage Report is submitted to Purchasing.		
Reporting Quarter	Quarter for which the contractor is reporting purchases on the contract.		
Entity Type	Indicate the type of entity by entering "S" for Missouri state agency, "P" for Missouri political subdivision, "U" for Missouri university, or "O" for political subdivision or state entity from another state.		
Customer Name	Customer's name. If the customer has multiple locations, please only use the main entity name.		
Product or Service Description	Description of product or service purchased.		
Purchase Authorization Number/Identifier	Purchase Authorization Number/Identifier supplied by customer to contractor. Enter PO or other authorization number/identifier. If procurement card used, enter "P-Card".		
Contract Line Item Number	Line item number on the contract.		
Quantity Delivered	Quantity (i.e. excluding returns) of products delivered. Enter a quantity of "1" for a service/project.		

	DIAMETER NAME OF THE PARTY OF T	Description
į	Unit Price Charged	Unit Price Charged (i.e. excluding credits) for the product or service
ı		purchased.
	Extended Price	Quantity Delivered X Unit Price Charged.

The contractor shall prepare and submit the Missouri Statewide Contract Quarterly Usage Report at the end of each calendar quarter (i.e. March 31, June 30, September 30, December 31) for the purchases made under the contract during the calendar quarter. The Missouri Statewide Contract Quarterly Usage Report must be received by the Division of Purchasing no later than the 15th calendar day of the month following the reporting quarter entered on the Missouri Statewide Contract Quarterly Usage Report, unless the 15th is not a business day in which case the next business day thereafter shall be considered the reporting deadline. Even if there has been no usage of the contract during the reporting quarter, the contractor must still submit a report and indicate no purchases were made.

The contractor must submit a Missouri Statewide Contract Quarterly Usage Report electronically either utilizing the "Missouri Statewide Contract Quarterly Usage Report" worksheet included herein in Attachment 2 which is downloadable from <a href="http://oa.mo.gov/purchasing/vendor-information">http://oa.mo.gov/purchasing/vendor-information</a> or utilizing another format which is Excelexportable. The contractor must submit the Missouri Statewide Contract Quarterly Usage Report to the following email address: <a href="mailto:ereports@oa.mo.gov">ereports@oa.mo.gov</a>.

The contractor shall agree that the Division of Purchasing reserves the right to modify the requested format and content of the Missouri Statewide Contract Quarterly Usage Report by providing thirty (30) calendar days' written notice to the contractor. The contractor shall also agree the Division of Purchasing may unilaterally amend the contract, with thirty (30) calendar days' notice to the contractor to change the timing for submission of the Missouri Statewide Contract Quarterly Usage Report. The contractor shall understand and agree that if such an amendment is issued by the Division of Purchasing, the contractor shall comply with all contractual terms, as amended.

#### EXHIBIT A

# Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98 Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

#### (BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS FOR CERTIFICATION)

- (1) The prospective recipient of Federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

SIO TOOL COUTTY Olda	enplantation to this proposal.
4SC Industrial Supply Co.	939619265
Company Name	DUNS # (if known)
Grea Levu	VP, NA + GOV + Sales
Authorized Representative's Printed Name	Authorized Representative's Title
The 2	6/20118
Authorized Representative's Signature	Date

#### instructions for Certification

- 1. By signing and submitting this proposal, the prospective recipient of Federal assistance funds is providing the certification as set out below.
- The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later
  determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies
  available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
- The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this proposal is submitted if at
  any time the prospective recipient of Federal assistance funds learns that its certification was erroneous when submitted or has become erroneous
  by reason of changed circumstances.
- 4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
- 5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposal covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
- 6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to check the <u>List</u> of <u>Parties Excluded from Procurement or Nonprocurement Programs</u>.
- 8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- 9. Except for transactions authorized under paragraph 5 of these instructions, it a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntary excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.

#### **MASTER AGREEMENT # 8499** FORM PARTICIPATING ADDENDUM

NASPO ValuePoint PARTICIPATING ADDENDUM

Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #: 8499

Contractor: Sid Tool Co. dba MSC Industrial Supply Co. Inc. (Contractor)

Participating Entity State of Missouri

The following Goods or services are included in this Addendum:

 All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

Master Agreement Terms and Conditions:

- 1. Scope: This addendum covers the Maintenance and Facilities Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.
- 2. Participation: This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of Missouri. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.
- Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

#### Contractor

Name:

Anna Slattery, State Account Manager

Address:

921 Fee Fee Road, Maryland Heights, MO 63043-3801

Telephone: 314-278-9541

Fax:

888-672-9722

Email:

anna.slattery@mscdirect.com

Participating Entity

Name:

John Stegmann

Address:

301 West High Street, Rm 630

Telephone: 573-751-2497

573-526-9816

Email:

john.stegmann@oa.mo.gov

4. Participating Entity Modifications Or Additions To The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

[x] No changes to the terms and conditions of the Master Agreement are required.

[__] The following changes are modifying or supplementing the Master Agreement terms and conditions.

- Lease Agreements: Reserved.
- 6. Subcontractors: All contactors, dealers, and resellers authorized in the State of Missouri, as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
- 7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor: MSC Industrial Supply Co.
Signature:	Signature:
KAREN BOEBER	They 5
Name:	Name:
Kanu 2000	Greg Levy
Title:	Title:
DRECTOR OF FOREHOLSHUS	VP, National Accounts & Government Sales
Date:	Date:
60018	6/11/2018

[Additional signatures may be added if required by the Participating Entity]
For questions on executing a participating addendum, please contact:

#### NASPO ValuePoint

Cooperative Development Coordinator:

Shannon Berry

Telephone:

775-720-3404

Email:

sberrry@naspovaluepoint.org

[Please email fully executed PDF copy of this document to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.]

#### **Quarterly Contract Usage Report**

The contractor shall submit a "Quarterly Contract Usage Report" to the Division of Purchasing and Materials Management (DPMM) for all purchases made under the contract for which payment has been received by the contractor during the reporting quarter. The contractor must submit the "Quarterly Contract Usage Report" to DPMM no later than the 15th calendar day of the month following the "Reporting Quarter". The contractor shall complete the "Quarterly Contract Usage Report" in accordance with the definitions and requirements stated below. Completed electronic forms will feed into a central database for aggregate usage. Please contact DPMM (573) 751-2387 if you have specific questions about your contract area, the submission of this report, or payment of the administrative fee.

Header Definitions.			
Contractor Name	Contractor name as it appears on the contract.		
Contract Number	Contract Number as listed on the first page of your contract with the State of Missouri.		
Report Contact Name	Name of the person completing the report on behalf of the contractor.		
Contact Phone Number	Phone number for person completing the report.		
Contact Email	Email address for the person completing the report.		
Reporting Quarter  Date Report Submitted	Quarter for which the contractor is reporting purchases for which payment has been received. This must be in format QX, where X is the Quarter number as follows:  Q1: January 1 - March 31  Q3: July 1 - September 30  Q2: April 1 - June 30  Q4: October 1 - December 31  Date Quarterly Usage Report is submitted.		
Goods/Services Purchased	Indicate if the purchases made under the contract were for Goods/Commodities, Services, or were IT Related by checking the appropriate box.		

State Agency and Political Subdivision Report Tabs - Depending on the payments received during the quarter, the contractor must indicate if the payments were received from a state agency or a political subdivision by selecting the appropriate form to submit to DPMM. Both forms must be filled out if the payments were received from a state agency and a political subdivision.

received from a state agency and a political subdivision.		
The name of the entity which purchased the product or service. Complete Sold To "Sold To" for every purchaser for which products/services were provided payment was received during the reporting quarter.		
Product Description	List the product(s) sold.	
Quantity	Number of product(s) sold.	
Total Cost of Purchase Total cost of purchase.		
Administrative Fee	Administrative Fee amount is calculated as 1% of the payments received by the contractor during the quarter based on the cost of the goods, services, and IT related goods and services provided under the contract (excluding taxes and any returns.)	
Misc. Comments	Misc. Comments	

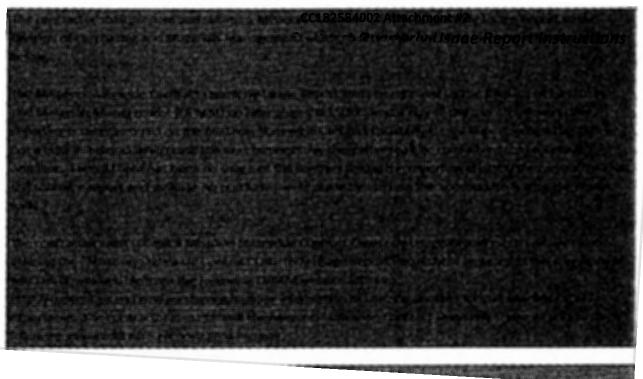
Admin Fee Report Tab -- The total amount in payments received from state agency(les) and a political subdivision(s) during the reporting quarter for the contract are to be summarized using the Administrative Fee Report.

No Payments Recd Tab -- If no payments were received during the reporting quarter for this contract, the box must be checked and this form must be submitted to DPMM.

### CC182584002 Attachment #1 - Missouri Statewide Contract Quarterly Administrative Fee Report

Contractor Name:		Report Contact Name:	
Statewide Contract Number:		Contact Phone Number:	
Date Report Submitted:		Contact Email Address:	
Asimination of the state of the	Ayright Alcitolion	Tippoting Sue	au ( <del>c'hoc</del> k one);
Total Payments Received (minus returns & credits) from Missouri <u>State</u> <u>Agencies</u> during the Reporting Quarter:		[ ] January 1 - March 31	[ ] April 1 - June 30
Total Payments Received (minus returns & credits) from Missouri Political Subdivisions (cities, counties, etc.) during the Reporting Quarter:		[ ] July 1 - September 30	[ ] October 1 - December 31
Total Payments Received (minus returns & credits) from Missouri <u>Universities</u> during the Reporting Quarter.		The notating of the principle (MWSQ)	urspaeing and Materials Management Own
Total Payments Received (minus returns & credits) from <u>Governmental</u> <u>Entitles in Other States</u> during the Reporting Quarter:		1) Mail: Division of Purchasing and Materials Management, P.O. Box 809, Jefferson City MO 65102 - 0809 OR 301 West High Street, Room 630, Jefferson City MO 65101 - 1517 2) Fax: (573) 526-9815 3) Email: ereports@ca.mo.gov	
Overall Total Payments Received (minus returns & credits) during the Reporting Quarter:	\$0.00	Indicate below the method of paymen Administrative Fee Payment for the Ri automission	Lused for submitting the Fotal proving Otalian and dale of payment
1% Administrative Fee (Multiply Overall Total Payments by 1% to determine Total Administrative Fee Payment)	1.00%	Method of Payment Used: [ ] Personal check [ [ ] Company check [ ] [ ] Cashier's check	] Money Order I ACH (Electronic Payment)
Total Administrative Fee Payment for the Reporting Quarter:	\$0.00	Date of Payment Submission:/_f. (mn	20_ n/dd/yyyy)
Il no prominio mane la comencia dell'alla dell'alla dell'alla dell'alla dell'alla dell'alla dell'alla dell'alla		Epong and some constant	いることでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本には、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本のでは、日本には、日本のでは、日本には、日本には、日本には、日本には、日本には、日本には、日本には、日本に
[ ] No payments were received this calendar quarter for any purchases on the contract identified above.		Signature:	Date:

### Missouri Statewide Contract Quantum,



Cata Content	Gescription			
Contractor Name	Contractor name as it appears on the contract.			
Statewide Contract	Statewide contract number as listed on the cover page of your contract with the			
Number	State of Missouri.			
Report Contact Name	Name of the person completing the report on behalf of the contractor.			
Contact Phone Number	Phone number for the person completing the report.			
Contact Email Address	ess Email address for the person completing the report.			
Date Report Submitted	Report Submitted Date the Missouri Statewide Contract Quarterly Usage Report is submitted to DPMM.			
Reporting Quarter	Quarter for which the contractor is reporting purchases on the contract.			
Entity Type	Type Indicate the type of entity by entering "S" for Missouri state agency, "P" for Missouri political subdivision, "U" for Missouri university, or "O" for political subdivision or state entity from another state.			
Customer Name				
Product or Service Description	Description of product or service purchased.			
Purchase Authorization Number/Identifier	Purchase Authorization Number/Identifier supplied by customer to contractor. Enter PO or other authorization number/Identifier. If procurement card used, enter "P-Card".			
Contract Line Item Number	Line item number on the contract.			
Quantity Delivered	Quantity (i.e. excluding returns) of products delivered. Enter a quantity of "1" for a service/project.			
Unit Price Charged	Unit Price Charged (i.e. excluding credits) for the product or service purchased.			
Extended Price	Quantity Delivered X Unit Price Charged.			

#### CC182584002 Attachment #2 - Missouri Statewide Contract Quarterly Usage Report

					en de la companya de La companya de la co		
	If no purchases were made during the reporting	[ ] January 1 - March 3		March 31	1 [ ] April 1 - June 30		
[ ] No purchases were made during this quarter on the contract identified above.			(French St. 1997)  [ ] July 1 - September 30			[ ] October 1 - December 31	
Entity Type*	Customer Name	Product or Service Description	Purchase Authorization Number/Ident/Rec	Contract Line Item Number	Quantity Delivered	Unit Price Charged	Extended Price
e spirituarite e		en på med like et likema i være et er en med 1944-ked i like sin henst	<u> Securit Burgia, a talika Perika Panjah sekeri Burgiah B</u> ara	10.024.024.03			\$0.00
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							\$0.00
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							\$0.00
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							\$0.00
							\$0.00
							\$0.00
							\$0,00
							\$0.00
					Overal	Total of Purchases	\$0.00

[&]quot;Entity Type: "S" = Missouri state agency; "P" = Missouri political subdivision; "U" = Missouri university; "O" = political subdivision or state entity from other state

#### **MASTER AGREEMENT # 8499** FORM PARTICIPATING ADDENDUM

NASPO ValuePoint PARTICIPATING ADDENDUM

Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #: 8499

Contractor: Sid Tool Co. dba MSC Industrial Supply Co. Inc. (Contractor)

Participating Entity: State of Missouri

The following Goods or services are included in this Addendum:

 All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

#### Master Agreement Terms and Conditions:

- 1. Scope: This addendum covers the Maintenance and Facilities Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.
- 2. Participation: This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of Missouri. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.
- 3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

#### Contractor

Name:

Anna Slattery, State Account Manager

Address:

921 Fee Fee Road, Maryland Heights, MO 63043-3801

Telephone: 314-278-9541

Fax:

888-672-9722

Email:

anna.slattery@mscdirect.com

Participating Entity

Name: John Stegmann

Address: 301 West High Street, Rm 630

Telephone: 573-751-2497 Fax: 573-526-9816

Email: john.stegmann@oa.mo.gov

4. Participating Entity Modifications Or Additions To The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

[x] No changes to the terms and conditions of the Master Agreement are required.

[__] The following changes are modifying or supplementing the Master Agreement terms and conditions.

- 5. Lease Agreements: Reserved.
- 6. <u>Subcontractors</u>: All contactors, dealers, and resellers authorized in the State of Missouri, as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
- 7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor:
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:

[Additional signatures may be added if required by the Participating Entity] For questions on executing a participating addendum, please contact:

#### NASPO ValuePoint

Cooperative Development Coordinator:

Colombons:

Shannon Berry 775-720-3404

Telephone: Email:

sberrry@naspovaluepoint.org

[Please email fully executed PDF copy of this document to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.]



MSC Master Agreement CC182584002 (NASPO Facilities MRV)

# NASPO ValuePoint

# NASPO ValuePoint Master Agreement #8499 for

# Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies

This NASPO ValuePoint Master Agreement ("Master Agreement") is between the State of Oregon, acting by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("DAS PS"), as the Lead State, on behalf of the member states of the NASPO ValuePoint Cooperative Purchasing Program and other Participating Entities and Sid Tool Co. dba MSC Industrial Supply Co. Inc. ("Contractor"). This Master Agreement is effective on the date that it has been signed by the parties and has been approved as required by applicable law ("Effective Date").

#### 1. Master Agreement Order of Precedence

- a. Any Order placed under this Master Agreement shall consist of the following documents:
  - (1) A Participating Entity's Participating Addendum ("PA"), substantially in the form attached hereto as Exhibit A;
  - (2) NASPO ValuePoint Master Agreement and its exhibits:

Terms and conditions of the Master Agreement, then its exhibits, to be interpreted in the following order:

- · Exhibit C Provisions Required by Federal Law
- Exhibit B Description of Products, Price, and Services
- Exhibit B-1 Percentage Off Discounts
- Exhibit E Contractor Branch and Distribution Center Listings
- eMarket Center Addendum
- Exhibit D NASPO ValuePoint Detailed Sales Data Report Form
- Exhibit A Sample Participating Addendum
- (3) A Purchase Order issued against the Master Agreement;
- (4) Any terms and conditions provided electronically or online or as part of Product materials or descriptions or guidelines; and
- (5) Any Contractor's online or third party terms and conditions.

b. These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above.

#### 2. Definitions

Acceptance means a written notice from a Purchasing Entity to Contractor advising Contractor that the Product has passed its Acceptance Testing. Acceptance of a Product for which acceptance testing is not required shall occur following the completion of delivery, installation, if required, and a reasonable time for inspection of the Product, unless the Purchasing Entity provides a written notice of rejection to Contractor.

Acceptance Testing means the process for ascertaining that the Product meets the standards set forth in the section titled Standard of Performance and Acceptance, prior to Acceptance by the Purchasing Entity.

Contract means any Order or Purchase Order or other agreed upon ordering instrument issued by a Purchasing Entity under this Master Agreement, together with the terms and conditions of this Master Agreement.

Contractor means the person or entity delivering Products or performing services under the terms and conditions set forth in this Master Agreement.

Embedded Software means one or more software applications which permanently reside on a computing device.

Environmentally Preferable Product means products and services that have a lesser or reduced effect on human health and the environment when compared to competing products or services that serve the same purpose.

Intellectual Property means any and all patents, copyrights, service marks, trademarks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.

Lead State means the State centrally administering any resulting Master Agreement(s).

Master Agreement means the underlying agreement executed by and between the Lead State, acting on behalf of the members of the NASPO ValuePoint Cooperative Purchasing Program, and the Contractor, as now or hereafter amended.

NASPO ValuePoint is the NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, a 501(c)(3) limited liability company that is a subsidiary organization the National Association of State Procurement Officials (NASPO), the sole member of NASPO ValuePoint. NASPO ValuePoint facilitates administration of the NASPO cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. NASPO ValuePoint is identified in the Master Agreement as the recipient of reports and may perform contract

administration functions relating to collecting and receiving reports as well as other contract administration functions as assigned by the Lead State.

Order or Purchase Order means any purchase order, sales order, contract or other document used by a Purchasing Entity to order the Products.

Participating Addendum means a bilateral agreement executed by a Contractor and a Participating Entity incorporating this Master Agreement and any other additional Participating Entity specific language or other requirements, e.g. ordering procedures specific to the Participating Entity, other terms and conditions.

**Participating Entity** means a state, or other legal entity, properly authorized to enter into a Participating Addendum.

Participating State means a state, the District of Columbia, or one of the territories of the United States that is listed in the Request for Proposal as intending to participate. Upon execution of the Participating Addendum, a Participating State becomes a Participating Entity; however, a Participating State listed in the Request for Proposals is not required to later participate in the Master Agreement

Product means any equipment, software (including embedded software), supplies, materials, commodities, goods, documentation or other deliverable supplied, offered, or created by the Contractor pursuant to this Master Agreement as described on Exhibits B and B-1. The term Products, supplies, and products are used interchangeably in this Master Agreement.

Purchasing Entity or Customer means a state (as well as the District of Columbia and U.S territories), city, county, district, other political subdivision of a State, and a nonprofit organization under the laws of some states if authorized by a Participating Addendum, who issues a Purchase Order against the Master Agreement and becomes financially committed to the purchase.

Services means installation and additional services as defined in the Master Agreement.

#### 3. Term of the Master Agreement; Non-exclusivity

- a. The initial term of this Master Agreement is for one (1) year. This Master Agreement may be extended beyond the original contract period for four (4) additional years at the Lead State's discretion and by mutual agreement and upon review of requirements of Participating Entities, current market conditions, and Contractor performance.
- b. This Master Agreement is not exclusive. Purchasing Entities retain the right to contract for Products or Services or both through any selection process authorized by law, or to perform the Services themselves. Neither NASPO ValuePoint nor the Lead State guarantees that any specific number of Contracts will be issued or that any specific amount of Products or Services will be required.

#### 4. Amendments

The terms of this Master Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of the Lead State and Contractor.

#### 5. Participants and Scope

- a. Contractor may not deliver Products and Services under this Master Agreement until a Participating Addendum, in a form substantially similar to Exhibit A attached hereto and acceptable to the Participating Entity and Contractor is executed. The NASPO ValuePoint Master Agreement Terms and Conditions are applicable to any Order by a Participating Entity (and other Purchasing Entities covered by their Participating Addendum), except to the extent altered, modified, supplemented or amended by a Participating Addendum. By way of illustration and not limitation, this authority may apply to unique delivery and invoicing requirements, confidentiality requirements, defaults on Orders, governing law and venue relating to Orders by a Participating Entity, indemnification, and insurance requirements. Statutory or constitutional requirements relating to availability of funds may require specific language in some Participating Addenda in order to comply with applicable law. The expectation is that these alterations, modifications, supplements, or amendments will be addressed in the Participating Addendum or, with the consent of the Purchasing Entity and Contractor, may be included in the ordering document (e.g. purchase order or contract) used by the Purchasing Entity to place the Order.
- b. Use of specific NASPO ValuePoint cooperative Master Agreements by state agencies, political subdivisions and other Participating Entitles (including cooperatives) authorized by individual state's statutes to use state contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the respective State Chief Procurement Official.
- c. Obligations under this Master Agreement are limited to those Participating Entities who have signed a Participating Addendum and Purchasing Entities within the scope of those Participating Addenda. States or other entities permitted to participate may use an informal competitive process to determine which Master Agreements to participate in through execution of a Participating Addendum. Financial obligations of Participating Entities who are states are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating Entities who are states incur no financial obligations on behalf of other Purchasing Entities. Contractor shall email a fully executed PDF copy of each Participating Addendum to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.
- d. NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, is not a party to the Master Agreement. It is a nonprofit cooperative purchasing organization assisting states in administering the NASPO cooperative purchasing program for state government departments, institutions, agencies and political subdivisions (e.g., colleges, school districts, counties, cities, etc.) for all 50 states, the District of Columbia and the territories of the United States.
- e. Participating Addenda shall not be construed to amend the following provisions in this

Master Agreement between the Lead State and Contractor that prescribe NASPO ValuePoint Program requirements: Term of the Master Agreement; Amendments; Participants and Scope; Administrative Fee; NASPO ValuePoint Summary and Detailed Usage Reports; NASPO ValuePoint Cooperative Program Marketing and Performance Review; NASPO ValuePoint eMarketCenter; Right to Publish; Price and Rate Guarantee Period; and Individual Customers. Any such language shall be void and of no effect.

- f. Participating Entities who are not states may under some circumstances sign their own Participating Addendum, subject to the consent to participation by the Chief Procurement Official of the state where the Participating Entity is located. Coordinate requests for such participation through NASPO ValuePoint. Any permission to participate through execution of a Participating Addendum is not a determination that procurement authority exists in the Participating Entity; they must ensure that they have the requisite procurement authority to execute a Participating Addendum.
- g. Resale. "Resale" means any payment in exchange for transfer of tangible goods, software, or assignment of the right to services. Subject to any specific conditions included in the solicitation or Contractor's proposal as accepted by the Lead State, or as explicitly permitted in a Participating Addendum, Purchasing Entities may not resell Products (the definition of which includes services that are deliverables). Absent any such condition or explicit permission, this limitation does not prohibit: payments by employees of a Purchasing Entity for Products; sales of Products to the general public as surplus property; and fees associated with inventory transactions with other governmental or nonprofit entities and consistent with a Purchasing Entity's laws and regulations. Any sale or transfer permitted by this subsection must be consistent with license rights granted for use of intellectual property.

#### 6. Administrative Fees

- a. The Contractor shall pay to NASPO ValuePoint, or its assignee, a NASPO ValuePoint Administrative Fee of one-quarter of one percent (0.25% or 0.0025) no later than sixty (60) days following the end of each calendar quarter. The NASPO ValuePoint Administrative Fee shall be submitted quarterly and is based on all sales of products and services under the Master Agreement (less any charges for taxes or shipping). The NASPO ValuePoint Administrative Fee is not negotiable. This fee is to be included as part of the pricing submitted with proposal.
- b. Additionally, some states may require an additional fee be pald directly to the state only on purchases made by Purchasing Entities within that state. For all such requests, the fee level, payment method and schedule for such reports and payments will be incorporated into the Participating Addendum that is made a part of the Master Agreement. The Contractor may adjust the Master Agreement pricing accordingly for purchases made by Purchasing Entities within the jurisdiction of the state. All such agreements shall not affect the NASPO ValuePoint Administrative Fee percentage or the prices paid by the Purchasing Entities outside the jurisdiction of the state requesting the additional fee. The NASPO ValuePoint Administrative Fee in subsection 6a shall be based on the gross amount of all sales (less any charges for taxes or shipping) at the adjusted prices (if any) in Participating Addenda.

#### 7. NASPO ValuePoint Summary and Detailed Usage Reports

In addition to other reports that may be required by this solicitation, the Contractor shall provide the following NASPO ValuePoint reports:

- a. Summary Sales Data. The Contractor shall submit quarterly sales reports directly to NASPO ValuePoint using the NASPO ValuePoint Quarterly Sales/Administrative Fee Reporting Tool found at <a href="http://calculator.naspovaluepoint.org">http://calculator.naspovaluepoint.org</a>. Any/all sales made under this Master Agreement shall be reported as cumulative totals by state. Even if Contractor experiences zero sales during a calendar quarter, a report is still required. Reports shall be due no later than thirty (30) days following the end of the calendar quarter (as specified in the reporting tool).
- b. Detailed Sales Data. Contractor shall also report detailed sales data by: (1) state; (2) entity/customer type, e.g. local government, higher education, K12, non-profit; (3) Purchasing Entity name; (4) Purchasing Entity bill-to and ship-to locations; (4) Purchasing Entity and Contractor Purchase Order identifier/number(s); (5) Purchase Order Type (e.g. sales order, credit, return, upgrade, determined by industry practices); (6) Purchase Order date; (7) Ship Date; (8) and line item description, including product number if used. The report shall be submitted in any form required by the solicitation. Reports are due on a quarterly basis and must be received by the Lead State and NASPO ValuePoint Cooperative Development Team no later than thirty (30) days after the end of the reporting period. Reports shall be delivered to the Lead State and to the NASPO ValuePoint Cooperative Development Team electronically through a designated portal, email, CD-ROM, flash drive or other method as determined by the Lead State and NASPO ValuePoint. Detailed sales data reports shall include sales information for all sales under Participating Addenda executed under this Master Agreement. The format for the detailed sales data report is in shown in Exhibit D.
- c. Reportable sales for the summary sales data report and detailed sales data report includes sales to employees for personal use where authorized by the solicitation and the Participating Addendum. Report data for employees should be limited to ONLY the state and entity they are participating under the authority of (state and agency, city, county, school district, etc.) and the amount of sales. No personal identification numbers, e.g. names, addresses, social security numbers or any other numerical identifier, may be submitted with any report.
- d. Contractor shall provide the NASPO ValuePoint Cooperative Development Coordinator with an executive summary each quarter that includes, at a minimum, a list of states with an active Participating Addendum, states that Contractor is in negotiations with and any Participating Addendum roll out or implementation activities and Issues. NASPO ValuePoint Cooperative Development Coordinator and Contractor will determine the format and content of the executive summary. The executive summary is due thirty (30) days after the conclusion of each calendar quarter.
- e. Timely submission of these reports is a material requirement of the Master Agreement. The recipient of the reports shall have exclusive ownership of the media containing the reports. The Lead State and NASPO ValuePoint shall have a perpetual, irrevocable, non-exclusive, royalty free, transferable right to display, modify, copy, and otherwise use reports, data and information provided under this section.

## 8. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review

- a. Contractor agrees to work cooperatively with NASPO ValuePoint personnel. Contractor agrees to present plans to NASPO ValuePoint for the education of Contractor's contract administrator(s) and sales/marketing workforce regarding the Master Agreement contract, including the competitive nature of NASPO ValuePoint procurements, the Master agreement and participating addendum process, and the manner in which qualifying entities can participate in the Master Agreement.
- b. Contractor agrees, as Participating Addendums become executed, if requested by ValuePoint personnel to provide plans to launch the program within the participating state. Plans will include time frames to launch the agreement and confirmation that the Contractor's website has been updated to properly reflect the contract offer as available in the participating state.
- c. Contractor agrees, absent anything to the contrary outlined in a Participating Addendum, to consider customer proposed terms and conditions, as deemed important to the customer, for possible inclusion into the customer agreement. Contractor will ensure that its sales force is aware of this contracting option.
- d. Contractor agrees to participate in an annual contract performance review at a location selected by the Lead State and NASPO ValuePoint, which may include a discussion of marketing action plans, target strategies, marketing materials, as well as Contractor reporting and timeliness of payment of administration fees.
- e. Contractor acknowledges that the NASPO ValuePoint logos may not be used by Contractor in sales and marketing until a logo use agreement is executed with NASPO ValuePoint.
- f. The Lead State expects to evaluate the utilization of the Master Agreement at the annual performance review. Lead State may, in its discretion, cancel the Master Agreement pursuant to section 28, or not exercise an option to renew, when Contractor utilization does not warrant further administration of the Master Agreement. The Lead State may exercise its right to not renew the Master Agreement if Contractor fails to record or report revenue for three consecutive quarters, upon 60-calendar day written notice to the Contractor. Cancellation based on nonuse or under-utilization will not occur sooner than two years after award (or execution if later) of the Master Agreement. This subsection does not limit the discretionary right of either the Lead State or Contractor to cancel the Master Agreement pursuant to section 28 or to terminate for default pursuant to section 30.
- g. Contractor agrees, within 30 days of the effective date, to notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-part contracts or agreements that may affect the promotion of this Master Agreement or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this master agreement. Upon request of the Lead State or NASPO ValuePoint, Contractor shall provide a copy of any such provisions.

#### 9. NASPO ValuePoint eMarket Center

- a. In July 2011, NASPO ValuePoint entered into a multi-year agreement with SciQuest, Inc. (doing business as JAGGAER) whereby JAGGAER will provide certain electronic catalog hosting and management services to enable eligible NASPO ValuePoint's customers to access a central online website to view and/or shop the goods and services available from existing NASPO ValuePoint Cooperative Contracts. The central online website is referred to as the NASPO ValuePoint eMarket Center.
- b. The Contractor will have visibility in the eMarket Center through Ordering Instructions. These Ordering Instructions are available at no cost to the Contractor and provide customers information regarding the Contractors website and ordering information. The Contractor is required at a minimum to participate in the eMarket Center through Ordering Instructions.
- c. At a minimum, the Contractor agrees to the following timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin Ordering Instruction process. The Contractor shall have thirty (30) days from receipt of written request to work with NASPO ValuePoint to provide any unique information and ordering instructions that the Contractor would like the customer to have.
- d. If the solicitation requires either a catalog hosted on or integration of a punchout site with eMarket Center, or either solution is proposed by a Contractor and accepted by the Lead State, the provisions of the eMarket Center Appendix to these NASPO ValuePoint Master Agreement Terms and Conditions apply.

#### 10. Right to Publish

Throughout the duration of this Master Agreement, Contractor must secure from the Lead State prior approval for the release of information that pertains to the potential work or activities covered by the Master Agreement. This limitation does not preclude publication about the award of the Master Agreement or marketing activities consistent with any proposed and accepted marketing plan. The Contractor shall not make any representations of NASPO ValuePoint's opinion or position as to the quality or effectiveness of the services that are the subject of this Master Agreement without prior written consent. Failure to adhere to this requirement may result in termination of the Master Agreement for cause.

#### 11. Price and Rate Guarantee Period

All prices and rates set forth in Exhibit B (and the online catalog) must be guaranteed for the initial term of the Master Agreement. Following the initial Master Agreement period, any request for price or rate adjustment must be for an equal guarantee period, and must be made at least (30) days prior to the effective date. Requests for price or rate adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the Master Agreement shall not be effective unless approved by the Lead State. No retroactive adjustments to prices or rates will be allowed.

Contractor shall apply the appropriate discounts as set forth on Exhibit B-1.

#### 12. Individual Customers

Except to the extent modified by a Participating Addendum, each Purchasing Entity shall follow the terms and conditions of the Master Agreement and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement, including but not limited to, any indemnity or right to recover any costs as such right is defined in the Master Agreement and applicable Participating Addendum for their purchases. Each Purchasing Entity will be responsible for its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Purchasing Entity individually.

#### **Administration of Orders**

#### 13. Ordering

- a. Master Agreement order and purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.
- b. Purchasing Entities may define entity or project-specific requirements and informally compete the requirement among companies having a Master Agreement on an "as needed" basis. This procedure may also be used when requirements are aggregated or other firm commitments may be made to achieve reductions in pricing. This procedure may be modified in Participating Addenda and adapted to the Purchasing Entity's rules and policies. The Purchasing Entity may in its sole discretion determine which Master Agreement Contractors should be solicited for a quote. The Purchasing Entity may select the quote that it considers most advantageous, cost and other factors considered.
- c. Each Purchasing Entity will identify and utilize its own appropriate purchasing procedure and documentation. Contractor is expected to become familiar with the Purchasing Entities' rules, policies, and procedures regarding the ordering of supplies and/or services contemplated by this Master Agreement.
- d. Contractor shall not begin work without a valid Purchase Order or other appropriate commitment document under the law of the Purchasing Entity.
- Orders may be placed consistent with the terms of this Master Agreement during the term of the Master Agreement.
- f. All Orders pursuant to this Master Agreement, at a minimum, shall include:
  - The Products, Services or Supplies being delivered;
  - (2) The place and requested time of delivery;
  - (3) A billing address:
  - (4) The name, phone number, and address of the Purchasing Entity representative;
  - (5) The price per hour or other pricing elements consistent with this Master Agreement and the contractor's proposal;
  - (6) A ceiling amount of the order for services being ordered; and
  - (7) The Master Agreement Identifier.

- g. All communications concerning administration of Orders placed shall be furnished solely to the authorized purchasing agent within the Purchasing Entity's purchasing office, or to such other individual identified in writing in the Order.
- h. Orders must be placed pursuant to this Master Agreement prior to the termination date thereof, but may have a delivery date or performance period up to 120 days past the then-current termination date of this Master Agreement. Contractor is reminded that financial obligations of Purchasing Entities payable after the current applicable fiscal year are contingent upon agency funds for that purpose being appropriated, budgeted, and otherwise made available.
- i. Notwithstanding the expiration, cancellation or termination of this Master Agreement, Contractor agrees to perform in accordance with the terms of any Orders then outstanding at the time of such expiration or termination. Contractor shall not honor any Orders placed after the expiration, cancellation or termination of this Master Agreement, or otherwise inconsistent with its terms. Orders from any separate indefinite quantity, task orders, or other form of indefinite delivery order arrangement priced against this Master Agreement may not be placed after the expiration or termination of this Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.

#### 14. Shipping and Delivery

- a. The prices are the delivered price to any Purchasing Entity. All deliveries shall be F.O.B. destination, freight pre-paid, with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage shall remain the Contractor's until final inspection and acceptance when responsibility shall pass to the Purchasing Entity except as to latent defects, fraud and Contractor's warranty obligations. The minimum shipment amount, if any, will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an Order to be shipped without transportation charges that is back ordered shall be shipped without charge.
- b. All deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the Order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order. Any damage to the building interior, scratched walls, damage to the freight elevator, etc., will be the responsibility of the Contractor. If damage does occur, it is the responsibility of the Contractor to immediately notify the Purchasing Entity placing the Order.
- c. All products must be delivered in the manufacturer's standard package. Costs shall include all packing and/or crating charges. Cases shall be of durable construction, good condition, properly labeled and suitable in every respect for storage and handling of contents. Each shipping carton shall be marked with the commodity, brand, quantity, item code number and the Purchasing Entity's Purchase Order number.

#### 15. Laws and Regulations

Any and all Products offered and furnished shall comply fully with all applicable Federal and State laws and regulations, including the Federal Terms and Conditions set forth in Exhibit

#### 16. Inspection and Acceptance

- a. Where the Master Agreement or an Order does not otherwise specify a process for inspection and Acceptance, this section governs. This section is not intended to limit rights and remedies under the applicable commercial code.
- b. All Products are subject to inspection at reasonable times and places before Acceptance. Contractor shall provide right of access to the Lead State, or to any other authorized agent or official of the Lead State or other Participating or Purchasing Entity, at reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance requirements under this Master Agreement. Products that do not meet specifications may be rejected. Failure to reject upon receipt, however, does not relieve the contractor of liability for material (nonconformity that substantial impairs value) latent or hidden defects subsequently revealed when goods are put to use. Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked.
- c. If any Services do not conform to contract requirements, the Purchasing Entity may require the Contractor to perform the services again in conformity with contract requirements, at no increase in Order amount. When defects cannot be corrected by re-performance, the Purchasing Entity may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and reduce the contract price to reflect the reduced value of services performed.
- d. The warranty period shall begin upon Acceptance.
- e. Acceptance Testing may be explicitly set out in a Master Agreement to ensure conformance to an explicit standard of performance. Acceptance Testing means the process set forth in the Master Agreement for ascertaining that the Product meets the standard of performance prior to Acceptance by the Purchasing Entity, if Acceptance Testing Is prescribed, this subsection applies to applicable Products purchased under this Master Agreement, including any additional, replacement, or substitute Product(s) and any Product(s) which are modified by or with the written approval of Contractor after Acceptance by the Purchasing Entity. The Acceptance Testing period shall be thirty (30) calendar days or other time period identified in this Master Agreement or the Participating Addendum, starting from the day after the Product is delivered or, if installed, the day after the Product is installed and Contractor certifies that the Product Is ready for Acceptance Testing. If the Product does not meet the standard of performance during the initial period of Acceptance Testing, Purchasing Entity may, at its discretion, continue Acceptance Testing on a day-today basis until the standard of performance is met. Upon rejection, the Contractor will have fifteen (15) calendar days to cure the standard of performance issue(s). If after the cure period, the Product still has not met the standard of performance, the Purchasing Entity may, at its option: (a) declare Contractor to be in breach and terminate the Order; (b) demand replacement Product from Contractor at no additional cost to Purchasing Entity; or, (c) continue the cure period for an additional time period agreed upon by the Purchasing Entity and the Contractor. Contractor shall pay all costs related to the preparation and shipping of

Product returned pursuant to the section. No Product shall be deemed Accepted and no charges shall be paid until the standard of performance is met. The warranty period shall begin upon Acceptance.

#### 17. Payment

Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges the highest rate permitted by applicable law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge.

#### 18. Warranty

Warranty provisions govern where specified elsewhere in the documents that constitute the Master Agreement; otherwise this section governs. The Contractor warrants for a period of one year from the date of Acceptance that: (a) the Product performs according to all specific claims that the Contractor made in its response to the solicitation, (b) the Product is suitable for the ordinary purposes for which such Product is used, (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgment, (d) the Product is designed and manufactured in a commercially reasonable manner, and (e) the Product is free of defects. Upon breach of the warranty, the Contractor will repair or replace (at no charge to the Purchasing Entity) the Product whose nonconformance is discovered and made known to the Contractor. If the repaired and/or replaced Product proves to be inadequate, or fails of its essential purpose. the Contractor will refund the full amount of any payments that have been made. If Contractor is not the manufacturer of the product Contractor shall pass through all manufacturer's warranty to Purchasing Entity. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including. without limitation, actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

#### 19. Title of Product

Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Product free and clear of all liens, encumbrances, or other security interests. Transfer of title to the Product shall include an irrevocable and perpetual license to use any Embedded Software in the Product. If Purchasing Entity subsequently transfers title of the Product to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Product title. A subsequent transfer of this software license shall be at no additional cost or charge to either Purchasing Entity or Purchasing Entity's transferee.

#### 20. License of Pre-Existing Intellectual Property

Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the Intellectual Property, and its

derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). The Contractor shall be responsible for ensuring that this license is consistent with any third party rights in the Pre-existing Intellectual Property.

#### **General Provisions**

#### 21. Insurance

- a. Unless otherwise agreed in a Participating Addendum, Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state and having a rating of A, Class VII or better, in the most recently published edition of A.M. Best's Insurance Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a Participating Entity's option, result in termination of its Participating Addendum.
- b, Coverage shall be written on an occurrence basis. The minimum acceptable limits shall be as indicated below:
  - (1) Commercial General Liability covering premises operations, independent contractors, products and completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence/\$2 million general aggregate;
  - (2) Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.
- c. Contractor shall pay premiums on all insurance policies. Contractor shall provide notice to a Participating Entity who is a state within five (5) business days after Contractor is first aware of expiration, cancellation or nonrenewal of such policy or is first aware that cancellation is threatened or expiration, nonrenewal or expiration otherwise may occur.
- d. Prior to commencement of performance, Contractor shall provide to the Lead State a written endorsement to the Contractor's general liability insurance policy or other documentary evidence acceptable to the Lead State that (1) names Oregon, and the Participating States identified in the Request for Proposal as additional insureds, (2) provides that written notice of cancellation shall be delivered in accordance with the policy provisions, and (3) provides that the Contractor's liability insurance policy shall be primary, with any liability insurance of any Participating State as secondary and noncontributory. Unless otherwise agreed in any Participating Addendum, other state Participating Entities' rights and Contractor's obligations are the same as those specified in the first sentence of this subsection except the endorsement is provided to the applicable state.
- e. Contractor shall furnish to the Lead State copies of certificates of all required insurance in a form sufficient to show required coverage within thirty (30) calendar days of the execution of this Master Agreement and prior to performing any work. Copies of renewal certificates of all required insurance shall be furnished within thirty (30) days after any renewal date to the applicable state Participating Entity. Failure to provide evidence of coverage may, at the sole option of the Lead State, or any Participating Entity, result in this Master Agreement's

termination or the termination of any Participating Addendum.

f. Coverage and limits shall not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Purchase Order.

#### 22. Records Administration and Audit

- a. The Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Agreement and Orders placed by Purchasing Entities under it to the extent and in such detail as shall adequately reflect performance and administration of payments and fees. Contractor shall permit the Lead State, a Participating Entity, a Purchasing Entity, the federal government (including its grant awarding entities and the U.S. Comptroller General), and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers and records directly pertinent to this Master Agreement or orders placed by a Purchasing Entity under it for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of five (5) years following termination of this Agreement or final payment for any order placed by a Purchasing Entity against this Agreement, whichever is later, or such longer period as is required by the Purchasing Entity's state statutes, to assure compliance with the terms hereof or to evaluate performance hereunder.
- b. Without limiting any other remedy available to any governmental entity, the Contractor shall reimburse the applicable Lead State, Participating Entity, or Purchasing Entity for any overpayments inconsistent with the terms of the Master Agreement or Orders or underpayment of fees found as a result of the examination of the Contractor's records.
- c. The rights and obligations herein exist in addition to any quality assurance obligation in the Master Agreement requiring the Contractor to self-audit contract obligations and that permits the Lead State to review compliance with those obligations.

#### 23. Confidentiality, Non-Disclosure, and Injunctive Relief

a. Confidentiality. Contractor acknowledges that it and its employees or agents may, in the course of providing a Product under this Master Agreement, be exposed to or acquire information that is confidential to Purchasing Entity or Purchasing Entity's clients. Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Master Agreement, including, but not necessarily limited to (1) any Purchasing Entity's records, (2) personnel records, and (3) information concerning individuals, is confidential information of Purchasing Entity ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information. Confidential Information does not include information that (1) is or becomes (other than by disclosure by Contractor) publicly known; (2) is furnished by Purchasing Entity to others without restrictions similar to those imposed by this Master Agreement; (3) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement; (4) is obtained from a source other than Purchasing Entity without the obligation of confidentiality, (5) is disclosed with the written consent of Purchasing Entity or; (6) is independently developed by employees, agents or subcontractors of Contractor who can be

shown to have had no access to the Confidential Information.

b. Non-Disclosure. Contractor shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance of Orders placed under this Master Agreement. Contractor shall advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise Purchasing Entity, applicable Participating Entity, and the Lead State immediately if Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Master Agreement, and Contractor shall at its expense cooperate with Purchasing Entity in seeking injunctive or other equitable relief in the name of Purchasing Entity or Contractor against any such person. Except as directed by Purchasing Entity, Contractor will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at Purchasing Entity's request, Contractor shall turn over to Purchasing Entity all documents, papers, and other matter in Contractor's possession that embody Confidential Information. Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits and evidence of the performance of this Master Agreement.

- c. Injunctive Relief. Contractor acknowledges that breach of this section, including disclosure of any Confidential Information, will cause irreparable injury to Purchasing Entity that is inadequately compensable in damages. Accordingly, Purchasing Entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Purchasing Entity and are reasonable in scope and content.
- d. Purchasing Entity Law. These provisions shall be applicable only to extent they are not in conflict with the applicable public disclosure laws of any Purchasing Entity.
- e. The rights granted Purchasing Entities and Contractor obligations under this section shall also extend to the cooperative's Confidential Information, defined to include Participating Addenda, as well as Orders or transaction data relating to Orders under this Master Agreement that identify the entity/customer, Order dates, line item descriptions and volumes, and prices/rates. This provision does not apply to disclosure to the Lead State, a Participating State, or any governmental entity exercising an audit, inspection, or examination pursuant to section 23. To the extent permitted by law, Contractor shall notify the Lead State of the identity of any entity seeking access to the Confidential Information described in this subsection.

#### 24. Public Information

This Master Agreement and all related documents are subject to disclosure pursuant to the Purchasing Entity's public information laws.

#### 25. Assignment/Subcontracts

- a. Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Master Agreement, in whole or in part, without the prior written approval of the Lead State.
- b. The Lead State reserves the right to assign any rights or duties, including written assignment of contract administration duties to NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint and other third parties.

#### 26. Changes in Contractor Representation

The Contractor must notify the Lead State of changes in the Contractor's key administrative personnel managing the Master Agreement in writing within 10 calendar days of the change. The Lead State reserves the right to approve changes in key personnel, as identified in the Contractor's proposal. The Contractor agrees to propose replacement key personnel having substantially equal or better education, training, and experience as was possessed by the key person proposed and evaluated in the Contractor's proposal.

#### 27. Independent Contractor

The Contractor shall be an independent contractor. Contractor shall have no authorization, express or implied, to bind the Lead State, Participating States, other Participating Entities, or Purchasing Entities to any agreements, settlements, liability or understanding whatsoever, and agrees not to hold itself out as agent except as expressly set forth herein or as expressly agreed in any Participating Addendum.

#### 28. Cancellation

Unless otherwise stated, this Master Agreement may be canceled by either party upon 60 days written notice prior to the effective date of the cancellation. Further, any Participating Entity may cancel its participation upon 30 days written notice, unless otherwise limited or stated in the Participating Addendum. Cancellation may be in whole or in part. Any cancellation under this provision shall not affect the rights and obligations attending orders outstanding at the time of cancellation, including any right of a Purchasing Entity to indemnification by the Contractor, rights of payment for Products delivered and accepted, rights attending any warranty or default in performance in association with any Order, and requirements for records administration and audit. Cancellation of the Master Agreement due to Contractor default may be immediate.

#### 29. Force Majeure

Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, unusually severe weather, other acts of God, or war which are beyond that party's reasonable control. The Lead State may terminate this Master Agreement after determining such delay or default will reasonably prevent successful performance of the Master Agreement.

#### 30. Defaults and Remedies

a. The occurrence of any of the following events shall be an event of default under this Master Agreement:

- (1) Nonperformance of contractual requirements; or
- (2) A material breach of any term or condition of this Master Agreement; or
- (3) Any certification, representation or warranty by Contractor in response to the solicitation or in this Master Agreement that proves to be untrue or materially misleading; or
- (4) Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
- (5) Any default specified in another section of this Master Agreement.
- b. Upon the occurrence of an event of default, the Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of 15 calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure shall not diminish or eliminate Contractor's liability for damages, including liquidated damages to the extent provided for under this Master Agreement.
- c. If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Master Agreement and the Lead State shall have the right to exercise any or all of the following remedies:
  - (1) Exercise any remedy provided by law; and
  - (2) Terminate this Master Agreement and any related Contracts or portions thereof; and
  - (3) Impose liquidated damages as provided in this Master Agreement; and
  - (4) Suspend Contractor from being able to respond to future bid solicitations; and
  - (5) Suspend Contractor's performance; and
  - (6) Withhold payment until the default is remedied.
- d. Unless otherwise specified in the Participating Addendum, in the event of a default under a Participating Addendum, a Participating Entity shall provide a written notice of default as described in this section and shall have all of the rights and remedies under this paragraph regarding its participation in the Master Agreement, in addition to those set forth in its Participating Addendum. Unless otherwise specified in a Purchase Order, a Purchasing Entity shall provide written notice of default as described in this section and have all of the rights and remedies under this paragraph and any applicable Participating Addendum with respect to an Order placed by the Purchasing Entity. Nothing in these Master Agreement Terms and Conditions shall be construed to limit the rights and remedies available to a Purchasing Entity under the applicable commercial code.

#### 31. Waiver of Breach

Failure of the Lead State, Participating Entity, or Purchasing Entity to declare a default or

enforce any rights and remedies shall not operate as a waiver under this Master Agreement or Participating Addendum. Any waiver by the Lead State, Participating Entity, or Purchasing Entity must be in writing. Waiver by the Lead State or Participating Entity of any default, right or remedy under this Master Agreement or Participating Addendum, or by Purchasing Entity with respect to any Purchase Order, or breach of any terms or requirements of this Master Agreement, a Participating Addendum, or Purchase Order shall not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement, Participating Addendum, or Purchase Order.

#### 32. Debarment

The Contractor certifies 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. This certification represents a recurring certification made at the time any Order is placed under this Master Agreement. If the Contractor cannot certify this statement, attach a written explanation for review by the Lead State.

#### 33. Indemnification

- a. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, and Purchasing Entities, along with their officers and employees, from and against third-party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to tangible property arising from act(s), error(s), or omission(s) of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to the performance under the Master Agreement.
- b. Indemnification Intellectual Property. The Contractor shall defend, Indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, Purchasing Entities, along with their officers and employees ("Indemnified Party"), from and against claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of the claim that the Product or its use, infringes Intellectual Property rights ("Intellectual Property Claim") of another person or entity.
- (1) The Contractor's obligations under this section shall not extend to any combination of the Product with any other product, system or method, unless the Product, system or method is:
  - (a) provided by the Contractor or the Contractor's subsidiaries or affiliates;
  - (b) specified by the Contractor to work with the Product; or
  - (c) reasonably required, in order to use the Product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available product, system or method capable of performing the same function; or

- (d) It would be reasonably expected to use the Product in combination with such product, system or method.
- (2) The Indemnified Party shall notify the Contractor within a reasonable time after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party falls to provide reasonable notice, the Contractor shall not be relieved from its obligations unless the Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to the Contractor. If the Contractor promptly and reasonably investigates and defends any Intellectual Property Claim, it shall have control over the defense and settlement of it. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible. The Indemnified Party shall furnish, at the Contractor's reasonable request and expense, information and assistance necessary for such defense. If the Contractor fails to vigorously pursue the defense or settlement of the Intellectual Property Claim, the Indemnified Party may assume the defense or settlement of it and the Contractor shall be liable for all costs and expenses, including reasonable attorneys' fees and related costs, incurred by the Indemnified Party in the pursuit of the Intellectual Property Claim. Unless otherwise agreed in writing, this section is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.

#### 34. No Waiver of Sovereign Immunity

In no event shall this Master Agreement, any Participating Addendum or any contract or any Purchase Order issued thereunder, or any act of the Lead State, a Participating Entity, or a Purchasing Entity be a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

This section applies to a claim brought against the Participating Entities who are states only to the extent Congress has appropriately abrogated the state's sovereign immunity and is not consent by the state to be sued in federal court. This section is also not a waiver by the state of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

#### 35. Governing Law and Venue

- a. The procurement, evaluation, and award of the Master Agreement shall be governed by and construed in accordance with the laws of the Lead State sponsoring and administering the procurement. The construction and effect of the Master Agreement after award shall be governed by the law of the state serving as Lead State. The construction and effect of any Participating Addendum or Order against the Master Agreement shall be governed by and construed in accordance with the laws of the Participating Entity's or Purchasing Entity's State.
- b. Unless otherwise specified in the RFP, the venue for any protest, claim, dispute or action relating to the procurement, evaluation, and award is in the Lead State. Venue for any claim, dispute or action concerning the terms of the Master Agreement shall be in the state serving as Lead State. Venue for any claim, dispute, or action concerning any Order placed against the Master Agreement or the effect of a Participating Addendum shall be in the Purchasing

## Entity's State.

c. If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): the Lead State for claims relating to the procurement, evaluation, award, or contract performance or administration if the Lead State is a party; a Participating State if a named party; the state where the Participating Entity or Purchasing Entity is located if either is a named party.

#### 36. Assignment of Antitrust Rights

Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or a Participating Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided in that state for the purpose of carrying out the Contractor's obligations under this Master Agreement or Participating Addendum, including, at the Participating Entity's option, the right to control any such litigation on such claim for relief or cause of action.

#### 37. Contract Provisions for Orders Utilizing Federal Funds

Pursuant to Appendix II to 2 Code of Federal Regulations (CFR) Part 200, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Orders funded with federal funds may have additional contractual requirements or certifications that must be satisfied at the time the Order is placed or upon delivery. These federal requirements may be proposed by Participating Entities in Participating Addenda and Purchasing Entities for incorporation in Orders placed under this Master Agreement.

#### 38. Leasing or Alternative Financing Methods

The procurement and other applicable laws of some Purchasing Entitles may permit the use of leasing or alternative financing methods for the acquisition of Products under this Master Agreement. Where the terms and conditions are not otherwise prescribed in an applicable Participating Addendum, the terms and conditions for leasing or alternative financing methods are subject to negotiation between the Contractor and Purchasing Entity.

Authorized Sign	atures:				
Contractor:	They	-CJ.	***************************************		
By: Grea	Leve				
Title: VP NI	7 + G	ort sales	Date: 4	27	18
				7	,

The State of Oregon acting by and through its Department of Administrative Services, Enterprise Goods and Services,

By:

NASPO ValuePoint Master Agreement

Title: Starte Promenut analys! Date: 4/27/18

# Approved pursuant to ORS 291.047

Oregon Department of Justice
By: Karen Johnson via email
Sr. Assistant Attorney General

Date: April 25, 2018

#### eMarket Center Appendix to NASPO ValuePoint Master Agreement

- a. This Appendix applies whenever a catalog hosted by or integration of a punchout site with eMarket Center is required by the solicitation or either solution is proposed by a Contractor and accepted by the Lead State.
- b. Supplier's Interface with the eMarket Center. There is no cost charged by JAGGAER to the Contractor for loading a hosted catalog or integrating a punchout site.
- c. At a minimum, the Contractor agrees to the following:
- (1) Implementation Timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin enablement process. The Contractor shall have fifteen (15) days from receipt of written request to work with NASPO ValuePoint and JAGGAER to set up an enablement schedule, at which time JAGGAER's technical documentation shall be provided to the Contractor. The schedule will include future calls and milestone dates related to test and go live dates. The contractor shall have a total of Ninety (90) days to deliver either a (1) hosted catalog or (2) punch-out catalog, from date of receipt of written request.
- (2) NASPO ValuePoint and JAGGAER will work with the Contractor, to decide which of the catalog structures (either hosted or punch-out as further described below) shall be provided by the Contractor. Whether hosted or punch-out, the catalog must be strictly limited to the Contractor's awarded contract offering (e.g. products and/or services not authorized through the resulting cooperative contract should not be viewable by NASPO ValuePoint Participating Entity users).
  - (a) Hosted Catalog. By providing a hosted catalog, the Contractor is providing a list of its awarded products/services and pricing in an electronic data file in a format acceptable to JAGGAER, such as Tab Delimited Text files. In this scenario, the Contractor must submit updated electronic data [Insert Time Frame Here] to the eMarket Center for the Lead State's approval to maintain the most up-to-date version of its product/service offering under the cooperative contract in the eMarket Center.
  - (b) Punch-Out Catalog. By providing a punch-out catalog, the Contractor is providing its own online catalog, which must be capable of being integrated with the eMarket Center as a. Standard punch-in via Commerce eXtensible Markup Language (cXML). In this scenario, the Contractor shall validate that its online catalog is up-to-date by providing a written update every six months to the Lead State stating they have audited the offered products/services and pricing listed on its online catalog. The site must also return detailed UNSPSC codes (as outlined in line 3) for each line item. Contractor also agrees to provide e-Quote functionality to facilitate volume discounts.
- d. Revising Pricing and Product Offerings: Any revisions to product/service offerings (new products, altered SKUs, new pricing etc.) must be pre-approved by the Lead State and shall be subject to any other applicable restrictions with respect to the frequency or amount of such revisions. However, no cooperative contract enabled in the eMarket Center may include price changes on a more frequent basis than once per quarter. The following conditions apply with respect to hosted catalogs:

- (1) Updated pricing files are required by the 1st of the month and shall go into effect in the eMarket Center on the 1st day of the following month (i.e. file received on 1/01/13 would be effective in the eMarket Center on 2/01/13). Files received after the 1st of the month may be delayed up to a month (i.e. file received on 11/06/09 would be effect in the eMarket Center on 1/01/10).
- (2) Lead State-approved price changes are not effective until implemented within the eMarket Center. Errors in the Contractor's submitted pricing files will delay the implementation of the price changes in eMarket Center.
- e. Supplier Network Requirements: Contractor shall join the JAGGAER Supplier Network (SQSN) and shall use JAGGAER's Supplier Portal to import the Contractor's catalog and pricing, into the JAGGAER system, and view reports on catalog spend and product/pricing freshness. The Contractor can receive orders through electronic delivery (cXML) or through low-tech options such as fax. More information about the SQSN can be found at: www.sciquest.com or call the JAGGAER Supplier Network Services team at 800-233-1121.
- f. Minimum Requirements: Whether the Contractor is providing a hosted catalog or a punchout catalog, the Contractor agrees to meet the following requirements:
- (1) Catalog must contain the most current pricing, including all applicable administrative fees and/or discounts, as well as the most up-to-date product/service offering the Contractor is authorized to provide in accordance with the cooperative contract; and
- (2) The accuracy of the catalog must be maintained by Contractor throughout the duration of the cooperative contract; and
  - (3) The Catalog must include a Lead State contract identification number; and
  - (4) The Catalog must include detailed product line item descriptions; and
  - (5) The Catalog must include pictures when possible; and
- (6) The Catalog must include any additional NASPO ValuePoint and Participating Addendum requirements. Although suppliers in the SQSN normally submit one (1) catalog, it is possible to have multiple contracts applicable to different NASPO ValuePoint Participating Entities. For example, a supplier may have different pricing for state government agencies and Board of Regents institutions. Suppliers have the ability and responsibility to submit separate contract pricing for the same catalog if applicable. The system will deliver the appropriate contract pricing to the user viewing the catalog.
- g. Order Acceptance Requirements: Contractor must be able to accept Purchase Orders via fax or cXML. The Contractor shall provide positive confirmation via phone or email within 24 hours of the Contractor's receipt of the Purchase Order. If the Purchasing Order is received after 3pm EST on the day before a weekend or holiday, the Contractor must provide positive confirmation via phone or email on the next business day.
- h. UNSPSC Requirements: Contractor shall support use of the United Nations Standard

Product and Services Code (UNSPSC). UNSPSC versions that must be adhered to are driven by JAGGAER for the suppliers and are upgraded every year. NASPO ValuePoint reserves the right to migrate to future versions of the UNSPSC and the Contractor shall be required to support the migration effort. All line items, goods or services provided under the resulting statewide contract must be associated to a UNSPSC code. All line items must be identified at the most detailed UNSPSC level indicated by segment, family, class and commodity.

- i. Applicability: Contractor agrees that NASPO ValuePoint controls which contracts appear in the eMarket Center and that NASPO ValuePoint may elect at any time to remove any supplier's offering from the eMarket Center.
- j. The Lead State reserves the right to approve the pricing on the eMarket Center. This catalog review right is solely for the benefit of the Lead State and Participating Entities, and the review and approval shall not waive the requirement that products and services be offered at prices (and approved fees) required by the Master Agreement.
- k. Several NASPO ValuePoint Participating Entities currently maintain separate JAGGAER eMarketplaces, these Participating Entities do enable certain NASPO ValuePoint Cooperative Contracts. In the event one of these entities elects to use this NASPO ValuePoint Cooperative Contract (available through the eMarket Center) but publish to their own eMarketplace, the Contractor agrees to work in good faith with the entity and NASPO ValuePoint to implement the catalog. NASPO ValuePoint does not anticipate that this will require substantial additional efforts by the Contractor; however, the supplier agrees to take commercially reasonable efforts to enable such separate JAGGAER catalogs.

(August 2017)

# Exhibit A to NASPO ValuePoint Master Agreement

## SAMPLE PARTICIPATING ADDENDUM

#### MASTER AGREEMENT # 8499 FORM PARTICIPATING ADDENDUM

NASPO ValuePoint
PARTICIPATING ADDENDUM

Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #: 8499

Contractor: Sid Tool Co. dba MSC Industrial Supply Co. Inc. (Contractor)

Participating Entity: State of XXXXX

The following Goods or services are included in this Addendum:

• Removable Example: All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

The following Goods or services are not included in this Addendum:

- Removable Example: Product modifications,
- Removable Example: Installation services.

#### Master Agreement Terms and Conditions:

 Scope: This addendum covers the Facilities Maintenance and Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State [or State Entity] authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.

[Removable Instruction: Participating States should ensure that paragraph 2 properly defines the scope of participation. The model language in paragraph enables participation by all political subdivisions, institutions of higher education, and other entities included in the state's statewide contract program.]

- Participation: This NASPO ValuePoint Master Agreement may be used by all state
  agencies, institutions of higher institution, political subdivisions and other entities
  authorized to use statewide contracts in the State of [xxxxxxx]. Issues of interpretation
  and eligibility for participation are solely within the authority of the State Chief Procurement
  Official.
- 3. <u>Primary Contacts</u>: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

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COD	TES	ידרוני	м

Name: Address:

Telephone:

Fax: Email:

## Participating Entity

Name:

Address:

Telephone:

Fax:

Emall:

4. Participating Entity Modifications Or Additions To The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

I I No	changes to	the terms	and conditions	of the Master	Agreement are	e required.
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[__] The following changes are modifying or supplementing the Master Agreement terms and conditions.

[Removable Instruction: Insert text here to address specific changes to the terms and conditions. Indicate which section numbers of the Master Agreement are modified, if no changes are required, check the box above and delete this paragraph.]

- 5. Lease Agreements: [If applicable, insert a statement about whether or not equipment lease agreement terms and conditions included in the Master Agreement have been approved for use by the Participating State and any restrictions or requirements for the use of the lease agreement language in the Master Agreement. If not applicable, mark Section 5 as "Reserved".]
- 6. <u>Subcontractors</u>: All contactors, dealers, and resellers authorized in the State of <u>[poocoox]</u>, as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
- 7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor:
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:

[Additional signatures may be added if required by the Participating Entity]
For questions on executing a participating addendum, please contact:

#### NASPO ValuePoint

Cooperative Development Coordinator:

Telephone: Email: Shannon Berry 775-720-3404

sberrry@naspovaluepoint.org

[Please email fully executed PDF copy of this document to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.]

## Exhibit B to NASPO ValuePoint Master Agreement

## Description of Products, Price, and Services

- 1. Products: Contractor may provide Products and Services from the following categories:
  - 1. Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)
  - 2. Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)
  - 3. Fasteners
  - 4. Material Handling
  - 5. Plumbing
  - 6. Power Sources
  - 7. Outdoor Garden
  - 8. Lamps, Lighting, Ballasts
  - 9. HVAC
  - 10. Hand Tools
  - 11. Power Tools (excluding automotive related tools and products)
  - 12. Electrical
  - 13. Paint
  - 14. Security
  - 15. Safety (does not include any public safety equipment)

Purchasing Entities may access Contractor's catalog for above products at link: <a href="http://bit.lv/2ewZiIt">http://bit.lv/2ewZiIt</a>

#### 2. Services:

2.1 ESB/MBE/WBE/DV & DBE Programs:

Contractor has a proven track record of teaming with certified small businesses and/or diverse business partners. Contractor has worked with the Purchasing Entity to tailor plans in which Contractor can channel business to the appropriate ESB/MBE/WBE/DV & DBE groups to best meet the Purchasing Entities socioeconomic goals.

Contractor is committed to building partnerships with Small Business Programs as part of our State and Federal Government Programs. Contractor has close to 50 Small Business Partners to support Federal "set aside" Contracts and State Programs that work to advance a Small Business Socio-Economic Advantage. Contractor is actively looking for additional partners who can be sustainable partners

with Contractor and strongly support Government Contract Programs that strive to promote Small Business Program initiatives.

2.2 Growth Incentives:

Contractor's pricing includes contract incentives, a fixed category discount structure, market basket pricing that is firm for 12 months, prepaid standard ground shipping, product warranties, and inventory management solutions.

Contractor will offer a tiered "E-Commerce rebate incentive" to all states that utilize a statewide E-Commerce platform that is integrated with Contractor. This rebate will be tabulated and paid annually after the one-year anniversary of the PA signing. The additional rebates will start at 1% and range up to 3% based on E-Commerce sales volume growth.

2.3 The quality and availability of recycling or other sustainability programs, including products or services offered:

Contractor will work with the Purchasing Entity to better enable the State to achieve sustainability goals established by the State.

2.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered:

Contractor will work closely with the Purchasing Entity to identify and implement environmental conservation programs.

2.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products:

Contractor currently has identified more than 10,000 products considered "green," or as Environmentally Preferable Products (EPP), as well as other products designed to reduce energy consumption, conserve natural resources, and reduce

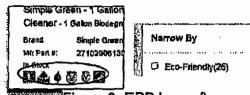


Figure 3: EPP Icons & Search Functions

costs. Contractor is continually identifying and adding new EPP items to its inventory. Throughout its catalog and website, green product alternatives are clearly identified in the product descriptions, as noted in **Figure 3**.

When searching product lines on Contractor's website, the Purchasing Entity has the option to filter the search results for "Eco-Friendly", when applicable, as noted in

#### Figure 3.

#### 2.6 Recycling Programs:

- Contractor utilizes a global recycling logo for recycled content and CPG items in its catalog/webpage offerings to assist in identifying items made from post-consumer and pre-consumer Recycled Content. The icon provided identifies products meeting these requirements.
- The cardboard boxes Contractor utilizes to ship orders are made from recycled content which contains a minimum of 25% by weight of postconsumer materials. Contractor can't guarantee its suppliers original packaging will adhere to the above requirements. Contractor will inform its suppliers of Contractor's desires to receive packaging for the products suppliers provide to Contractor that minimizes the use of disposable containers and contains a minimum of 25% by weight of post-consumer materials.
- Contractor works with packaging companies that provide cardboard that is made from recycled material and meets with the Coalition of Northeast Governors requirements to reduce toxic substances in packaging.
- Contractor will work internally with its ES&H and Product Management Teams to support the pick-up of all 30-gallon and 55gallon drums sold by Contractor to the Purchasing Entities end-users.

#### 2.7 Return Policy:

Contractor maintains a 30-day return policy (from date of shipment). In order to return merchandise, The Purchasing Entity must contact Contractor at (800) 645-7270 to obtain a Return Authorization (RA) number. Returns will not be accepted without an RA number.

Returns should be sent back in the original packaging and condition to the original Customer Fulfillment Center with the RA number on the shipping label. An invoice copy or packing slip should also be included.

Any claims for discrepancies in shipment must be made within seven (7) business days of receipt of merchandise. C.O.D. returns will not be accepted. Shipping charges for returned items must be prepaid. A restocking charge may apply.

Note that hazardous materials are not returnable. The Purchasing Entity will be required to inspect all hazardous materials deliveries prior to accepting the delivery. Unaccepted hazardous materials can be returned to Contractor through the freight company that delivered the materials by not accepting the delivery. Once hazardous materials are accepted for delivery, Contractor is unable to take these items back.

Additionally, altered or etched items cannot be returned. Custom cut-tolength products are considered final sales and may not be returned for credit. Unopened computer software can be returned for a credit, but will only be replaced if considered defective.

In an instance in which a defective item is identified by the Purchasing Entity, a replacement order will be entered immediately. The replacement will be subject to standard lead times if not stocked.

Some manufacturers may provide warranties beyond Contractor's 30-day policy. Please see the individual manufacturer for additional warranty information.

2.8 Distribution points:

Contractor operates five (5) distribution centers located in Atlanta, GA; Columbus, OH; Elkhart, IN; Harrisburg, PA; and Reno, NV. Contractor maintains over ninety (90) branches.

Pennsylvania; Atlanta, Georgia; Elkhart, Indiana; and Reno, Nevada.

- 2.9 Scope of geographical coverage offered:
  Contractor currently services approximately 360,000 customers in all 50 states through its broad network of five domestic Customer Fulfillment Centers (CFCs) located regionally near Columbus, OH; Harrisburg,
- Accurate and meaningful marking of green products in the on-line catalog when applicable:

  Contractor provides accurate and meaningful labeling of environmentally preferable products offered in Contractor's on-line catalog through the green leaf symbol to the right.



#### 3. Additional Services:

3.1 Contract Management Retail Store/Will Call Availability:
Contractor branches are open 8:00am to 5:00pm Monday through
Friday. See Exhibit E Contractor's listing of Branches and Distribution
Centers incorporated by reference.

Contractor has trained and capable employees that will interact with the Purchasing Entity and has regional, senior, and executive management responsible for supporting the Purchasing Entity.

3.2 Reporting Capabilities Disaster Recovery Plan:
Contractor will provide reporting/analysis. Contractor will work with the Purchasing Entity to provide access to the Purchasing Entities order information, through various history reports, spend analysis, pricing audit, and various other reports.

Given this importance of data for information and reporting, it is critical that Contractor stores this Information well.

Contractor shall backup Data and transaction logs so that information can be restored in the event of hardware or other failure.

3.3 Web based ordering System:
Contractor will provide landing pages for Participating States which include contract Information, pricing and Contractor's contacts for the territory.

#### 3.4 Contractors point of contact information:

Contractor has a dedicated toll-free number, 888-MSC-9722 for the Participating States, Participating Entity, and the Purchasing Entities will have access to all the required ordering methods, including the following:

- · Online via mscdirect.com
- eProcurement options (Punchout / Hosted Catalogs)
- Telephone: 800-645-7270
- Facsimile: 800-255-5067
- Email: nvp@mscdirect.com or cust_service@mscdirect.com
   Sid Tools Co. dba MSC Industrial Supply Co. Inc.
   75 Maxess Road
   Melville, NY 11747

#### 3.5 E- Commerce and Web Catalog Capabilities:

(1) Display contract pricing and multiple search options from narrow options to specific search criteria:

Accessible from any computer with an Internet connection, www.mscdirect.com features an extremely versatile search function. Suggestions will appear as the Purchasing Entities type in terms, and the Purchasing Entity may also search by entering any of the following:

- Keyword
- MSC Part Number
- Manufacturer Part Number
- Customer Part Number
- Competitor Part Number
- NSN Numbers
- UPC Numbers
- Brand

Contractor's web site also offers a 24-month rolling history with the ability to search for past orders by Purchase Order Number, Buyer, Ship-to Location, and Date.

(2) On-line ordering capability:
Contractor's user-friendly and easy-to-navigate website, mscdirect.com,

gives the Purchasing Entity full access to every product Contractor has available, and allows the Purchasing Entity to conveniently manage their entire account(s) online.

The website mscdirect.com is available 24 hours a day, seven days a week, and includes a robust suite of features to make the ordering process as easy as possible, and allows for the Purchasing Entity to have complete self-service control of their account(s). The Purchasing Entity can access pricing, see real-time availability of products available online and in Contractor's Big Book, place orders, track packages, and obtain technical data, such as SDS sheets. After orders have shipped, the Purchasing Entity can view copies of the invoice and print them for convenience. Contractor also features its Express Check-Out feature for added efficiency and time savings.

Website offers numerous time-saving and cost-saving tools, the website can help the Purchasing Entity create an efficient and productive procurement environment.

(3) Order status and order tracking capabilities:

The Purchasing Entity will be able to check order status and track their orders using a variety of methods, including calling the local Branch and/or Sales Associate; contacting a Call Center, or visiting mscdirect.com. Contractor communicates order status, including tracking and back-order information through several methods:

- Order Confirmation: The Purchasing Entity can either request an e-mail be sent by Contractor confirming the order, or the Purchasing Entity can view their order status online at mscdirect.com.
- Notice of Back Order: Back order information for online orders is available immediately as a result of real-time inventory information. Orders placed over the phone will also include instantaneous feedback on stock availability from the MSC Associate. Any orders that are faxed or sent via other electronic platforms will receive an e-mail notification or phone call as soon as the back order situation is identified.
- Shipping Notifications / Tracking: The Purchasing Entity may call to track any order shipped via UPS or FedEx, or log on to mscdirect.com for real-time UPS package tracking. If delivery of an order is delayed or incomplete, Contractor will call each of its affected Purchasing Entity, advising the Purchasing Entity of the delay and when the shipment will actually arrive.
- Substitutions: Contractor does not automatically send the Purchasing Entity a substitute item if the original item is unavailable. If Contractor cannot ship the item the Purchasing Entity originally wanted, Contractor would contact the Purchasing Entity and provide alternate item suggestions that would meet the purchasing Entities needs and then let the Purchasing Entity decide accordingly.

(4) Order history:

Contractor provides order history reports for self-auditing purposes. These reports are available by utilizing the My Account page function on Contractor's website. A history of recent orders will appear, enabling the Purchasing Entity to quickly find items previously purchased, track shipments, or reprint invoices. The Purchasing Entity can search orders placed in the past year using order number, purchase order number, or packing slip number.

Additionally, order history may be obtained by calling any of Contractor's Call Centers, local Branches, or Outside Sales Associates.

(5) Allow users to develop personal lists and profiles, and a secure means for storing procurement card information;

Once the Purchasing Entity logs in to the secure site, the Purchasing Entity can streamline the procurement process using Lists for repeat buys. With one central location for all of the Purchasing Entitles Lists, this section makes it very easy to find their frequently purchased items. Additionally, the Purchasing Entity may add items to their lists from the item description page.

"My Profile" and "My Preferences" allows the Purchasing Entity to modify account information, including phone number, e-mail address, and password. The Purchasing Entity may also set change notification preferences to control the e-mail communications received, set up checkout preferences for a more expeditious checkout process, and manage e-mail notifications for orders.

The Purchasing Entity can securely store Procurement Card Information under the "Billing Information" section of Contractor's website, and set default billing address and card information.

(6) Online help to use site should be available at minimum during normal work hours.

Contractor's customer service will be available to the Purchasing Entity in a variety of ways:

- For all web and e-commerce questions, the Purchasing Entity can call (800) 753-7970. Representatives are available Monday through Friday, 7 a.m. to 10 p.m. EST.
- The Purchasing Entity can also utilize the "Chat" function on the web during the above-mentioned business hours.
- For general Customer Service, the Purchasing Entity can contact the dedicated NASPO ValuePoint team at (888) MSC-9722, or call any of Contractor's Call Centers at (800) 645-7270.
   Contractor's Call Centers are available Monday through Friday, 7 a.m. to 11 p.m. EST, and Saturday, 8 a.m. to 5 p.m. EST.

- The Purchasing Entity can email Contractor at
   nvp@mscdirect.com or cust_service@mscdirect.com and receive assistance within 24 hours.
- Additionally, Contractor's local branch offices are typically open Monday through Friday, 8 a.m. to 5 p.m. local time, but hours may vary.
- (7) Technical data, illustrations, Material Safety Data Sheets, parts availability, and access to web-based product sourcing is required: Contractor's item details support all these requirements. A complete list of technical and manufacturer specifications is featured in an easy-to-read chart format. All item availability is displayed in real time. For items with Safety Data Sheets, an icon is featured where the Purchasing Entity can view and print SDS documents. See SDS sheets at <a href="https://www.mscdirect.com/customer-service/sds">https://www.mscdirect.com/customer-service/sds</a>

If the Purchasing Entities are unable to find the SDS they are looking for, they may contact Contractor's Environmental Safety & Health (ES&H) helpline at 1-800-753-7927, Monday through Friday, 7am-11pm, EST, and Saturday 8am-5pm, EST. The Purchasing Entity may also call our 24-hour SDS hotline at 1-866-910-0719 for assistance.

(8) Allow the Purchasing Entity to view on line Contractor's product availability by location:

All inventory on Contractor's website is displayed in real-time so the Purchasing Entity will immediately be aware of stock availability. Orders will ship from Contractor's Customer Fulfillment Center with the available product. If a qualified, in-stock order is placed by the 8 p.m., EST, national cut-off time, the order is guaranteed to ship the same day. Contractor's Same Day Shipping Guarantee maintains a 99% fill rate.

- (9) Ability to block certain items or categories.

  Contractor has the capability to block certain items and categories, and provides this functionality to Participating States.
- (10) Ability to accept "P-Card" payments.
  Contractor currently partners with MasterCard®, Visa®, and American Express®, and Contractor provides Level I, II, and III line item detail reporting for transactions.
- 3.6 Electronic Data shall be stored for each Participating State in the following ways:

  Contractor encrypts all sensitive data while in transit or at rest.

  Contractor utilizes TLS for in-transit encryption and AES256 for all at-rest encryption.

Contractor's ERP system stores all Purchasing Entities and transaction information in a single database. Standard database access techniques

are utilized to ensure that the correct information is being processed for the correct Purchasing Entity. At no time does any Purchasing Entity have access to any other Purchasing Entitles Information.

Once a Purchasing Entity logs in to the Contractor's website, the same data access techniques are used to restrict the Purchasing Entities specific information to only that information that belongs to the logged-in Purchasing Entity.

The primary Contractor computing environment is located in a third-party Tier 2+ Data Center. This data center has redundant critical power and cooling components to provide select maintenance opportunities and an increased margin of safety against business disruptions that would result from site infrastructure equipment failures. The redundant components include power and cooling equipment such as UPS modules, chillers or pumps, and engine generators. In the unlikely event of a disaster at this facility, Contractor also has a redundant data center approximately 1,000 miles away from the primary site that is synchronized in near-real-time, and would be activated to maintain business operations. This redundant solution is tested at least once a year.

Contractor has implemented many advanced technologies and industry best practices to safeguard its own systems, and the information of the Purchasing Entity and suppliers against a wide variety of cybersecurity threats.

Contractor's cybersecurity processes and capabilities cover threat prevention, detection, response, and remediation. A robust cybersecurity training and awareness campaign, two-factor authentication for external network access, state-of-the-art firewalls, web application firewalls, tokenization, and encryption of sensitive data are just a few of the security measures we have in place.

Authentication to any Contractor technology resource requires a unique user ID and complex password. Current policies require passwords to expire and be changed quarterly. The level of access to the systems is reviewed on an annual basis and is governed by the role of the Purchasing Entity in the organization. Critical systems such as order entry are audited annually.

The above technologies are architected and configured in a layered security and risk-based manner. Contractor's security posture is constantly monitored both internally and externally by independent third parties BitSight.

Since the nature of cybersecurity is constantly evolving, Contractor also takes proactive measures to improve its security by testing its own technology, processes, and procedures with annual, blind, third-party penetration testing to nation and state attack standards.

#### 3.7 Forced Substitutions:

Contractor will not conduct forced substitutions. As a result of real-time

inventory information, stock availability and back order information for online orders is immediately available. Orders placed over the phone will also include instantaneous feedback on stock availability from the MSC Associate. Any orders that are faxed or sent via other electronic platforms will receive an e-mail notification or phone call as soon as the back-order situation is determined.

Contractor's customer service or sales representatives would advise the Purchasing Entity of a product discontinuation at the time of order. If Contractor discontinues the item from its catalog, but still has a relationship with the manufacturer, Contractor can still get the Item for the Purchasing Entity. However, the product may not ship from Contractor's inventory. Contractor can suggest substitutions of equal or better value that can ship the next day. If the manufacturer discontinues an item, Contractor will do its best to find a replacement product from the vendor or provide an alternative choice.

In the event a supplier is planning to discontinue an item from Contractor's catalog, Contractor requires that the vendor support its needs until the publishing of the new catalog. Contractor would then remove the item from the catalog and insert a substitution wherever possible. Notes would be entered into Contractor's system so that Sales Associates can communicate these changes to the Purchasing Entity when the product is ordered. Sometimes the supplier / manufacturer discontinuing the item is not willing to manufacture the item for the life of Contractor's current catalog. In these instances, Contractor would work with them to identify an immediate replacement or a similar item.

Contractor does not automatically send the Purchasing Entity a substitute item if the original item is unavailable. If Contractor can't ship the item the Purchasing Entity originally wanted, Contractor will contact the Purchasing Entity and provide an alternate item suggestion that will meet the need and then let them decide accordingly.

#### 3.8 Contract Management:

Contractor will assign a team of State Account Managers as main points of contact for the Master Agreement for each of their respective territories. These State Account Managers will manage the components of Master Agreement in their area, including customer support, training, logistics, reporting, and integration.

The Contractor's State Account Managers will conduct Quarterly Business Reviews with each of their Participating States. During these reviews, the State Account Manager will provide sales reporting, sale trends, best demonstrated practices, and cost-saving documentation, and discuss areas of improvement for the upcoming quarter.

The Purchasing Entity will also receive support from our local branches. Local branches and Associates would be assigned upon award. The following are some of the roles who would service Participating State sites:

- Branch Sales Manager Would lead the local operations and support team; ensuring Master Agreement and Participating Addendum compliance.
- Outside Sales Associate (OSA) The OSA's primary focus is sales support and bringing solutions that can help drive cost savings and inventory reduction, as well as the coordination of all sourcing and purchasing needs. The OSA will also serve as project manager for the local account relationship.
- Solutions Services Representative (SSR) The SSR provides vending, VMI, and other inventory management support. The SSR interfaces with end users on the production floor to provide support for our products and to identify continuous improvement activities.
- MSC Branch Support Associates At the branch location, there are additional assets that can augment, replace and substitute the current support team when necessary. Additional available assets include Inside Sales Associates to assist with tactical sourcing and Senior Specialists to support project based sourcing.

Contractor's will provide all training specific to contract utilization, online ordering, product delivery, product returns, EPPs and customer service processes at no additional cost.

## 3.9 Shipping:

All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package:

Purchasing Entities; Delivery Address; Purchasing entity and floor; Contact; and Telephone number.

A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order:

Line item description;
Date ordered;
Quantity ordered;
Quantity included in shipment;
Any backordered items;
Unit Price and extension;
Number of parcels;
Purchase Order Number;
Purchasing entity name; and
F.O.B. Destination.

Contractor ensures that its Packing Slip references information important to the Purchasing Entity, including all of the fields identified above.

## 3.10 Reporting Capabilities:

The Contractor shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. Additional states may have additional reporting requirements. Contractor commits to providing consolidating reporting to the Purchasing Entity at frequencies they require or as requested.

Contractor can meet all the reporting requirements noted in the Master Agreement terms and conditions at the requested frequencies and at no additional cost.

Contractor's program also includes its extensive reporting capabilities with results typically being delivered at its joint Business Reviews. Using data collection, standardized templates, and approved methods, Contractor will be able to identify key business metrics so that Contractor can provide the most current and accurate information. Contractor can generate reports detailing purchasing history at individual facilities, along with other numerous spend and savings reports. Reports can also be customized and delivered at a frequency (monthly, quarterly, etc.) that best suits Participating State's needs. Sample reporting includes:

- Freight Report by Location
- · Freight Report by Ship via Summary
- · Order Source Detail
- Order Source Summary
- Procurement Card Report Detail
- Procurement Card Report Summary
- Performance Ratings
- Spend and Savings by Product Line
- Spend and Savings by Location

Additional data points include the following:

	DATA POINTS	
CUSTOMER ACCOUNT	INVOICE DAYE	MSC BASE ITEM Number
Order Number	ITEM ORDER NUMBER	CONTACT NAME
Customer AKA Number	CATALOG PAGE	CATALOG PRICE
CUSTOMER P.O.	EXTENDED ITEM PRICE	ITEM DESCRIPTION
BRAND NAME	EXTENDED CATALOG PRICE	CUSTOMER NAME
LINE ITEM QUANTITY	LINE ITEM CATEGORY	NET PRICE
Line Item Description	ORDER DATE	ORDER SQURCE
PAYMENT METHOD	HAZMAT ITEM	Unit of Measure
INVOICE NUMBER	ORDER QUANTITY	Packing Slip Number
PRODUCT LINE	SALES REPRESENTATIVES	SHIP TO ADDRESS
Ship to Number	NSN Number	Merchandise Total
FREIGHT AMOUNT	SALES TAX	MERCHANDISE + FREIGHT + TAX
Invoice Number	CONTACT NAME	INVOICE DATE

Reports provided in Excel format unless otherwise noted. Contractor does not charge money for any reports to the Purchasing Entity, and will work with each request to try to meet the Purchasing Entities needs if the information is not already available.

The Purchasing Entity has access to orders placed via the website or through punch out on their account on the web.

#### 3.11 Sustainability/Environmental Practices;

Contractor's Environmental Compliance and Sustainability Department has been collecting data on Contractor's Energy Use, Water Use and Waste Streams for the past three years and reporting this information to Sr. Management. At this time, there is no formal Sustainability program on Contractor's website. Provided below is the Environmental section of Contractor's Code of Conduct which is available on Contractor's website.

#### (1) Environmental Standards:

Environmental responsibility is an integral part of our business mission. Associates at all levels are required to follow Company procedures designed to meet the standards set by applicable environmental regulations. Contractor will strive to minimize environmental impacts from its operations to the communities in which it operates as well as natural resources. Contractor will actively work to continuously improve its environmental protection programs. Contractor's environmental standards are:

 Environmental Permits and Reporting: Contractor will obtain, maintain and keep current all required environmental permits and registrations necessary to conduct its business and will follow their operations and reporting requirements.

- Pollution Prevention and Resource Reduction: Contractor will strive to reduce or eliminate waste(s) at their source by means of process modifications, maintenance and facility processes, material substitution, conservation, and the recycling and re-use of materials.
- Hazardous Substances: Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.
- Product Content Restrictions: Contractor will not knowingly sell non-compliant products to the Purchasing Entity. Contractor will maintain an Environmental Health and Safety department to review products and evaluate their compliance with all applicable environmental laws and regulations regarding prohibition or restriction of specific substances, including labeling laws and regulations for recycling and disposal.

Promote the Development and Sale of Environmentally Friendly Products: Contractor will strive to identify and provide items to the Purchasing Entity that will help protect the environment through the use of less toxic or harmful ingredients and/or items that will help to reduce consumption of natural resources. These may include, but will not be limited to, products that help to reduce energy consumption, provide water conservation, have been made with or from recyclable materials, or can be recycled after use.

#### (2) Product Take Back/End of Life:

Contractor offers products that assist with the Purchasing Entity end-oflife and recycling needs. Provided below is a sampling of products Contractor offers to promote and assist the Purchasing Entity with their recycling programs. The recycling packs are prepaid recycling packages that include recycling containers, poly liners, instructions, terms and conditions, prepaid shipping label and a certificate of recycling.

MSC ITEM NUMBER	PRODUCT DESCRIPTION
86043874	2-FOOT BOX FOR MIXED LAMPS
86043825	4-FOOT BOX FOR LINEAR FLUORESCENT LAMPS
86043841	4-FOOT LARGE BOX FOR LINEAR FLUORESCENT LAMPS
86043890	3.5-GALLON PAIL FOR BATTERY RECYCLING
86043858	5-GALLON PAIL FOR MIXED LAMP RECYCLING
86043882	5-GALLON PAIL FOR BALLAST RECYCLING

#### 3.12 Vending Machines:

Contractor offers Vending Machine Offerings. Contractor's ControlPoint Inventory Management Vending Solutions are provided for the Purchasing Entities searching for innovative technology to help streamline processes and improve cost savings, industrial vending is an ideal solution. Contractor's vending programs are proven to solve the numerous inefficiencies inherent to the management of indirect spend

items on a shop floor, such as too little or too much inventory, and the management of multiple purchase orders.

When the Purchasing Entity chooses to implement one of Contractor's vending solutions, Contractor will execute an extensive, in-depth process beginning with site analysis all the way through to monitoring the continuing performance of its solutions after installation so that Contractor can ensure complete satisfaction. Contractor process includes:

- Discovery and Assessment -- Contractor's supply chain experts will
  partner with local teams to thoroughly analyze the existing
  environment, and identify any individual location challenges.
  Upon completion of the site analysis, Contractor's experts will
  determine the appropriate solution for the Purchasing Entities
  unique needs and review recommendations with the Purchasing
  Entity.
- Finalize a Contract or Purchase Order Contractor and the Purchasing Entity will work together to document its understanding of the project and create the final Contract or Purchase Order, which includes a detailed Item Plan outlining all the products to be included in the units.
- 3. Installation and Training Every step of the implementation process will be closely monitored by Contractor's expert implementation team to ensure that the Purchasing Entitles program is properly installed and fully functional. Contractor's highly qualified team will provide hands-on training to the dispensing unit's operators and managers so that the system can be up and running in as little time as possible and working to create a more efficient, cost-effective environment. Prior to implementation closure, the Purchasing Entities Sign-Off Form will be presented and reviewed to ensure full satisfaction.
- 4. Monitoring and Support Once the Purchasing Entities vending solutions are fully functional; Contractor provides ongoing support by its Vending Service Center, which functions very similarly to local Branch support. Along with phone-in customer service support, the Purchasing Entity will have access to Product and Technology Teams and Vending Equipment inventory monitoring. Contractor will monitor the products in our Inventory Management Vending Solutions Programs.

Contractor's Vending team will monitor the inventory and will work with the Purchasing Entity to identify areas of opportunity to decrease and/or add inventory based on usage patterns.

Contractor will also assist in any necessary equipment reconfiguration. However, Contractor can maximize the program's flexibility through the training of the Purchasing Entity during the implementation process. Contractor will train the Purchasing Entity on the necessary

reconfiguration process so that changes can be made as expeditiously as possible.

Contractor's Implementations Specialists and Technicians are factory-trained, and maintain a high working knowledge of all MSC equipment. Additionally, Contractor's local Branch support teams receive the same training. Contractor's units have a proven track record in their performance; however if a challenge does arise, Contractor will respond with professional knowledgeable service technicians in order to make any necessary repairs with minimal disruption. Contractor's specialists will devote as much time as necessary to ensure successful implementation.

Contractor's structured support team begins with its Vending Service Center. With a single call or email to its Vending Service Center the Purchasing Entity receives assistance with assorted questions and challenges. Contractor's experienced Vending Service Center team can troubleshoot issues, add items to the machine, price review and more. If the issue cannot be solved from Contractor's Vending Service Center support team, it would be escalated to the local Branch level where an on-site visit will be arranged to aid with additional troubleshooting and repair expertise. If a challenge extends beyond Contractor's vast resources, its equipment manufacturer is available to assist in any capacity required.

#### 3.13 Additional Value added solutions:

Solar Powered Equipment:

Contractor carries solar powered equipment (e.g., item numbers 40627127 and 40627119) identified by the Energy Conservation icon provided. The Purchasing Entity may search for solar products on its website by utilizing its keyword search feature available on its website.

#### 3.14 Sourced Products, if applicable:

3.14.1 Contractor sourced products is a product which is not currently listed in the suppliers contract catalog or on-line ordering system at the time of order receipt but is capable of being supplied through the Contractor, if applicable to a Participating State's rules.

If an unavailable product is requested, Contractor's knowledgeable Associates will immediately search products to suggest a comparable alternative of equal or higher value. If it isn't available from Contractor's stock for same-day shipping, its sales team will source the product as quickly as possible, purchasing it when the customer places the order. If Contractor is not a distributor for a particular product, Contractor has the capability to procure the product by purchasing through an authorized distributor. Contractor has also cross-referenced many of its products and brands with industry brands Contractor doesn't offer so Contractor can provide the Purchasing Entity alternate choices of equal or higher

value.

As part of Contractor's vast sourcing capabilities, Contractor can also source custom, built-to-specification parts upon request.

3.14.2 If the Contractor is capable of supplying sourced products they must be direct line extension products which have a similar item to an established product category and the Contractor must already have a publically recognized business partnership with the "brand," if applicable to the applicable Participating State's rules.

Contractor confirms compliance with this requirement.

#### 3.15 Disaster Recovery:

Contractor shall provide an emergency preparedness plan to aid States during an emergency or disaster recovery with specifics as to response time, supplies availability and other goods and services that is offered.

A Participating State may request hard copy and link to Contractor's emergency preparedness plan on its website.

Contractor to provide lead state with hard copy and website link no later than July 15, 2019.

# **EXHIBIT B-1 to NASPO ValuePoint Master Agreement**

Percentage Off Discount:

## Percentage off list per awarded category

Contractor shall apply the following discount percentages to all purchases:

Category	Discount
Janitorial Equipment & Supplies (does not include Sanitation Cleaning Chemicals)	20%
2. Sanitation Cleaning Chemicals & Supplies (does not include Janitorial Equipment & Supplies	20%
3. Fasteners	25%
4. Material Handling	20%
5. Plumbing	20%
6. Power Source	25%
7. Outdoor Garden	20%
8. Lamps & Lighting and Ballasts	20%
9. HVAC	20%
10. Hand Tools	25%
11. Power Tools (excluding automotive related tools and products)	18%
12. Electrical	20%
13. Paint .	20%
14. Security	25%
15. Safety (does not include any public safety equipment)	25%

The Contractor's Percentage off list discount will not be reduced throughout the life of the Master Agreement except, Contractor can however provide a higher percentage off list discount by providing the Lead State a thirty (30) day notice and Lead State approving the discount.

## Exhibit C to NASPO ValuePoint Master Agreement PROVISIONS REQUIRED BY FEDERAL LAW

Without limiting the generality of Section 15 of the Master Agreement, if applicable, Contractor shall comply and, as indicated, cause all subcontractors to comply with the following federal requirements. For purposes of this Master Agreement, all references to federal laws are references to federal laws as they may be amended from time to time.

- 1. Equal Employment Opportunity. If this Master Agreement, including amendments, is for more than \$10,000, then Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- 2. Clean Air, Clean Water, EPA Regulations. If this Master Agreement, including amendments, exceeds \$100,000 then Contractor shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)), the Federal Water Pollution Control Act as amended (commonly known as the Clean Water Act) (33 U.S.C. 1251 to 1387), specifically including, but not limited to Section 508 (33 U.S.C. 1368). Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15), which prohibit the use under nonexempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to the Participating Entity or Purchasing Entity, HHS and the appropriate Regional Office of the Environmental Protection Agency. Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving more than \$100,000 in Federal Funds, language requiring the subcontractor to comply with the federal laws identified in this section.
- 3. Energy Efficiency. Contractor shall comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163).
- 4. Truth in Lobbylng. The Contractor certifies, to the best of the Contractor's knowledge and belief that:
  - 4.1. No federal appropriated funds have been paid or will be paid, by or on behalf of Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
  - 4.2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the Contractor shall complete and submit Standard Form LLL,

"Disclosure Form to Report Lobbying" in accordance with its instructions.

4.3. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this Master Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Master Agreement imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 5. HIPAA Compliance. If the work performed under this Master Agreement are covered by the Health Insurance Portability and Accountability Act or the federal regulations implementing the Act (collectively referred to as HIPAA), Contractor agrees to perform the work in compliance with HIPAA. Without limiting the generality of the foregoing, work performed under this Master Agreement is covered by HIPAA. Contractor shall comply and cause all subcontractors to comply with the following:
  - 5.1. Privacy and Security Of Individually Identifiable Health Information. Individually Identifiable Health Information about specific individuals is confidential. Individually Identifiable Health Information relating to specific individuals may be exchanged between Contractor and Participating Entity or Purchasing Entity for purposes directly related to the provision of services to clients which are funded in whole or in part under this Master Agreement. However, Contractor shall not use or disclose any Individually Identifiable Health Information about specific individuals in a manner that would violate the Participating Entity or Purchasing Entity Privacy Rules, or the Participating Entity or Purchasing Entity. A copy of the most recent Participating Entity or Purchasing Entity Notice of Privacy may be obtained from Participating Entity or Purchasing Entity
  - 5.2. Data Transactions Systems. If Contractor Intends to exchange electronic data transactions with Participating Entity or Purchasing Entity in connection with claims or encounter data, eligibility or enrollment information, authorizations or other electronic transaction, Contractor shall execute an EDI Trading Partner Agreement with Participating Entity or Purchasing Entity and shall comply with the Participating Entity or Purchasing Entity EDI Rules.
  - 5.3. Consultation and Testing. If Contractor reasonably believes that the Contractor's or the Participating Entity's or Purchasing Entity's data transactions system or other application of HIPAA privacy or security compliance policy may result in a violation of HIPAA requirements, Contractor shall promptly consult the Participating Entity's or Purchasing Entity's HIPAA officer. Contractor or Participating Entity or Purchasing Entity may initiate a request for testing of HIPAA transaction requirements, subject to available resources and the Participating Entity's or Purchasing Entity's testing schedule.

- 5.4. If Contractor is deemed to be a business associate of Participating Entity or Purchasing Entity under HIPAA's Privacy Rule, 45 CFR Parts 160 and 164, Contractor hereby provides Participating Entity or Purchasing Entity with satisfactory assurances that if it receives from Participating Entity or Purchasing Entity or any trading partner any protected health information of any individual, it shall maintain the security and confidentiality of such information as required by the HIPAA's Privacy Rule, and other applicable laws and regulations. Without limiting the foregoing, Contractor agrees that:
  - 5.4.1. Contractor will not use or further disclose Protected Health Information otherwise than as permitted or required by this Master Agreement or as required by law;
  - 5.4.2. Contractor will use appropriate safeguards to prevent use or disclosure of PHI otherwise than as provided for by this Master Agreement;
  - 5.4.3. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of the requirements of the Master Agreement;
  - 5.4.4. Contractor will report to Participating Entity or Purchasing Entity any use or disclosure of PHI not provided for by this Master Agreement of which Contractor becomes aware;
  - 5.4.5 Contractor agrees to ensure that any agents, including subcontractors, to whom it provides PHI, agree to the same restrictions and conditions that apply to Contractor with respect to such information;
  - 5.4.6. Contractor shall make available to Participating Entity or Purchasing Entity such information as they may require to fulfill their obligations to account for disclosures of such information;
  - 5.4.7. Contractor shall make its internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from the Participating Entity or Purchasing Entity or trading partner (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partner) available to Participating Entity or Purchasing Entity and to the Secretary of the United States Department of Health and Human Services, for purposes of determining Participating Entity's or Purchasing Entity's or trading partners' compliance with HIPAA; and
  - 5.4.8. If feasible, upon termination of this Master Agreement, Contractor shall return or destroy all PHI received from Participating Entity or Purchasing Entity or trading partners (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partners) that Contractor still maintains in any form, and shall retain no copies of such information or, if return or destruction is not feasible, Contractor shall continue to extend the protections of this Master Agreement to such information, and limit further use of the information to those purposes that make the return or destruction of the information infeasible.

Subject to the foregoing restrictions, Participating Entity or Purchasing Entity agrees that Contractor may use such PHI in the process of providing transaction mapping, trading partner profiling and training and mentoring services for Participating Entity or Purchasing Entity and trading partners under this Master Agreement.

- 6. Resource Conservation and Recovery. Contractor shall comply and cause all subcontractors to comply with all mandatory standards and policies that relate to resource conservation and recovery pursuant to the Resource Conservation and Recovery Act (codified at 42 USC 6901 et. seq.). Section 6002 of that Act (codified at 42 USC 6962) requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency. Current guidelines are set forth in 40 CFR Parts 247-253.
- 7. Substance Abuse Prevention and Treatment. Contractor shall comply with federal rules and statutes pertaining to the Substance Abuse, Prevention, and Treatment Block Grant, including the reporting provisions of the Public Health Services Act (42 USC 300x through 300x-64).
- 8. Audits. Contractor shall comply and, if applicable, cause a subcontractor to comply, with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."
- 9. Debarment and Suspension. Contractor shall not permit any person or entity to be a subcontractor if the person or entity is listed on the non-procurement portion of the General Service Administration's "List of Parties Excluded from Federal Procurement or Nonprocurement Programs" in accordance with Executive Orders No. 12,549 and No. 12,689, "Debarment and Suspension". (See 45 CFR part 76). This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory authority other than Executive Order No. 12549. Subcontractors with awards that exceed the simplified acquisition threshold shall provide the required certification regarding their exclusion status and that of their principals prior to award.
- 10. Medicald Compliance. To the extent Contractor performs any work whose costs are paid in whole or in part by Medicaid, Contractor shall comply with and cause its subcontractors to comply with the federal and State Medicaid statutes and regulations applicable to the work, including but not limited to:
  - 10.1.Keeping such records as may be necessary to disclose the extent of services furnished to clients and, upon request, furnish such records or other information to Participating Entity or Purchasing Entity, the Secretary of Health and Human Services, and as otherwise directed by Participating Entity or Purchasing Entity;
  - 10.2.Complying with all applicable disclosure requirements set forth in 42 CFR Part 455, Subpart B;
  - 10.3.Complying with any applicable advance directive requirements specified in 42 CFR section 431.107(b)(4); and
  - 10.4, Complying with the certification requirements of 42 CFR sections 455.18 and 455.19.

Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving Medicaid, language requiring the subcontractor to comply with

the record keeping and reporting requirements set forth in this section and with the federal laws identified in this section.

- 11. Americans with Disabilities Act. Contractor shall comply and cause all subcontractors to comply with Title II of the Americans with Disabilities Act of 1990 (codified at 42 USC 12131 et. seq.) in the construction, remodeling, maintenance and operation of any structures and facilities, and in the conduct of all programs, services and training associated with the performance of work.
- 12. Pro-Children Act. Contractor shall comply and cause all subcontractors to comply with the Pro-Children Act of 1995 (codified at 20 USC section 6081 et. seq.).
- 13. Federal Tax Information. Contractor shall comply with the provisions of Section 6103(b) of the Internal Revenue Code, the requirements of IRS Publication 1075, and the Privacy Act of 1974, 5 U.S.C. §552a et. seq. related to federal tax information.
- 14. Educational Records. Contractor shall comply with the provisions of the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99).

# EXHIBIT D to NASPO VALUEPOINT MASTER AGREEMENT NASPO ValuePoint DETAILED SALES DATA REPORT FORM

Field Name	. Field Description
CONTRACTOR	The awarded Contractor's name
CONTRACTOR CONTRACT	
NUMBER	Lead State assigned contract number (using Lead State's numbering protocol)
STATE	State postal abbreviation code (Alaska = AK, Missouri = MO, etc.)
CUSTOMER TYPE (SEGMENT)	State Gov't, Education-K12, Education-HED, Local Gov't, Medical, Other - are acceptable segments.  [determined by industrial practice for each contract - uniform for each contract]
BILL TO NAME	Customer (agency) Bill to name
BILL TO ADDRESS	Customer (agency) Bill to address
BILL TO CITY	Customer (agency) Bill to city
BILL TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]
SHIP TO NAME	Customer (agency) Ship to name
SHIP TO ADDRESS	Customer (agency) Ship to address
SHIP TO CITY	Customer (agency) Ship to city
SHIP TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]
ORDER NUMBER	Contractor assigned order number
CUSTOMER PO NUMBER	Customer provided Purchase Order Number
CUSTOMER NUMBER	Contractor assigned account number for the purchasing entity
ORDER TYPE	Sales order, Credit/Return, Upgrade/Downgrade, etc. [determined by industrial practice for each contract - uniform for each contract]
PO DATE (ORDER DATE)	(mm/dd/ccyy)
SHIP DATE	(mm/dd/ccyy)
INVOICE DATE	(mm/dd/ccyy)
INVOICE NUMBER	Contractor assigned Invoice Number
PRODUCT NUMBER	Product number of purchased product
PRODUCT DESCRIPTION	Product description of purchased product

UNSPSC	Commodity-level code based on UNSPSC code rules (8 Digits)
LIST PRICE/MSRP/CATALOG PRICE	List Price - US Currency (\$99999.999) [determined by industrial practice for each contract - uniform for each contract]
NASPO ValuePoint PRICE	NASPO ValuePoint Price- US Currency (\$99999.999)
QUANTITY	Quantity Invoiced (99999.999)
TOTAL PRICE	Extended Price (unit price multiplied by the quantity invoiced) - US Currency (\$999999999999)
Discount Percentage	Percent off of List Price- example=20%
NASPO ValuePoint ADMIN FEE	Administrative Fee based on Total Price - US Currency (\$999999.999)
VAR/Reseller/Distributor	If a VAR/Reseller/Distributor, name of VAR/Reseller/Distributor and state where located
Optional	More Information

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# EXHIBIT E to NASPO ValuePoint Master Agreement Contractors Branch Listings

Exhibit E is incorporated by reference.



Kate Brown, Governor

#### Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285 PHONE: 503-378-4642

PHONE: 503-378-4642 FAX: 503-373-1626

#### Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 3

This Addendum No. 3 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

1. RFP, Section 1.6 Participating States.

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, Utah, Colorado, Delaware, Florida, Louisiana, Maryland, New Hampshire, South Dakota, Virginia, Illinois, Ohio, New Jersey, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments I — Q V, or may be incorporated into the Participating Addendum after award.

2. RFP, Section 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments  $I - \Theta \underline{V}$  to this Solicitation.

- 3. RFP, DASPS-2183-17, Addendum No. 3, Attachment T and V, New Jersey and Washington State specific terms and conditions are added as part of the RFP, as attached hereto.
- 4. Questions and Answers.

Question 1: Where there is an A & B on the market basket, for example 6A and 6B (Janitorial Equipment and Supply) – can we only answer one without getting dinged or do we have to answer both?

Answer 1: The items highlighted in green within Attachment D-1 will not be scored under Cost but will be evaluated under the technical part of Attachment A. Offeror's score on the technical requirements set forth in Attachment A may be impacted by a failure to respond without explanation.

Question 2: On the category Janitorial Equipment and Supplies, we need to know the gauges (thickness) on the 38X58 and last item 40X46. Also color is missing on some of the can liners. Can you provide color as well for all can liners?

REPLANDER

Answer 2: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 3: On the category, Sanitation Cleaning Chemicals, on the item below, this product is

Answer 3: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 4: Ecommerce Platform: What are the options if any, for company's like BAF that do not have capabilities to provide and internally host a dedicated e-commerce platform for ValuePoint customers? The complexity of our product and the required tailored approach to each customer's application prevents a wide ranging amount of Off-the-Shelf products suitable for purchasing via an e-commerce platform. Can certain vendors be except from meeting the e-commerce requirement?

Answer 4: The awarded contractor may utilize the Ordering Instruction option within the eMarket Center. This will be an informative/contact directly option within the eMarket Center, no orders will be placed via the eMarket Center.

Question 5: Lead times (Ordering & Delivery): Big Ass Fans requests more information on the nature of the delivery requirement outlined in the RFP. As a specialty manufacturer headquartered in Kentucky that does not have a nationwide network of suppliers, the ability to guarantee 48hr nationwide delivery is cost prohibitive and a logistic impossibility. Due to the complexity of our product and our build to suit process, is there the possibility to relax this requirement or the ability to create an exemption for manufacturers like Big Ass Fans?

Answer 5: No DAS PS cannot provide an exemption.

Question 6: Attachment D-1 provides the respondents with the Estimated Annual Quantity as well as the #UOM and the UOM. Is the Estimated Annual Quantity provided in Attachment D-1 the individual pieces ordered in total or is it the estimated total # of packages (as identified by the #UOM and UOM columns)?

For example: Line item 9 in the Fastener category (Mfg: Intercorp; Description: #6-9 x 1-5/8" Philli; Mfg part#: 615C) lists the Estimated Annual Usage for this product at 136,018 with a #UOM of 5000 pieces per package. Is the Estimated Annual Usage of 136,018 referring to 136,018 packages of 5000 each equating to a total of 680,090,000 pieces, or is reference to 136,018 the total number of pieces estimated which when divided by 5000 pieces per package equates to 27 packages?

#### Other examples:

Line item 2 in the Safety category (Lrg NS40856 Glove, AMMEX CORPORATION 1047469A, 46181504) lists the Estimated Annual Usage for this product at 199,904 with a #UOM of 100 pieces per package. Is the Estimated Annual Usage of 199,904 referring to 199,904 packages of 100

equating to a total of 19,990,400 pieces, or is reference to 199,904 the total number of pieces estimated which when divided by 100 pieces per package equates to 1999 packages?

Line item 3 in the Safety category (L 6mil PF Ntrl Glv, AMMEX CORPORATION, 1050135A, 46181504) lists the Estimated Annual Usage for this product at 165,706 with a #UOM of 100 pieces per package. Is the Estimated Annual Usage of 165,706 referring to 165,706 packages of 100 equating to a total of 16,570,600 pieces, or is reference to 16,570,600 the total number of pieces estimated which when divided by 100 pieces per package equates to 1657 packages?

Line item 4 in the Safety category (DISP. FOAM EAR PLUGS, HONEYWELL SAFETY PRODUCTS USA, MAX-1, 46181901) lists the Estimated Annual Usage for this product at 159,482 with a #UOM of 200 pieces per package. Is the Estimated Annual Usage of 159,482 referring to 159,482 packages of 200 equating to a total of 31,896,400 pieces, or is reference to 159,482 the total number of pieces estimated which when divided by 200 pieces per package equates to 797 packages?

Line item 3 in the Power Source category (Standard Battery, AA Alkaline,PK24, DURACELL DISTRIBUTING INC, PC1500BKD, 26111702) lists the Estimated Annual Usage for this product at 200,000 with a #UOM of 24 pieces per package. Is the Estimated Annual Usage of 200,000 referring to 200,000 packages of 24 equating to a total of 4,800,000 pieces, or is reference to 200,000 the total number of pieces estimated which when divided by 24 pieces per package equates to 8,333 packages?

Answer 6: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 7: (a) How do we address different discounts within a section? For example, section 12 – Power Tools. Our discounts are different for item 1 (DeWalt batteries) and for item 2 (carbide drill bits). (b) Can we include a spreadsheet with the full breakdown as a part of attachment D (page 77)?

Answer 7: (a) See Instructions Tab of Attachment D-1 revised 12-2017. (b) No.

Question 8: Region/State: We have multiple retail stores in several states. Our store count per state ranges from 10 stores down to an average of 2-4 stores per state. In both California and Texas we operate with just one retail location. In Washington, we have multiple locations but they are all in Eastern Washington. Would you recommend that we omit the states with only one retail location, select every state where we have stores or should we limit our potential offering to the states where we have widespread footprints/geographic coverage?

Answer 8: Offeror must decide how to propose.

Question 9: Attachment D-1: Will respondents be "penalized" for offering alternate products, but equivalent in form, shape and function, in lieu of those called for in columns 'E' and 'F'?

Answer 9: No.

Question 10: Attachment D-1: How are alternate products weighted vs. items called for in the RFQ when performing your bid review?

Answer 10: The exact match item will be scored, but the alternative item will be taken into consideration if it is deemed to be exact in specifications (size, fit, form, and function) and different in manufacturer only.

Question 11: Attachment D-1: There appears to be some inconsistency on the response spreadsheet between columns H and I. For example, tab 7, item 1 call for batteries. Column H says there is 24 per UOM, but column I is for each. Doesn't make sense, how can there be any value other than 1 when the UOM is each?

Answer 11: Changed to Package "PK".

Question 12: Attachment D-1: Please clarify what type of response you expect or will accept for column J, Size of each Container, when the product is not measured or defined by either weight or size (e.g., batteries – what "size" is a battery?).

Answer 12: Leave it blank if not applicable.

Question 13: Attachment D-1: Tab2 Line 28 there is a discrepancy between the number in unit of measure in column H, and the number per pack in the description 20 vs 24 column D.

Answer 13: Changed in Addendum No. 2, Attachment D-1 revised document.

Question 14: Attachment D-1: Tab 3 Line 10 Item is highlighted as a green but shows disinfectant language. Is it the states intent to have alternates that are green, third party verified, or a disinfectant that is not?

Answer 14: The intent is to have an environmentally preferable disinfectant equivalent to hydrogen peroxide. Because there are no third party certifications for disinfectants, refer to the active ingredients listed in the EPA's DfE Antimicrobial Pesticide Pilot Project: Moving Toward the Green End of the Pesticide Spectrum <a href="https://www.epa.gov/pesticide-labels/design-environment-antimicrobial-pesticide-pilot-project-moving-toward-green-end">https://www.epa.gov/pesticide-labels/design-environment-antimicrobial-pesticide-pilot-project-moving-toward-green-end</a>.

Question 15: If we <u>are not</u> claiming trade secrets or confidential information do we have to state that? In 2.17.1 it states to include Attachment F if you are claiming trade secrets but if we are not do we have to make a statement for clarity – "We are not claiming trade secrets or confidential information"?

Answer 15: Yes.

Question 16: On Attachment A 6.3 Volume Discount. Instead of a cumulative dollar volume as target can a target be set for number of states with PA? For example, when 20 states are participating the discount would increase by .5% (from 25% to 25.5%) and when 30 states are participating the discount would increase by another .5% (from 25.5 to 26%). Would this type of discount be considered if offered?

Answer 16: Offeror is to propose what it will provide.

Question 17: Section 6.2 Experience & Capabilities. There are 5 subsections listed here. We have detailed responses for each of these points, however, it appears that the majority of these details are covered in 6.5 and 6.6. This leads me to believe that in Section 6.2, the offeror is confirming that

we understand each of these points and confirm that we are capable of conforming with the needs of the agencies on each of these topics. More of a broad statement rather than how we are to specifically meet these requirements?

Answer 17: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 18: Section 6.2.1. References are mentioned here. We welcome the opportunity to share contact information for our valued customers in the public sector. I did not see any required number of references or format for the account name and contact information. It does not appear that you want that information listed here?

Answer 18: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 19: Evaluation Criteria shows 20 possible points for section 6.2 Experience & Capabilities. The sub points 6.2.1-6.2.5 are included in other sections throughout Attachment A. Should these responses be included in both areas where they are listed, given there are evaluation points for each section? (Example: 6.2.2.1 Return Policy is also listed and scored in Administration & Marketing section 6.6.1)

Answer 19: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 20: Our issue is with the insurance. We do use blankets and umbrellas. Why are they not acceptable?

Answer 20: Requirements are set under section 21 of Attachment B if a Master Agreement is awarded. If an Oregon Participating Addendum is awarded, Exhibit 2 to the Oregon Participating Addendum applies.

Question 21: With the recent revised market basket that was posted, and our company holiday schedule, we are asking for your consideration to postpone the RFP deadline until January 12th.

Answer 21: No.

Question 22: What buying position will the awarded suppliers be in?

- a. Will it be mandatory or optional for state agencies to purchase off of the awarded contracts?
- b. Will this contract be optional to buyers who can also buy off of plumbing contract# 02910 or will they be required to purchase off of the 02910 plumbing contract?
- c. Would this contract award be in first position (first priority) to other preceding contracts or would this contract serve as an alternative option?

Answer 22: (a) It is up to each State. (b) It is up to each State. (c) Not prioritized.

Question 23: (a) Would a supplier be at a disadvantage if they applied for less than the 15 categories listed? (b) Is the point system per category or per total offering?

Answer 23: (a) No. (b) See section 5.2 of RFP.

Question 24: How would a regional contract be broken out? Would a regional contract be broken out by states within the same coast (i.e., east coast vs. west coast)?

Answer 24: See section 5.4 of RFP.

Question 25: For the state of Alaska deliveries, would an upcharge to cover the shipping costs be allowed?

Answer 25: See Addendum No.1, Question & Answer #17.

Ouestion 26: Would you accept manufacturer substitutes for products in all categories?

Answer 26: See Instruction Tab of Attachment D-1 revised 12-2017.

Question 27: The D-1 instructions, line 15 states "If Offering on exact match item(s), all cells that are labelled "Vendor Input" must be filled in with the correct information." Also, line 16 states "If Offering an alternative item(s), all cells that are labelled "Vendor Input" must be filled in with the correct information."

Though apparent, I cannot see that D-1 tabs 2-16, columns A through O are master titled as "Exact Match" items, nor that columns P through AD are master titled as "Alternative" items. Is it correct to conclude accordingly?

Answer 27: Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 28: For "Exact Match" item, the instructions say "all cells that are labelled "vendor Input" must be filled in." Is it correct to conclude that "all cells" means only (D-1 tabs 2-16) columns J through O, and that it is not to be interpreted as also filling in columns S through AD?

Answer 28: Yes. Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 29: For "Alternative" item, the instructions say "all cells that are labelled "vendor Input" must be filled in." Is it correct to conclude that "all cells" means only (D-1 tabs 2-16), columns S through AD, and that it is not to be interpreted as also filling in columns J through O?

Answer 29: Yes. Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative

item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 30: In reference to Pg. 62, Attachment B-Signature page-Is it necessary to return a signed signature page with proposal?

Answer 30: Attachment B is signed when an award is given to an Offeror.

Question 31: Attachment E revised- Do we put in our State Tax # for the state we are incorporated in or State Tax # for the State of Oregon?

Answer 31: Offeror should insert its Federal Tax ID and the identification number it uses to do business in the State of Oregon.

Question 32: Attachment E revised- Do we put in our "Secretary of the State Corporation Division Registration #" for the state we are incorporated in or "Secretary of the State Corporation Division Registration #" for the State of Oregon?

Answer 32: Offeror should insert the number it uses to do business in the State of Oregon.

Question 33: Do you want a complete price sheet for all products we intend to sell to the State? Or do you want just the market basket on the spread sheet D-1?

Answer 33: Must submit Attachment D-1 revised 12-2017

Question 34: The following item (MFG# 9651-24) says the UOM is 6 per case – the actually description of that manufacture part number is 24 bottles per case – which one do we use?

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Answer 34: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 35: In the below items, the pack quantities are different that Each UOM – which one do we use to calculate? For example the first line item says that the pack qty is 12 but UOM says EACH - do we use our net price to represent the pack of 12 and then multiply or do we multiply our each net price by 12 and them multiply by purchase qty of 5000 - (is the 5000 purchase qty representing each or pack)

CATEGORY	ITEM#	ITEM DESC.	UNSPSC Number	Pack Otv/UOM	<u>VoM</u> Description	MFG NAME	MFG. PART#	OUANTITY PURCHASED
HVAC	3	24"x24"x2" Elite SC	40161505	12	EA	FILTRATION GROUP	PF521146	50000
Paint	1	IC WB WHITE 1702	31211513	12	EA	RUST-OLEUM CORP	203039	28467
HVAC	5	20x20 M8 Std WB Fltr	40161505	12	EA	FILTRATION GROUP	PP510388	15000
HVAC	4	20x25x2 StdWBFits	40161505	12	EA	FILTRATION GROUP	PF510390	25000

Paint	3	IC WB CAUTN BLU 17ez Evaporetar	31211513	12	EA	RUST-OLEUM CORP	203031	15671
HVAC	6	Cleaner, Aerosol, 18 fl oz	47131805	6	EA	NU-CALGON	4171-75	4105
Paint	7	IC WB FLO GRN 1702	31211513	12	EA	RUST-OLEUM CORP	203032	12023
Paint Material	11	IC WB FLO ORANG 1702	31211513	12	EA	RUST-OLEUM CORP	203036	10088
Handling	1	3"x3"x7" WhiteMailer	24112404	50	EA	BOX PARTNERS	M733	56400
Pains	16	17ozAthFldStrip Wht	31211513	12	EA	RUST-OLEUM CORP	206043	6482
Outdoor Garden	4	Studed Grd LHSQ Shvi	27112004	2	EA	tangshan changzhi Agricultural tools	204515	2100
Paint	20	IC WB FLO PINK 170z	31211513	12	EA	RUST-OLEUM CORP	1861838	5525
Paint	22	PREC BLU INV MKG17oz	31211513	12	EA	RUST-OLEUM CORP TANGSHAN CHANGZHI	203022	5121
Outdoor Garden	7	Prem Grd LHRD Shovel	27112004	2	EA	AGRICULTURAL TOOLS TANOSHAN CHANGZHI	204518	1200
Outdoor Garden	11	48"Steel Catrct: Hoe Ice Mashine Cleaner.8	27112008	2	EA	AGRICULTURAL TOOLS	COHOOIL	700
HVAC	11	oz.,Clear Drain cleaner, gallon 4PK (Safer Choice	12163902	12	EA	NU-CALGON	4207-47	921
HVAC	15B	certified)	47101607	4	EA	CLR/Jelmar	GRT-4 PRO	405
HVAC	12	Leak Detector, 1 qt, Blue	41111932	12	EA	NU-CALGON	4182-24	725
Electrical	1	L-14-120-0-C Cbl Tie	39121703	100	EA	THOMAS & BETTS	L-14-120-0-C	64900
Electrical	2	11x1/5" BlkCableTie	39121703	100	EA	THOMAS & BETTS TANGSHAN CHANGZHI	TY5253MX	20100
Outdoor Garden Material	19	Sq PT D-Hndi Sbovel ALUM. SLEEVE 1/16	27112004	2	EA	AGRICULTURAL TOOLS QINGDAO H-QUALITY	204519	193
Handling	5	HG	31162832	10	EA	INDUSTRIES PREMIER PAINT ROLLER	43380	24106
Paint	14	1" Foam Brush	31211904	12	EA	LLC PREMIER PAINT ROLLER	10410	8915
Paint Material	21	2" Foam Brush	31211904	12	EA	LLC	10420	5310
Handling	24	8.75x6x11.125 Mailer WIRE-NUT 73B	24112404	50	EA	BOX PARTNERS	M1186	2700
Electrical	5	ORANGE	39121445	10000	EA	IDEAL INDUSTRIES, INC.	30-673	14776
Electrical	3	WT3OrangeWireTwist	39121445	25	EA	IDEAL INDUSTRIES, INC.	773316	16206
Electrical Material	4	WT2BlueWireTwist	39121445	25	EA	IDEAL INDUSTRIES, INC.	773315	15600
Handling Material	12	1/2 SNAP-ON SEAL	31162406	250	EA	SIGNODE ACME	1304105	10218
Handling	22	SJ-5007.10"X.41"Blk	24141600	3000	ĒA	3M PRODUCTS	00021200627286	3000

Answer 35: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 36: If we bid an exact match and an alternate item that is functionally equivalent for the same line item then which item, the exact match or the alternate will you evaluate?

Answer 36: See Addendum No. 2, Question & Answer #13.

Question 37: If we bid an exact match and an alternate for the same item, what item price will be used to calculate the bidder's bid sheet total for the category, the exact match or alternate? Answer 37: See Addendum No. 2, Question & Answer #13.

Question 38: If we provide an exact match and an alternate for a product, will the evaluators use both product prices in calculating the bid sheet total? If one or the other item price will be used, which one will it be? The exact match? The alternate? Or the item bid with the lowest price?

Answer 38: See answer to Question #1 above.

Question 39: In Attachment D-1, in Column K we are asked to provide "List Price of Unit of Measure from Column I", then in Column L we are asked to provide "List Price of Each Individual Item in the Unit of Measure". Given that we are asked to provide list price for both the UOM (i.e., CS, BX, PK) in Column K and the list piece price in Column L, should there be another column for us to submit our Net piece Price next to Column N, which asks for Net Price of UOM (which is Column I)?

Answer 39: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 40: Line 6 in Cleaning is the same as Line 8A in Sanitation, will the duplication be removed?

Answer 40: See Addendum No. 2 Attachment D-1 revised 12-2017.

Question 41: Pg. 19 of revised Attachment A

6.7.4.1 Sourced Products (3) "The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge" Attachment D and D-1 do not include a column or space to include upcharge...will these attachments be revised to include an area for this? If not, please provide direction on where Offeror should list upcharge for sourced products.

Answer 41: Offeror needs to respond in Attachment A.

Question 42: Are freight charges acceptable to non-contiguous states or territories (Alaska, Hawaii, Guam, Puerto Rico)?

Answer 42: See Addendum No. 2 Question & Answer #31.

Question 43: There are no forms for remitting reference contact information or the survey to references. There is a mention of references in the technical proposal narrative but last time there was an attachment of the reference contact / contract information and a survey that was sent to the reference and remitted directly by the reference to the State. Are the forms missing by mistake?

Answer 43: No.

Question 44: Item # 28 in Janitorial, the UOM in the description calls out a pack of 24 boxes of Toilet Seat covers, but the UOM column references 20 packs. For that item, Kimberly Clark's case quantity is 24. Do you want this item quoted per 20 boxes or 24?

Answer 44: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 45: Is the estimated annual usage reflective of the UOM column? For example, if a case quantity is listed in the UOM, is the usage reflective of the case quantity or per piece?

Answer 45: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 46: Order 13A on Sanitation Cleaning Chemicals: The MFG information does not match the description given. How would you like us to quote this type of discrepancy?

Skin Cleanser, 1 gal. Bottle Bostitch 105577 (not a skin cleanser number).

Answer 46: See Addendum No. 2, Attachment D-1 revised 12-2017.

Proposer/Offerors must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer/Offeror who feels it has been adversely affected by these modifications must submit a written protest of this Addendum No. 3 to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 29, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum No. 3
Authorized Signature:
Print name of signer:
Date:
Company Name of Proposer/Offeror:
(Place Print)



Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285

PHONE: 503-378-4642 FAX: 503-373-1626

#### Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 2

This Addendum No. 2 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

1. RFP, Attachment E, Offeror Information and Certification Sheet, is revised as follows:

Section 5 (h):

- h. Participating Entity Only: While the primary purpose of this RFP is to select one or more contractor(s) who can offer the Parks and Recreation Equipment and Related Services Facilities Maintenance and Repair & Operations (MRO). Industrial Supplies for all Participating States, Offerors are permitted to submit a Proposal for one or more State(s). However, if a Offeror elects to submit a Proposal for one or more State(s), then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) resulting from this RFP, including all optional renewals. Offerors must propose to all RFP Mandatory Requirements.
- 2. RFP, DASPS-2183-17_Addendum No. 2, Attachment E revised 12-2017 is incorporated as part of the RFP, as attached hereto, and replaces Attachment E.
- 3. RFP, DASPS-2183-17_Addendum No. 2, Attachment D-1 revised 12-2017 is incorporated as part of the RFP, as attached hereto, and replaces Attachment D-1.
- 4. RFP, DASPS-2183-17 Addendum No. 2, Attachment U, Energy Policy and Conservation Pub. L. 94163 (Informational Only) is incorporated as part of the RFP, as attached hereto.
- Questions and Answers.

Question 1: There are no forms for remitting reference contact information or the survey to references. Are the forms missing by mistake?

Answer 1: No there is no form.

Question 2: Does the page limit include attachments and exhibits? Is the 100 pages counted as single sided, or double sided (front & back)? Requirement on 6.6.2 Distribution Points: would this be included in the 100 page limit? (Our branch listing alone is 38 pages)

Answer 2: 100 pages are to be submitted one page, one side. Not double sided.

Question 3: Page 2 of the RFP announcement states the payment terms are net 45 but the Attachment B NASPO ValuePoint Master Agreement, page 53, clause 17 states "Payment after acceptance is normally made within 30 days". Is the payment terms net 45 or net 30?

RFP

Answer 3: The ORPIN announcement is not part of the RFP it is a notice only. RFP Attachment B Section 17 clearly states "Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to the highest rate permitted by law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge."

Question 4: UNSPSC# Requirement - If we cannot obtain a UNSPC # and supplier states they do have one, what other options do we have?

Answer 4: There is a UNSPSC for every line item in the market basket. If proposing an alternative item, it's still going to be the same UNSPSC code. Offeror can search for the code at <a href="https://www.unspsc.org/search-code">https://www.unspsc.org/search-code</a>.

Question 5: For items that are exclusive to a particular supplier, can we offer a same form, fit, function as exact or does it need to be a sub?

Answer 5: See Attachment D-1 revised 12-2017, Instruction Tab line number 13, "Columns P-AD: If Offeror is choosing alternative line items, then Offeror will fill out these columns accordingly. Every effort must be made to come up with an item that is exact in product description and packaging. This means that if column H says 1 gallon, then the alternative item should be 1 gallon."

Question 6: Item # 28 in Janitorial, the UOM in the description calls out a pack of 24 boxes of Toilet Seat covers, but the UOM column references 20 packs. For that item, Kimberly Clark's case quantity is 24. Do you want this item quoted per 20 boxes or 24?

Answer 6: Changed to 24 in the Attachment D-1 revised 12-2017.

Question 7: Is the estimated annual usage reflective of the UOM column. For example, if a case quantity is listed in the UOM, is the usage reflective of the case quantity or per piece.

Answer 7: The estimated annual quantity, column B, reflects the Unit of Measure, column I.

Question 8: Order 13A on Sanitation Cleaning Chemicals: The MFG information does not match the description given. How would you like us to quote this type of discrepancy? Skin Cleanser, 1 gal. Bottle Bostitch 105577 (not a skin cleanser number)

Answer 8: The manufacturer should be GOJO Industries, MFG #1807-04, UNSPC #53131627. Changed in Attachment D-1, revised 12-2017.

Question 9: Can we bid on a per tab basis only, i.e., Tab 16, Safety, or do we have to bid all or nothing?

Answer 9: Offeror can propose on a tab basis. See section 5.2.

Question 10: I have attached the 8 items in the security tab that we consider public safety and request to eliminate from the RFP, if possible?

Tra	ansport Hood, White/Black, Universal
Belt	Keeper, Standard, Black, 2-1/4 In., PK4
Pe	pper Spray, Crossfire Stream, 16 Shot
	Pepper Spray Case, L, Black, Nylon
	Penetrant, Aerosol Can, 12 oz.
	Tactical Rifle Case,41 In.,Black
Ba	ng,Bail Out,8-1/2x12x4-1/2 In,6 Pkt
H	andcuff Case, Standard, Black, Nylon

Answer 10: No.

Question 11: Are 7 USBs/copies of D and D-1 required along with the 7 USBs/copies of the Technical proposal?

Answer 11: See section 2.14 of RFP.

Question 12: Are PDF copies of signed documents acceptable since the RFP states Word for the Technical proposal?

Answer 12: Yes.

Question 13: The D-1 market basket instructions state: "If bidder can match the exact manufacturer's item as described in columns A-N, then it is expected that Offeror will submit pricing on these items even if they have an alternative line item." If alternate items are quoted along with the exact match item, which one is included in the total cost of the spreadsheet for price evaluation?

Answer 13: The exact match item will be scored, but the alternative item will be taken into consideration if it is deemed to be exact in specifications (size, fit, form, and function) and different in manufacturer only.

Question 14: For D-1, is there an evaluation credit for sourcing alternate items from small businesses since small business participation questions are included in the Technical proposal?

Answer 14: No.

Question 15: For D-1, if alternate items are quoted at a lower price than the exact match items, is the manufacturing quality of the alternate item taken into consideration?

Answer 15: Yes, but the specifications for the alternate item must meet (size, fit, form, and function).

Question 16: Since the RFP due date will not be change, would you consider moving up the answers/clarifications date? If the last answers are not issued until December 21st, that leaves most companies with only one business day to implement changes into their proposals. Many companies like ours are closed Dec. 25th and 26th due to the holidays. We would need to ship the proposal no later than Dec. 27th in order to provide a one day shipping allowance for weather or other possible shipping delays.

Answer 16: See addendum I change to schedule.

Question 17: Is it possible for a company to be issued an award for all states for some tabs of the market basket and a region/state for different tabs?

Answer 17: See Section 5.2 and 5.4 of RFP.

Question 18: Attachment D – Due to the complexity of pricing in the Janitorial Supplies category with drastic variations in an offerors ability to discount different types of products may the Janitorial Supplies category be broken down into subcategories in order to afford the State a better set of prices and a clear expectation of the minimum discount for any sub-category.

Answer 18: No sub categories.

Question 19: Attachment D and D-1 Are the discounts expressed in Attachment D absolute or the minimum category discount.

Answer 19: Attachment D does not show any discounts. Offerors are to supply the percentage off list discount per category. Revised Attachment D-1 discounts is absolute.

Question 20: Step two will be based upon the responses on Attachment D-1. The Lead State will compare the total extended total offer price for all items in each category. The lowest cost will receive the maximum 35 points. All other Offerors will receive points as determined by the ratio* of their costs to the lowest cost. Final cost scores will be calculated based on the following:

How will the state evaluate alternative products? Since Attachment D contains a very high number of proprietary brands, what criteria will the state use to determine if an alternate is in fact equal? 38% of the Janitorial Supply items as an example are proprietary.

The following line items are proprietary products which may not be able to be matched by any company other than the distributor currently providing the product.

Janitorial Equipment and Supplies Line items 23 through 27B, line items 29A through 31A, line items 32A and 32B.

Sanitation Cleaning Chemicals line items 11B, 12A, 12C, 13B through 15B, 17A, 19B, 20, and 21.

Answer 20: Exact match is scored, but the alternative items will be taken into consideration if DASPS deems the alternative to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 21: Section 6.2.5 Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

May pricing be changed prior to the end of a contract period if the initial price offered was at a better discount percentage than was offered for a contract category?

Answer 21: See Section 4.2 of RFP.

Question 22: "Products may be changed with thirty (30) day notice every six (6) months after initial term." This restriction may present significant operational problems for state agencies wishing to make changes to their cleaning and maintenance programs due to more favorable pricing and product efficiency for products entering the marketplace. Will awarded contractors be able to petition the state to allow for the addition of products on a more immediate basis? Can this provision be negotiated state by state through the participating addendum process?

Answer 22: Offerors may submit request to Lead State for consideration during negotiations, if awarded a Master Agreement and subsequently, if awarded a Participating Addendum.

Question 23: May products be added to the contract as long as they are within the scope of the applicable product category and priced at or better than the product category minimum discount?

Answer 23: Yes, see section 6.2.5 of RFP.

Question 24: Considering the complexity of this RFP and that the RFP was released during a holiday season when it is much more difficult to obtain manufacturers pricing please consider extending the due date to January 12, 2018.

Answer 24: See addendum 1 change to schedule.

Question 25: The URL <a href="http://www.naspo.org/WNCPO/Calculator.aspx">http://www.naspo.org/WNCPO/Calculator.aspx</a> returns this message. Please provide a working link.

Server Error in '/ Application.

Answer 25: The correct URL is http://calculator.naspovaluepoint.org

Question 26: Attachment D-1 There is a duplicate item on the Janitorial Equipment and Supplies Tab item 6B and Sanitation Cleaning Chemicals item 8B. Items are identical.

Answer 26: Removed 6B from Janitorial Equipment & Supplies see Attachment D-1 revised 12-2017.

Question 27: Please provide a PDF version of Oregon's energy conservation plan referenced at Exhibit C to NASPO ValuePoint Master Agreement, PROVISIONS REQUIRED BY FEDERAL LAW, Section 3. Energy Efficiency where contractor is mandated to "...comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163)."

Answer 27: Please see the State of Oregon's Energy Policy and Conservation Pub. L. 94163 (Informational Only) incorporated as part of the RFP and attached hereto as Attachment U.

Question 28: Please also confirm whether or not Oregon's Energy Efficiency plan and associated contractor mandates referenced in the master agreement at Exhibit C, Section 3 will flow down via the master agreement to other states that affiliate with this contract thus imposing Oregon state standards on contractor operations in other affiliated states?

Answer 28: This is only applicable to Oregon.

Question 29: If an award is made to a supplier for a single state, will the supplier then be able to solicit business from that state's agencies, or will there have to be a contract subsequently issued by the state before the supplier can do business with that state?

Answer 29: If awarded a Master Agreement then that Offeror will have to be awarded a state participating addendum before doing business with agencies.

Question 30: If the state needs to issue its own contract, we need to find out the intent of Massachusetts regarding their plans to contract with single state suppliers vs. national suppliers. I put the question directly the Massachusetts state agency that manages the supplier contracts and was told that all questions had to go through NASPO. Could you inquire directly of them whether their intention is to utilize local suppliers who may only be awarded one-state or regional contracts, or do they intend to utilize only national suppliers?

Answer 30: The Commonwealth of Massachusetts intends to contract with a proposer(s) that is (are) awarded Master Agreements by the Lead State on a Regional and National level.

Question 31: Are freight charges acceptable to non-continuous states or territories?

Answer 31: DASPS acknowledges and accepts that Alaska, Hawaii, and Puerto Rico may require an additional shipping charge for products not In-Stock at local store or not In-Stock at primary Distribution Center of the Participating State.

Question 32: Is the requirement in section c.(2), of the eMarket Center Appendix for Contractor's catalog to be limited to the awarded contract offering satisfied if items not authorized under the resulting contract are visible in the punch out catalog but identified through messaging such as "out of scope" or "restricted" and said items can not to be placed in shopping cart and cannot be purchased via the punch out?

Answer 32: Yes.

Question 33: Do the following pages count towards the 100 page limit: Future addendums; Attachments E, F, H; Exhibit 3-Contractor Tax Certification?

Answer 33: Addendums, attachments E, F, H, and Exhibit 3 are not included within the 100 pages.

Question 34: MFG information does not match description: Rust-oleum Part# 2391300 - Description Marking Paint, White, Water-based, 1 Gal (Complies With South Coast Air Quality Management District VOC Limit of 100 g/l)

Answer 34: The requirements has been changed from 1 gallon to 5 gallon. See Attachment D-1 revised 12-2017.

Question 35: The RFP requests products that are listed on the market basket or their exact equivalents. If minor deviations occur, e.g., an 18 oz. container instead of a 17oz. container, how will that effect scoring? If a blank results in a loss of one point, would there be partial points or would there be a pass/ fail type arrangement where minor differences are waived? Additionally how will the state determine what is equal?

Answer 35: The Evaluation Team will score the exact match item, but the alternative item will be taken into consideration only DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 36: Must a state sign a participating addendum before any of its political subdivisions can use the contract, for example, if a city wishes to use the contract must the state join the contract before the city can act?

Answer 36: Yes.

Question 37: For many vendors, subcategories would benefit the state as they are able to give deeper discounts to GOM (Goods of Manufacture) than goods offered as a dealer. Will the state accept discounts broken into subcategories?

Answer 37: No.

Question 38: If a state has additional conditions that are not acceptable onerous to the vendor, does the vendor have the right to refuse the requesting state?

Answer 38: The terms and conditions can be negotiated for each state during the PA process. If the Contractor and state cannot reach an agreement, then the negotiations will be terminated.

Question 39: Per Page 20 of 109 Section 5.2 There are four groups,

- 1.) all categories throughout the country
- 2.) one category throughout the country
- 3.) all categories on a statewide basis
- 4.) one of more categories on a regional basis

Will the price sheets be compared within the groups or will all price sheets compete or a combination of these? If the best price (awarded 40 points) is only available in one state or region, it does not help every state, e.g., a good price in Massachusetts doesn't help agencies in Oregon if the products are not available.

Answer 39: See section 5.2 of RFP. The Proposals will be evaluated by appropriate group.

Question 40: Are the Preventative Maintenance and Repair Activities for compressors provided under this solicitation notice?

Answer 40: See Attachment D-1 revised 12-2017.

Question 41: Page 47; Section 7 (e): remove the phrase, "ownership of the media containing the reports".

Page 51; Section 14 (b): remove, "Inside deliveries refers to a delivery to other than a loading dock, front lobby or reception area."

Page 53; Section 18: remove, "(b) the product is suitable for the ordinary purposes for with such product is used (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgement (d) the product is designed and manufactured in a commercially reasonable manner.

Page 53; Section 18 (e): after the statement the product is free of defects add, "as determined by the manufacturer."

Page 53; Section 18 (e) Line 4 remove, "repaired and"

Page 53; Section 18 remove final statement of, "The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under law, to a prevailing party, reasonable attorney's fees and costs."

Answer 41: No. DASPS rejects the above requested changes.

Question 42: Page 53: Section 19; Remove entire section.

Page 54: Section 20; Remove entire section.

Page 54; Section 21(a) end of first paragraph add: "Contractor may fulfil these requirements through self insurance, blanket coverage or a combination of the two."

Page 54, Section 21(d): remove entire section.

Page 55: Section 21(e) start the paragraph with/add: "prior to performing any work" and substitute "upon request."

Answer 42: No. DASPS rejects the above requested changes.

Question 43: Page 55: Section 22(a): remove entire section

Page 55: Section 22(b): remove entire section

Page 58: Section 29: Line 1: add (except for payment obligations) after shall be held responsible.

Page 59: Section 30(c): remove sections 4, 5, and 6.

Page 59: Section: 32: Line 1 remove, "nor its principals"

Page 60: Section 34: remove entire section

Page 61: Section 36: remove entire section.

Answer 43: No. DASPS rejects the above requested changes.

Question 44: Format for response is Microsoft Word 2010 or higher, but RFP does are in PDF. Can we send PDF does back or does it need to be converted to a word doe?

Answer 44: PDF is fine, except Attachment D and D-1 are to be submitted electronic in excel.

Question 45: Exhibit B is blank. Do we need to provide anything for this section?

Answer 45: No, once awarded.

Question 46: Exhibit A & G are samples. Do this need to be filled out or once awarded?

Answer 46: No, once awarded.

Question 47: Multiple documents ask for Oregon Tax numbers. Do we need an Oregon Tax number?

Answer 47: Not unless you are awarded an Oregon Participated Addendum.

Question 48: Is it possible to see current contract pricing/volume discounts? Can we access a copy of an old proposal?

Answer 48: Any Proposer/Offeror who wishes to review the current contract pricing/volume discounts must submit a public records request to Nevada.

Question 49: Will an Addendum be posted before 12/21/17?

Answer 49: Yes.

Question 50: Page 12, "An Offeror shall also submit on a CD ROM or USB flash drive seven (7) electronic copies of its Proposal in MS Word 2010 or higher format." Please confirm you require seven electronic copies on one CD ROM or USB flash drive or should it be seven CD ROMs or USB flash drives with one copy on each?

Answer 50: Yes.

Question 51: Page 1, Due Date December 29, 2017. Given the holiday season, please consider extending the due date by 2 weeks.

Answer 51: See addendum 1 change to schedule.

Question 52: Section 4.1. Page 19. Cost Proposal. Is there a method of informing the Administrator that an alternative proposal(s) are being submitted other than completing one or more of the individual category spreadsheets?

Answer 52: No. Proposers/Offerors must fill out Attachment D-1 revised 12-2017.

Question 53: Phase 3. Page 21. How is the 5 points (Step 1) for Cost Proposal Attachment D evaluated and awarded to each responder?

Answer 53: See section 4.1 of RFP.

Question 54: Section 5.3. Page 22. Please clarify how the 35 points on the RFP Evaluation Scoresheet for Cost (Step 2) are calculated. Based on the formulas on Page 21, it appears the Cost Score (page 21) would be the same as Points (page 22)? Please confirm or clarify.

Answer 54: See section 4.1 of RFP.

Question 55: We would like to understand what expectations are for all Vendors to bid product. As stated at the meeting, we quote to product spec that is provided in the market basket descriptions however, some Vendors quote these to lesser quality and lesser spec'd product to give a lower price and have the bid look as if they are the lowest priced Vendor. Are all Vendors required to quote true spec in the product description and not a lesser quality spec description item?

Answer 55: Must be exact match item, but the alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 56: In the market basket we have a question on UOM and for an items within the Category Tab. For the below within the Battery Category is the Estimated Annual Quantity based on the UOM (column I) and #/UOM (column H), or individual units within the UOM? It appears you are looking for an EA price but them it states UOM is 24 (or a case). As this will dramatically impact

price, is the State looking for a case of 24 and the 1 UOM price, or, are we to price this with an each price?

Example: which is the correct understanding of Estimated Annual Quantity?  $220,032 \times 24 \text{ units} = 5,280,768 \text{ individual batteries}$   $220,032 \times 1 \text{ unit} = 220,032 \text{ individual batteries}$ , packaged per 24.



Answer 56: Changed UOM to PK see Attachment D-1 revised 12-2017.

Question 57: On Page 18 and Page 19 of the RFP under "Section 4: Market Basket Cost Proposal". It states you want a hard copy of the copy proposal to score overall Category Discounts however, I thought I heard at the meeting you only wanted the Cost Proposal on 7 UBS Drives. Could you clarify if you are looking for the Cost Proposal to be submitted only on UBS Drive (so we would need to include the overall Category Discounts on that file as well), or, do you want hard copies for the overall Category Discount Structure on Hard Copy and the Market Basket only on UBS Drives.

Answer 57: Attachment D and D-1 are to be electronic in excel format on a USB or CD, not hard copy. See section 2.14 of RFP.

Question 58: We are working on getting permission from our franchisor to use the 3rd party website, however we need to get some questions answered. Can you validate that the alternative website referenced in the document would only be visible to Participants in the state that we would be looking to get a master agreement for and only to NASPO entities? Basically that it would not be visible nationwide and to all NASPO entities if we were only looking for a one state agreement?

Answer 58: The catalog is only visible to a state and the eligible entities within that state who have a fully executed Participating Addendum and also utilize the eMarket Center.

Question 59: Attachment D-1 instruction line 11 instructs offerors as follows "Column N - Net Price of Unit of Measure after discount: This will be (Column J) X (Column L)." Column J calls for "Container size" or a non-numeric value that cannot be multiplied. Should this be column K (list price of UOM) x column M (Discount percentage off)?

Answer 59: Changed to (Column K) x (Column M) see Attachment D-1 revised 12-2017.

Question 60: Some items in the D-1 cost sheet are exclusively available to only certain offerors. Operating in good faith to quote exact items where possible, some offerors will be unable to quote exact items on some of the requested items. How will items that are alternatives to the exact match items be scored relative to the exact item?

Answer 60: The alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 61: Where do we find the product listing of current products that you are using under each category?

Answer 61: Have to submit a public records request to Nevada for current products.

Question 62: With respect to RFP 2183-17 Attached D-1, Market Basket, Offeror Instructions, columns P through AD, please answer the following questions:

- a. The offeror is told that "... Every effort must be made to come up with an item that is exact in product description and packaging." If the offeror does not have an item that is exact in product description and packaging and offers an alternative item, will the offeror be penalized or receive fewer evaluation points had the offeror provided an item that was exact in product description and packaging?
- b. If the offeror provides an item that is exact in product description and packaging AND also an alternative item for the same product and these two products are priced differently, what product net price will be used to evaluate the offeror's cost score to the cost proposal? In other words, will the lowest priced product offered be used to evaluate the offeror's cost score to the cost proposal or will the item that is exact in product description and packaging be used?

Answer 62: The exact match item will be scored, but the alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function) and different in manufacturer only. DASPS' decision is final.

Question 63: With respect to RFP 2183-17 Section 5.3 Sample Evaluation Score Sheet, what criteria within an offeror's proposal will be evaluated when assigning scores (Score of 0-5) to Cost Step One and Step Two lines? Additionally, how does an offeror achieve a score of "5 = Superior" in the Cost evaluation process?

Answer 63: See section 5 of RFP Evaluation and Award.

Question 64: I noticed in section 6.6.2 of the bid documents that it states "desirable" that the vendor have inside and outside sales reps as well as distribution facilities in each of the states that will be on the contract. We are based out of Maryland but ship all over the county. Would that completely disqualify us should we place a bid?

Answer 64: No.

Question 65: Within Addendum #1, #7. RFP, Section 4.1 Cost Proposal - it seems this scoring system has changed from a required 80 points to now 90 points. Can you please provide a rational of the change and a full breakout of all the points as they seem to have changed with no detail.

Answer 65: The changes are in the best interest of the States.

Question 66: Will solar panels and associated products may fall under any of these categories, and if not, whether it would be prudent to add to our value added services section?

Answer 66: If appropriate Proposer/Offeror can put in Attachment A section 6.7.4 value added solutions.

Question 67: If a state is not mentioned amongst the list included in the RFP, can we still mention that state as a place we would be interested in utilizing the contract?

Answer 67: Yes.

Question 68: If the State's do not turn in their intent to patriciate until a day before the due date how can the vendor certify reading the state's PA terms?

Answer 68: Some states may not require extra terms outside of this RFP.

Question 69: Can we offer products not listed on the bid or do we have to bid exactly what is on the RFP? Can we add products to this list?

Answer 69: Only products listed in Attachment D-1 revised 12-2017 will be evaluated.

Question 70: If we only quote on two tabs on Attachment D-1, do we still need to provide a discount off list for ALL categories listed on Attachment D or just for the matching categories we quoted?

Answer 70: The matching categories.

Question 71: On the item detail listed on Attachment D-1, do we have to follow the discount off list format or can we offer a deeper discount to these items that have been deemed high use? For example; on sanitation Janitorial Equipment and Supplies, we quote a discount of 20% off list but I have a deeper discount on Kimberly-Clark items and can quote these exact items with an average of 30% off list but I cannot do the same for Georgia-Pacific.

Answer 71: Percentage off list per category not sub categories.

Question 72: Item number 33, in the Power Source Category, has two different Estimated Annual Quantities ("EAQ"). In the Exact section the EAQ is 31,739. In the Alternate section, the EAQ is 6,800.

Answer 72: Changed from 31,739 to 6,800 see Attachment D-1 revised 12-2017.

Question 73: Can we include the answers to Attachment A after the questions on the same page?

Answer 73: Yes.

Question 74: Do we have to submit seven actual copies of USB's/CD's?

Answer 74: Yes.

Question 75: Is cost proposal Attachment D-1 to be submitted electronically?

Answer 75: Yes.

Question 76: Cost proposal doesn't need to be a hard copy, correct?

Answer 76: Correct.

Question 77 Is there a limit on how many awards will be given?

Answer 77: See section 5.4 of RFP, revised in addendum 1.

Question 78: Regarding awards - Does NASPO ValuePoint prioritize?

Answer 78: No.

Question 79: How many states are participating?

Answer 79: See section 1.6 of RFP, revised in addendum 1. States can still participate even if not named under this section.

Question 80: Can we see the ranking - who scored the highest?

Answer 80: Oregon will post the score sheet on the ORPIN system.

Question 81: Is there a Small business credit?

Answer 81: No, but see Attachment A regarding disadvantaged businesses.

Question 82: Attachment "D" — Percentage off list per Category. - List price is set by the manufacturer. One price doesn't really make sense. Can we create our own percentage off list price?

Answer 82: No modification to Attachment D by adding sub categories.

Question 83: Would it be appropriate to go in and make sub-categories in the Market Basket Attachment D-1?

Answer 83: No.

Question 84: Are there exceptions to the Master Contract?

Answer 84: See section 2.18 of RFP regarding exceptions.

Proposers must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 22, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum.
Authorized Signature;
Print name of signer:
Date:
Company Name of proposer:
(Please Print)



#### Department of Administrative Services

Enterprise Goods & Services-Procurement Services
1225 Ferry Street U140
Salem, Oregon 97301-4285
DHONE: 503-378-4642

PHONE: 503-378-4642 FAX: 503-373-1626

#### Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 1

This Addendum No. 1 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

#### 1. RFP, Cover Page:



The State of Oregon ("State"), acting by and through its
Department of Administrative Services, Procurement Services ("DAS PS"), for member states of the
NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint") and other Purchasing
Entities.

Request for Proposals
Oregon Solicitation Number DASPS-2183-17

#### FOR

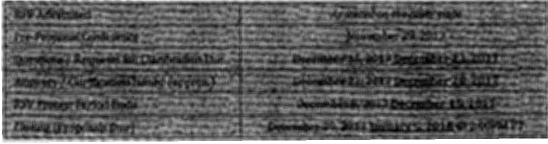
NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

Date of Issue: November 15, 2017 Closing Date and Time: December 29, 2017 January 5, 2018

2. RFP, List of Attachments:

ATTACHMENT I - OS ADDITIONAL PARTICIPATING STATES TERMS AND CONDITIONS

3. RFP, Section 1.3 Schedule of events:



RFP

DASPS-2183-17 Addendum No. 1

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#### 4. RFP, Section 2.18 Offeror exceptions to Terms and Conditions:

Offeror should identify or seek to clarify any problems with contract language or any other document contained within this RFP through its written inquiries about the RFP using the process in Section 2.1 2.3.

#### 5. RFP, Section 1.6 Participating States.

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, Utah, Colorado, Delaware, Florida, Louisiana, Maryland, New Hampshire, South Dakota, Virginia, Wilnois, Ohio, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments I – Q S, or may be incorporated into the Participating Addendum after award.

#### 6. RFP, Section 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments  $I - \Theta S$  to this Solicitation.

#### 7. RFP, Section 4.1 Cost Proposal (40 Points):

PLEASE NOTE: In the event Offeror fails to obtain a score of 80 90 points, as required under Section 5.4 of RFP for the All Categories category, if Offeror submits an alternative Proposal, Offeror could potentially obtain an award on one or more of the individual Categories. Therefore, Offeror may wish to submit an alternative Proposal on one or more of the individual categories listed in Tabs 2-16, as well.

#### 8. RFP, Section 5.4 Award of Master Agreement(s):

The Lead State intents to award a Master Agreement(s) on both a National level or a Regional level, to each Proposer with a combined total score in excess of 80 90 points in either the National level (i.e. the Proposer will receive an award for a National Master Agreement) or on a Regional level (i.e. the Proposer will receive an award on a Regional level).

#### RFP, DASPS-2183-17Attachment D-1_Market Basket Final 11-15-17 Instructions TAB:

Tab 1 - All Categories: This spreadsheet is for those Offerors that are submitting a Proposal for ALL categories and can supply these products to all 50 States. If Offeror cannot submit a Proposal on the products in all categories, Offeror will submit an offer on the categories within the spreadsheets labeled as independent categories. If Offeror is submitting Offer on the All Categories spreadsheet, Offeror may submit Offer on the individual category spreadsheets as well. But if Offeror does not obtain a score of 80 20 per section 5.4 of RFP for the All Categories Tab 1 they could potentially obtain an award on individual Categories therefore Offeror may want to submit Offer on both Tab 1 and Tab's 2- 16 as well.

- 10. RFP, DASPS-2183-17_Addendum No. 1, Attachment A revised 11-2017 is incorporated as part of the RFP, as attached hereto.
- 11. RFP, DASPS-2183-17_Addendum No. 1, Attachment L, P, Q, R, and S revised Montana, Maryland, Virginia, Ohio, and Illinois State specific terms and conditions are added as part of the RFP, as attached hereto.
- 12. Questions and Answers.

Question 1: Are quasi-government (such as water or sewer boards or council of governments) political subdivisions eligible to sign a PA?

Answer 1: Each State's rules are applicable to their state entities.

Question 2: Page 5 Schedule of Events. The questions are to be submitted by 12/15 with answers/responses due back to 12/21 and the bid submitted on 12/29. This is a very compressed time frame and does not allow for questions or clarifications on the answers given by 12/21 before RFP submission. Can consideration be given to extend the due date to January to ensure the questions from all bidders have been answered and it is clear what needs to be submitted and the desired format?

Answer 2: Schedule has been changed via addendum No. 1.

Question 3: Page 2 of the RFP announcement states the payment terms are net 45 but the Attachment B NASPO ValuePoint Master Agreement, page 53, clause 17 states "Payment after acceptance is normally made within 30 days". Is the payment terms net 45 or net 30?

Answer 3: The ORPIN announcement is not part of the RFP it is a notice only. RFP Attachment B Section 17 clearly states "Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to the highest rate permitted by law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge."

Question 4: Page 11: 2.13 The proposal is limited to 100 pages, excluding excel spreadsheets. If the proposal pages are double-sided, would each side be counted as a page or would each sheet of paper be counted as a page?

Answer 4: 100 pages are to be submitted one page, one side. Not double sided.

Question 5: Page 12: 2.14 paragraph 5. Offer shall submit Market Basket Cost proposal in a separate, sealed envelope, labeled accordingly and placed in sealed carton(s). Can the Market Basket Cost proposal be submitted in the same box as the remaining bid documents if the Market Basket Cost Proposal package is sealed and marked clearly "MARKET COST PROPOSAL"?

Answer 5: Yes.

Question 6: Page 19: paragraph 2. If offeror submits an alternative Proposal offer for one category and could potentially obtain an award on that one category/market basket. Will alternate proposals be compared and scored to other alternative proposals in the same market basket?

Answer 6: See Evaluation Process Section 5.2.

Question 7: Page 29 section 6.5.7. If products are available to be viewed online is a paper catalog required?

Answer 7: No.

Question 8: Page 31 section 6.5.5 (11). If you bid a market basket and also the categories that include the remainder of a suppliers MRO products would there be a requirement to block items from online purchases by a participating entity?

Answer 8: Each State may block certain products from being purchased.

Question 9: Page 20-21. Will the evaluation criteria be based on "Group 1" compared to "Group 1" and "Group 2" to "Group 2", in other words the bidders are being compared to similar size bidders?

Answer 9: See Evaluation Process section 5.2.

Question 10: Page 25 section 6.2.1.2. Growth Incentives; What is the criteria to be evaluated in the Growth Incentive category

Answer 10: See Attachment A section 6.6.11.

Question 11: Page 27 section 6.3.2. Cumulative Ordering Volume Discount; does the ordering volume discount include all NASPO States with PA's or is it measured by individual State sales?

Answer 11: By individual State.

Question 12: Page 27 section 6.5.1. If a vendor is awarded a market basket (D-1) and bids other categories by a discount off list (D), will the awarded supplier be able to sell all of its products in the selected categories to PA contract members?

Answer 12: Only awarded categories will be purchased by States.

Question 13: Page 24 section 6.1 – UNSPSC codes - Can the bidders get a list of the UNSPSC codes that would be in each of the 15 categories (not just what shows in the market baskets) so we can be sure what categories products should be in as full catalogs are bid? For example, Strut and connectors start with 3116 which could be under "Fasteners" or "Material Handling" and firestop products start with 4619 which show up under "Safety".

Answer 13: No.

Question 14: Page 37-38 under 6.6.8 Sustainability/Environmental Practices there is a #1, #2, (page 37) and #4, #5 (page 38) but no #3. Is there this a numbering error or is a portion of the RFP missing?

Answer 14: Yes number error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 15: Page 39 there appears to be a numbering or sequencing error starting with 6.6.9.2. It looks like the next six points should be sub set of 6.6.9.2 and would be numbered 6.6.9.2.1 (starting with Describe in detail how the Offeror will work with the registered companies...) ... through 6.6.9.2.6 (Community Rehabilitation program). This would make Retail Store Purchases/Will Call would be 6.6.10. Would this be correct?

Answer 15: Yes numbering error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 16: Page 78 Attachment E: Offer information-

- a. Is the State tax#; is it the sales tax payment number?
- b. Is the Secretary of State Corporations Division Registration #; is it the number assigned when we registered with our state of Incorporation?

Answer 16: (a) Yes, if applicable. (b) Yes.

*I hereby acknowledge having received this Addendum.

Question 17: Should exceptions to the FOB Destination terms for non-stocked items delivered to Alaska, Hawaii and Puerto Rico be stated as exceptions within section 6.5.2 of the technical proposal as instructed or should exceptions to freight terms be submitted as a Protest to the RFP?

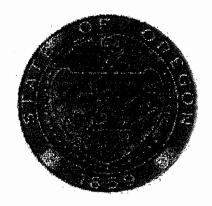
Answer 17: See section 2.18 of RFP regarding exceptions.

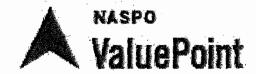
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The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 11, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

Authorized Signature:
Print name of signer:
Date:
Company Name of proposer:
(Please Print)





The State of Oregon ("State"), acting by and through its Department of Administrative Services, Procurement Services ("DAS PS"), for member states of the NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint") and other Purchasing Entities,

Request for Proposals
Oregon Solicitation Number DASPS-2183-17

### FOR

NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

Date of Issue: November 15, 2017 Closing Date and Time: December 29, 2017

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#### RFP DASPS-2183-17 - (MRO), Industrial Supplies

#### LIST OF ATTACHMENTS

#### ATTACHMENT A DESCRIPTION OF PRODUCTS AND SERVICES: EVALUATION GUIDE

#### ATTACHMENT B NASPO ValuePoint MASTER AGREEMENT

eMarket Center Appendix

Exhibit A - Sample Participating Addendum

Exhibit B - Description of Products and Services

Exhibit C - Provisions Required by Federal Law

Exhibit D - NAPSO ValuePoint Detailed Sales Data Report Form

#### ATTACHMENT CHISTORICAL SALES REPORT

ATTACHMENT D MARKET BASKET COST PROPOSAL

ATTACHMENT D-1 MARKET BASKET COST PROPOSAL (Electronic Excel Spreadsheet)

ATTACHMENT E OFFEROR INFORMATION AND CERTIFICATION SHEET

ATTACHMENT F OREGON AFFIDAVIT OF TRADE SECRET

ATTACHMENT G OREGON SAMPLE PARTICIPATING ADDENDUM

ATTACHMENT H OREGON COBID CERTIFIED FIRM/OUTREACH PLAN

ATTACHMENT I - O ADDITIONAL PARTICIPATING STATES TERMS AND CONDITIONS

#### SECTION 1: NASPO ValuePoint Solicitation - General Information

#### 1.1 Purpose

The State of Oregon (Lead State), Department of Administrative Services, Procurement Services (DAS PS) is requesting proposals for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies on behalf of the members of the NASPO ValuePoint Cooperative Purchasing Program. The purpose of this Request for Proposals (RFP) is to establish one or more Master Agreement(s) with qualified offerors to provide Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material Handling, Plumbing, Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment) products, as more particularly described on Attachment A, for all Participating States/Participating Entities. The objective of this RFP is to obtain best value, and in some cases achieve more favorable pricing than is obtainable by an individual state or local government entity because of the collective volume of potential purchases by numerous state and local government entities. The Master Agreement(s) resulting from this procurement may be used by state governments (including departments, agencies, institutions), institutions of higher education, political subdivisions (i.e., colleges, school districts, counties, cities, etc.), the District of Columbia, territories of the United States, and other eligible entities subject to approval of the individual state procurement director and compliance with local statutory and regulatory provisions.

The initial term of the Master Agreement(s) is anticipated to be 1 year with options to renew up to a cumulative maximum of 5 years per the provisions outlined in Section 3 of the NASPO ValuePoint Master Agreement (Attachment B).

DAS PS anticipates that this RFP may result in Master Agreement awards to multiple contractors, in the Lead State's discretion. While the primary purpose of this solicitation is to select an Offeror(s) who can offer the Products or Services for all members participating in the NASPO ValuePoint Cooperative Purchasing Program, Offerors will be permitted to submit a Proposal on more limited geographical areas or regions, but not less area than one entire member State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all member States. If an Offeror elects to submit a Proposal for a single State or region, then the Offeror must be willing to supply the entire State or region and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) or any renewals.

The Lead State/Sourcing Team, with the assistance as deemed advisable of the relevant Participating State (or relevant group of Participating States), may evaluate and select an Offeror for award in more limited geographical areas (e.g. a single state or region) where judged to be in the best interests of the State or States involved.

This RFP is designed to provide interested Offerors with sufficient information to submit Proposals meeting minimum requirements, but is not intended to limit a Proposal's content or

#### RFP DASPS-2183-17 - (MRO), Industrial Supplies

exclude any relevant or essential data. Offerors are encouraged to expand upon the specifications to add service and value consistent with States requirements.

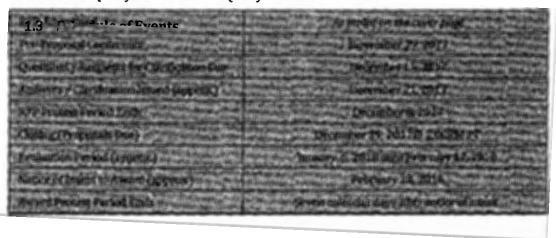
This State of Oregon Solicitation is for Master Agreement(s) intended to replace the expiring Master Agreements for the State of Nevada.

#### 1.2 Lead State, Solicitation Number and Lead State Contract Administrator

The State of Oregon, acting by and through the Department of Administrative Services, Procurement Services, is acting as the Lead State and issuing office for this Solicitation, including all subsequent addenda relating to it and resulting Master Agreement (s). The reference number for the Solicitation is # DASPS-2183-17. This number must be referred to on all Proposals, correspondence, and documentation relating to the RFP.

The Lead State Contract Administrator identified below is the single point of contact during this procurement process. Offerors and interested persons must direct to the Lead State Contract Administrator all questions concerning the procurement process, technical requirements of this RFP, contractual requirements, requests for brand approval, changes, clarifications, protests, award process, and any other questions that may arise related to this solicitation and the resulting Master Agreement(s). The Lead State Contract Administrator designated by the State of Oregon is:

Shirley A. Smith, State Procurement Analyst State of Oregon, DAS PS 1225 Ferry St. SE Salem, Oregon 97301 Shirley.smith@oregon.gov Ph#(503) 378-5395 FX#(503) 373-1626



All times are Pacific Time unless indicated otherwise.

#### 1.4 Definitions of Terms

The following definitions apply to this Solicitation. Additional terms also are defined within this Solicitation and in the NASPO ValuePoint Master Agreement (Attachment B).

"Cost Analysis" means a review and analysis of the cost elements that make up the price of the individual Maintenance and Facilities Repair & Operations and Industrial Supplies.

"Environmentally Preferable Product" or "EPP" means products and services that have a lesser or reduced effect on human health and the environment when compared to competing products or services that serve the same purpose.

"Lead State" means the State conducting this cooperative procurement, evaluation, and award. For this RFP, the State of Oregon, acting by and through the Department of Administrative Services, Procurement Services is the Lead State.

"MSRP" means the price at which the manufacturer suggests that retailers sell the product.

"Offeror" means the company or firm who submits a proposal in response to this Request for Proposal.

"Products" include, but are not limited to: Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material Handling, Plumbing, Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment)

"Proposal" means the official written response submitted by an Offeror in response to this Request for Proposal.

"Request for Proposals" or "RFP" means the entire solicitation document, including all parts, sections, exhibits, attachments, and Addenda.

"Services" means installation and additional services as defined in the Master Agreement.

"UNSPSC" means the United Nations Standard Products and Services Code (UNSPSC) is a taxonomy of products and services for use in eCommerce. It is a four-level hierarchy coded as an eight-digit number, with an optional fifth level adding two more digits.

# 1.5 NASPO ValuePoint Background Information

NASPO ValuePoint is a cooperative purchasing program of all 50 states, the District of Columbia and the territories of the United States. The Program is facilitated by the NASPO Cooperative Purchasing Organization LLC, a nonprofit subsidiary of the National Association of State Procurement Officials (NASPO), doing business as NASPO ValuePoint NASPO is a non-profit association dedicated to strengthening the procurement community through education, research, and communication. It is made up of the directors of the central purchasing offices

in each of the 50 states, the District of Columbia and the territories of the United States. NASPO ValuePoint facilitates administration of the cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. For more information consult the following websites <a href="https://www.naspoyaluepoint.org">www.naspoyaluepoint.org</a> and <a href="https://www.naspoyaluepoint.org">www.naspoyaluepoint.org</a> and <a href="https://www.naspoyaluepoint.org">www.naspoyaluepoint.org</a> and <a href="https://www.naspoyaluepoint.org">www.naspoyaluepoint.org</a> and <a href="https://www.naspoyaluepoint.org">www.naspoyaluepoint.org</a>

# 1.6 Participating States

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments I - O, or may be incorporated into the Participating Addendum after award.

# 1.7 Anticipated Usage

Attachment C contains the historical usage data from the previous contracts and anticipated usage from additional states who have indicated an interest in participating. No minimum or maximum level of sales volume is guaranteed or implied. This historical data is based upon six (6) years of sales.

# SECTION 2: Solicitation Requirements, Information and Instructions to Offerors

#### 2.1 Offerors Requirements

The Proposal must address each of the items listed in this section and all other requirements set forth in this RFP.

This RFP is designed to provide interested Offerors with sufficient information to submit Proposals meeting minimum requirements, but is not intended to limit a Proposal's content or exclude any relevant or essential data. Offerors are encouraged to expand upon the specifications to add service and value consistent with state requirements. However, please do not include marketing or advertising material in the Proposal. Proposals should be straightforward and address the requests of the RFP.

#### 2.2 Pre-Proposal Conference

A pre-Proposal conference will be held related to the RFP.

The purpose of the pre-Proposal conference is to:

- Provide additional description of the Products and Services;
- Explain the RFP process; and
- Answer any questions Offerors may have related to the RFP or the process.

Statements made at the pre-Proposal conference are not binding upon DAS PS or any Participating State, Participating Entity, or Purchasing Entity. Offerors may be asked to submit questions in Writing. DAS PS will consider all comments, concerns, questions and protests. If, based upon the comments, questions, concerns or protests, DAS PS, in its sole discretion, believes it should make a change to the solicitation documents including the Sample Master Agreement, DAS PS will post an addendum in ORPIN.

#### 2.2.1 Attendance at Pre-Proposal Conference

Attendance at Pre-Proposal Conference is **voluntary**. Prospective Offerors' participation in this conference is highly encouraged but not mandatory.

The pre-Proposal conference will be held on Wednesday, November 29, 2017, at 8:30 am PT at the Location listed below. Attendance at the conference is optional. Due to limited space, please limit attendance to 2 individuals from Offeror's company. Answers to questions asked during the pre-proposal conference will be provided via an addendum posted in <a href="http://orpin.oregon.gov/open.dll/welcome">http://orpin.oregon.gov/open.dll/welcome</a>

The Name	1. 1888 B. 1888	
	8:30am PT	Department of Administrative Services 1225 Ferry Street SE, Salem, OR 97301-4285 Mt. Mazama Conference Room, Check in with receptionist on 1st floor.
		Dial In Toll Free: 1-888-557-8511 Access Code Passcode (Participant): 4659387

#### 2.3 RFP Question and Answer Process

All questions, including those about Master Agreement, must be submitted, in writing, to the Lead State Contract Administrator, by the date and time noted above, in order to be considered. Questions must be submitted by the question deadline date and time shown in Section 1.3 (Schedule of Events). Official answers to all written questions shall be posted on the State of Oregon's electronic procurement system, the Oregon Procurement Information Network ("ORPIN") website.

http://orpin.oregon.gov/open.dll/welcome. The Lead State may refuse to answer questions received after the Question/Answer deadline.

The identity of potential Offerors will not be published with the answers, but the text of questions will be restated, so Offerors are cautioned about including context in questions that may reveal the source of questions.

#### 2.4 RFP Addenda

Changes to this RFP including but not limited to the contractual terms and procurement requirements, shall be made only via formal written addenda issued by the Lead State.

The Lead State accepts no responsibility for a prospective Offeror not receiving solicitation documents and/or revisions to the Solicitation. It is the responsibility of the prospective Offeror to monitor the ORPIN website to obtain RFP addenda or other information relating to the RFP.

#### 2.5 Protest of RFP

Prospective Offeror may submit a written protest of anything contained in this RFP, including but not limited to, the RFP process, Specifications, Scope of Work, and the proposed Master Agreement. This is prospective Offeror's only opportunity to protest the provisions of the RFP, except for protests of Addenda or the terms and conditions of the proposed Master Agreement, as provided below.

#### 2.6 Protests must:

- Be emailed to the Sole of Contact
- · Reference the RFP number
- Identify prospective Offeror's name and contact information
- Be sent by an authorized representative
- State the reason for the protest, including:
  - the grounds that demonstrate how the Procurement Process is contrary to law, Unnecessarily Restrictive, legally flawed, or improperly specifies a brand name;
     and
  - evidence or documentation that supports the grounds on which the protest is based
- State the proposed changes to the RFP provisions or other relief sought

- Protests to the RFP must be received by the due date and time identified in the Schedule
- Protests to Addenda must be received by the due date identified in the respective Addendum

#### 2.7 Protest Response

DASPS will respond timely to all protests submitted by the due date and time listed in the Schedule. Protests that are not received timely or do not include the required information may not be considered.

# 2.8 Proposal Due Date

Proposal and all required submittal items must be received by the Lead State Contract Administration on or before Closing in Section 1.3 (Schedule of Events) of this RFP. Proposals received after the Closing will not be accepted. All Proposal modifications or withdrawals must be completed prior to Closing.

Proposals received after Closing are considered LATE and will NOT be accepted for evaluation. Late Proposals will be returned to the respective Offeror or destroyed.

#### 2.9 Cancellation of Procurement

This RFP may be canceled at any time prior to award of the Master Agreement(s) if the Lead State determines such action to be in the collective best interests of Participating States.

#### 2.10 Governing Laws and Regulations

This procurement is conducted by the Lead State DAS PS, in accordance with the Lead State Procurement Code. These are available at

#### http://arcweb.sos.state.or.us/pages/rules/oars 100/oar 137/137 tofc.html

This procurement shall be governed by the regulations and laws of the Lead State. Venue for any administrative or judicial action relating to this procurement, evaluation, and award shall be in Oregon. The provisions governing choice of law and venue for issues arising after award and during contract performance are specified in section 35 of the NASPO ValuePoint Master Agreement (Attachment B).

# 2.11 Firm Offers

Responses to this RFP, including proposed costs, will be considered firm for one hundred eighty (180) days after the Proposal due date.

# 2.12 Right to Accept All or Portion of Proposal

Unless otherwise specified in the Solicitation, the Lead State may accept any item or combination of items as specified in the Solicitation or of any Proposal unless the Offeror expressly restricts an item or combination of items in its Proposal and conditions its response

on receiving all items for which it provided a proposal. In the event that the Offeror so restricts its Proposal, the Lead State may consider the Offeror's restriction and evaluate whether the award on such basis will result in the best value to the Lead State and the members of the NASPO ValuePoint program. The Lead State may otherwise determine at its sole discretion that such restriction is non-responsive and renders the Offeror ineligible for further evaluation.

#### 2.13 Proposal Content and Format Requirements

Proposals must be detailed and concise. Each Proposal must be labeled and organized in a manner that is congruent with the requirements and terminology used in this RFP and must include a point by point response, structured in form and reference to the RFP, addressing all requirements. Proposals shall be limited to 100 pages, excluding electronic excel Spreadsheets for the Cost Proposal Attachments D and D-1. Hard copy Proposal shall be on white 8 ½" x 11" Paper.

Offers are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Expensive color displays, promotional materials, etc., are not necessary or desired. Emphasis shall be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.

A representative authorized to bind the Offeror shall sign the Proposal. Failure of the authorized representative to sign the Proposal may subject the Proposal to rejection.

#### 2.14 Proposal Submission Instructions

Offeror is solely responsible for ensuring its Proposal is received by the Lead State Contract Administrator in accordance with the RFP requirements before Closing. DAS PS is not responsible for any delays in mail or by common carriers or by transmission errors or delays or mistaken delivery. Proposal submitted by any means not authorized will be rejected.

The Proposal may be submitted through the mail or via parcel carrier, and must be clearly labeled and submitted in a sealed envelope, package or box. The Proposal may be hand delivered, and must be clearly labeled and submitted in a sealed envelope, package or box. Proposals will be accepted, prior to Closing, during DAS PS' normal Monday – Friday business hours of 8:00 am to 5:00 pm Pacific Time, except during State of Oregon holidays and other times when DAS PS is closed. The outside of the sealed submission must clearly identify the Offeror's name, RFP Number, and Closing date and time. It must be sent to the attention of the Lead State Contract Administrator at the address listed on the Cover Page.

An Offeror shall submit to the Lead State Contract Administrator one (1) original and six (6) copies of the Proposal (less Proposal Pricing Page) and all required supporting information and documents on or before the Closing Date and Time. Offerors shall submit one (1) original Proposal marked "MASTER." Envelopes, packages or boxes containing the original and the copies must be clearly labeled and submitted in a sealed envelope, package, or box bearing the following information:

$\boxtimes$	Name of Offeror
$\boxtimes$	RFP Number
Ø	Closing Date and Time

If discrepancies are found between the copies, or between the original and copy or copies, the original "MASTER" will provide for the basis for resolving discrepancies. If one document is not clearly marked "MASTER," the Lead State reserves the right to use the original as the Master. If no document can be identified as an original, Offeror's Proposal may be rejected at the discretion of the Lead State. An Offeror shall also submit on a CD ROM or USB flash drive seven (7) electronic copies of its Proposal in MS Word 2010 or higher format.

An Offeror shall submit its Market Basket Cost Proposal in a separate, sealed envelope, labeled accordingly and placed in sealed carton(s) or package(s) as described above. Prices must be submitted on a pricing matrix Attachment D and D-1 in Microsoft Excel format. Offerors shall submit their prices in electronic form using Microsoft Excel on a CD-ROM or USB flash drive. Do not include Proposal Pricing Page on the same CD-ROM or USB flash drive as the technical proposal.

Offerors are solely responsible for ensuring that their Proposals are received by the Lead State in accordance with these Solicitation requirements, before the Closing Date and Time, and at the place specified on the cover sheet of this RFP. The Lead State shall not be responsible for any delays in mail or by common carriers or by transmission errors or delays or mistaken delivery. Proposal deliveries made to another location other than to the address identified on the cover sheet of this RFP will be considered non-responsive unless re-delivery is made to the address identified on the cover sheet of this RFP before the Closing Date and Time. **Proposals may NOT be submitted by facsimile.** 

Proposals must be received by the posted Closing date and time. Proposals received after the deadline will be late and rejected.

#### 2.15 Required Format

All Proposals must be submitted in the following format. Detailed information on submitting each of these sections is contained in later sections of this RFP. Offeror shall submit its Proposal without extensive art work, unusual printing or other materials not essential to the utility and clarity of the Proposal.

- 1. Offeror Information and Certification Sheet. A completed and signed Offeror Information and Certification Sheet (Attachment E).
- 2. Executive Summary. The one or two page executive summary is to briefly describe the Offeror's Proposal. This summary should highlight the major features of the Proposal. Offeror must indicate any requirements that Offeror cannot meet. The Lead State should be able to determine the essence of the Proposal by reading the executive summary.
- 3. Technical Response. This section should include a description of the Products and Services to be delivered, including:

- a. A complete narrative of the Offeror's assessment of the Services to be provided, the Offeror's ability and approach, and the resources necessary to fulfill the requirements. This should demonstrate the Offeror's understanding of the desired overall performance expectations and clearly indicate any options or alternatives proposed.
- b. A complete description of the Products to be provided, in the order of criteria listed, to each evaluation requirement in the RFP and scope of work.
- 4. Affidavit of Trade Secret. If Offeror believes any of its Proposal is exempt from disclosure under Oregon Public Records Law (ORS 192.410 through 192.505), Offeror shall complete and submit the Affidavit of Trade Secret (Attachment F) and submit a fully redacted version of its Proposal, clearly identified as the redacted version.
- 5. Cost Proposal. Cost will be evaluated independently from the technical proposal. Please enumerate all costs on the attached Market Basket Cost Proposal Form and Percentage off List (Attachments D and D-1). Proposer shall follow the instructions set forth in Attachments D and D-1.

The Market Basket Cost Proposal is to be submitted as a separate document. Inclusion of any cost or pricing data within the technical proposal may result in the Proposal being deemed non-responsive.

**6. Description of Products and Services.** A completed submission of Offeror's Information Attachment A.

# 2.16 Ownership or Disposition of Proposals and other Materials submitted

All Proposals submitted in response to this RFP become the Property of DAS PS. By submitting an Proposal in response to this RFP, Offeror grants the State a non-exclusive, perpetual, irrevocable, royalty-free license for the rights to copy, distribute, display, prepare derivative works of and transmit the Proposal solely for the purpose of evaluating the Proposal, negotiating an Agreement, if awarded to Offeror, or as otherwise needed to administer the RFP process, and to fulfill obligations under Oregon Public Records Law (ORS 192.410 through 192.505). Proposals, including supporting materials, will not be returned to Offeror unless the Proposal is submitted late.

# 2.17 Public Record/Confidential or Proprietary Information

# 2.17.1 Public Record/Trade Secrets

All Proposals are public record and are subject to public inspection after DAS PS issues the Notice of the Intent to Award. If Offeror believes that any portion of its Proposal contains any information that is a trade secret under ORS Chapter 192.501(2) or otherwise is exempt from disclosure under the Oregon Public Records Law (ORS 192.410 through 192.505), Offeror shall complete and submit the Affidavit of Trade Secret (Attachment F) along with a fully redacted version of its Proposal.

Offeror is cautioned that cost information generally is not considered a trade secret under Oregon Public Records Law (ORS 192.410 through 192.505) and identifying the Proposal, in whole, as exempt from disclosure is not acceptable. DAS PS advises each Offeror to consult with its own legal counsel regarding disclosure issues.

If Offeror fails to identify the portions of the Proposal that Offeror claims are exempt from disclosure, Offeror has waived any future claim of non-disclosure of that information.

#### 2.17.2 Confidential Information

All information identified in the CONFIDENTIAL AND PROPRIETARY INFORMATION section will be subject to review by the Lead State in accordance with the procedures prescribed by the Lead State's open records statute, freedom of information act, or similar law.

#### 2.18 Offeror Exceptions to Terms and Conditions

The Lead State discourages exceptions to terms and conditions in the RFP, or the attached Participating State or Participating Entity terms and conditions (if any), and the terms and conditions of the Master Agreement. Exceptions may cause a Proposal to be rejected as nonresponsive when, in the sole judgment of the Lead State (and its evaluation team), the Proposal appears to be conditioned on the exception or correction of what is deemed to be a deficiency or unacceptable exception would require a substantial Proposal rewrite to correct

Offeror should identify or seek to clarify any problems with contract language or any other document contained within this RFP through its written inquiries about the RFP using the process in Section 2.1.

Moreover, Offerors are cautioned that award may be made on receipt of initial Proposals without clarification or an opportunity for discussion, and the nature of exceptions would be evaluated. Further, the nature of exceptions will be considered in the competitive range determination if one is conducted. In the sole discretion of the Lead State, exceptions may be evaluated to determine the extent to which the alternative language or approach poses unreasonable, additional risk to the State or Participating State/Entity or Purchasing Entity, is judged to inhibit achieving the objectives of the RFP, or whose ambiguity makes evaluation difficult and a fair resolution (available to all offerors) impractical given the timeframe for the RFP. The Lead State is under no obligation to consider exceptions.

#### 2.19 Certification of Non-Debarment

Offeror must certify that neither the Offeror nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (Master Agreement) by any governmental department or agency. If the Offeror cannot certify this statement, attach a written explanation for review by the Lead State.

# 2.20 Delivery(s)

All deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order.

# 2.21 Certified Firm Participation

Pursuant to Oregon Revised Statute (ORS) Chapter 200, Lead State encourages the participation of small businesses, certified by the Oregon Certification Office for Business Inclusion and Diversity ("COBID") in all contracting opportunities. This includes certified small businesses in the following categories: disadvantaged business enterprise, minority-owned business, woman-owned business, a business that a service-disabled veteran owns or an emerging small business (ESB/MBE/WBE/DV & DBE). Agency also encourages joint ventures or subcontracting with certified small business enterprises. For more information please visit <a href="https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp?XID=6787&TN=oregon4biz">https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp?XID=6787&TN=oregon4biz</a>

If the Master Agreement has potential subcontracting opportunities, the successful Offeror may be required to submit a completed Certified Disadvantaged Business Outreach Plan (Attachment H) prior to execution.

# SECTION 3: Administrative and Technical Response Requirements

# 3.1 Mandatory Minimum Administrative Proposal Requirements

This section contains the minimum requirements that must be met in order to be considered for the evaluation phase. All of the items described in this section are non-negotiable. All Offerors must state willingness and demonstrate ability to satisfy these requirements in the proposal submitted for consideration.

# 3.2 NASPO ValuePoint Master Agreement Statement of Compliance

NASPO ValuePoint Master Agreement(s) resulting from this RFP will constitute the final agreement except for negotiated terms and conditions specific to a Participating State's or a Participating Entity's Participating Addendum.

This section highlights particular terms and conditions of NASPO ValuePoint Master Agreement, although Offerors will be bound to all the terms and conditions when executing a Master Agreement as shown in Attachment B. Offeror must include a statement in its Proposal that it has read and understands all of the terms and conditions as shown in the Master Agreement (Attachment B).

#### 3.2.1 Insurance

To be eligible for award, the Offeror agrees to acquire insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state at the prescribed levels set forth in Section 21 of the NASPO ValuePoint Master Agreement. Offeror must describe its insurance or plans to obtain insurance satisfying the requirements in Section 21.

In addition, Participating States/Entities may request additional insurance or other coverages for their State within their specific Participating Addendum.

#### 3.2.2 NASPO ValuePoint Administrative Fee and Reporting Requirements

To be eligible for award, Offeror agrees to pay a NASPO ValuePoint administrative fee as specified in Section 6 of the NASPO ValuePoint Master Agreement. Moreover, specific summary and detailed usage reporting requirements are prescribed by Section 7 of NASPO ValuePoint Master Agreement.

Offeror shall identify the person responsible for providing the mandatory usage reports. This information must be kept current during the contract period. Contractor will be required to provide reporting contact within fifteen (15) calendar days of Master Agreement execution.

#### 3.2.3 NASPO ValuePoint eMarket Center

To be eligible for award, the Offeror agrees, by submission of a Proposal, to cooperate with NASPO ValuePoint and SciQuest (and any authorized agent or successor entity to SciQuest)

with uploading a hosted catalog or integrating a punchout site. Refer to Attachment B, Section 9 and eMarket Center Appendix, NASPO ValuePoint Master Agreement for the prescribed requirements.

#### 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments I - O to this Solicitation. These will be negotiated with individual Participating States after award of the Master Agreement(s). Each State reserves the right to negotiate additional terms and conditions in its Participating Addendums, including environmentally preferable products. Offeror shall submit a statement that it has read and understands all the Terms and Conditions as shown in the attached State specific Participating Addenda.

#### 3.4 Technical Requirements

This section contains technical requirements pertaining to the Maintenance and Facilities Repair & Operations (MRO) industrial Supplies. Other sections of this RFP contain additional requirements that must be met in order to be considered responsive. Offeror must identify in its Proposal how it will meet (or exceed) all requirements listed in this Section 3, Section 4, and Attachments A, B, and D-1 of this RFP solicitation.

#### 3.4.1 Offeror Profile

Provide the following information specific to Offeror's company:

- a. Company's full legal name
- b. Primary business address
- c. Describe company ownership structure
- d. Employee size (number of employees)
- e. Website
- f. Sales contact information
- g. Company's client retention rate during the past 3 years
- h. A brief history of the company and the year it was founded
- i. Describe the company's growth during the past three years.

#### 3.4.2 Customer Service

- a. What are Offeror's hours of operation and when are key account people available to Participating States/Entities and Purchasing Entities?
- b. Describe how problem identification and resolution will be handled.
- c. How does Offeror propose to service the NASPO account? Describe the system Offeror will use to manage the account.
- d. How does Offeror respond to customer complaints and service issues?
- e. How does Offeror assess customer satisfaction?
- f. Describe Offeror's quality assurance measures and how are they handled within the organization.

#### 3.4.3 Technology

- a. Describe Offeror's online system that Purchasing Entities would use to place orders and receive results? Include all methods of order submission.
- b. Describe Offeror's ability and process to support a decentralized system of orders submitted from many end users in multiple states and locations.

# 3.4.4 Products and Services

Offeror must review the Product and Services Descriptions and requirements set forth in (Attachment A) and submit with its Proposal. Offeror shall indicate which categories Offeror intends to provide; which Products and Services Offeror intends to provide; and whether Offeror intends to provide the Products and Services on a national, regional or one state only basis.

#### 3.5 Data Security

What measures does Offeror take to protect sensitive customer information?

# **SECTION 4: Market Basket Cost Proposal**

Market Basket Cost Proposal will be evaluated independent of the technical evaluation. Offeror shall submit the Market Basket Cost Proposal to the Lead State as a separate document. Do not embed the Market Based Cost Proposal in the technical response.

#### 4.1 Cost Proposal (40 Points)

In its Proposal, Offeror must indicate if Offeror intends to submit a Proposal for all Products and Services (all categories) or if Offeror intends to submit a Proposal for one or more of the Products and Services. Offeror also must indicate whether Offeror intends to offer Products and Services on a national, regional or one state basis.

Cost for the NASPO ValuePoint Master Agreements shall be based on the following:

The Cost Proposal includes two parts: (1) the Percentage off list per category description (Attachment D for a total potential score of 5 points) and (2) the market basket spreadsheet (Attachment D-1 for a total potential score of 35 points).

Offeror must submit cost, prices, rates and discounts as required by Cost Spreadsheets Attachments D and D-1. Prices and rates shall include all anticipated charges, including but not limited to, freight and delivery, cost of materials and product, travel expenses, transaction fees, overhead, profits, and other costs or expenses incidental to the Offeror's performance.

(1) Offeror shall completed and submit the Percentage off list per category set forth in Attachment D.

(2) Offeror also shall complete and submit an electronic Excel Spreadsheet that includes detailed costs for all Products per Attachment D-, including EPP products. If Offeror is submitting a Proposal for all categories on the Attachment D-1, Tab 1, All Categories spreadsheet, Offeror also may wish to submit an alternative Proposal on one or more of the individual category spreadsheets as well.

**PLEASE NOTE:** In the event Offeror fails to obtain a score of 80 points, as required under Section 5.4 of RFP for the All Categories category, if Offeror submits an alternative Proposal, Offeror could potentially obtain an award on one or more of the individual Categories. Therefore, Offeror may wish to submit an alternative Proposal on one or more of the individual categories listed in Tabs 2-16, as well.

#### 4.2 Price and Rate Guarantee Period

The prices, rates and costs proposed in the Offeror's response will be valid for an initial term of one year after any resulting Master Agreement is signed. Offeror's cost proposal must describe how future cost increases will be minimized and capped and how both increases and decreases will be passed on to the Lead State if the Master Agreement is renewed after the initial term. The Offeror must explain the proposed process to implement cost changes, and how the Lead State will be notified. Any request for price or rate adjustment following the initial Master Agreement term, is detailed in Section 11 of the Master Agreement.

# SECTION 5: Evaluation and Award

#### 5.1 Additional Rounds for Evaluation: Discussions with Offerors - Oral Presentations

The Lead State may elect to conduct further evaluation and discussions with Offerors. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and/or written revisions of proposals. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Offerors.

The Lead State reserves the right to award on receipt of initial proposals without an opportunity for discussion or proposal revision, so Offerors are encouraged to submit their most favorable Proposal at the time established for receipt of Proposals.

#### 5.2 Evaluation Process

Upon completion of the submittals and discussions, if any, the Proposals will be evaluated. The Lead State and an Evaluation Committee will score the Proposals. The Evaluation Committee currently consists of five members. The Lead State may, in its sole discretion, change the Evaluation Committee and may increase or decrease the number of evaluators.

Phase 1 of the Evaluation (Meets Minimum Requirements set forth is Section 3 of RFP (Pass/Fall)):

In the initial phase of the evaluation process, the Lead State will review all Proposals timely received, as set forth below:

```
Section 3.1 Yes___No__
Section 3.2 Yes___No__ (all subsections)
Section 3.3 Yes___No__ (all subsections)
Section 3.5 Yes___No__
```

In addition, the Lead State also shall separate the Proposals into the following groups based upon the submittals:

- Group 1: those Offerors submitting a Proposal for all Categories on a nationwide basis.
- Group 2: those Offerors submitting a Proposal for one or more Categories on a nationwide basis.
- Group 3: those Offerors submitting a Proposal for one or more Categories on a state basis.
- Group 4: those Offerors submitting a Proposal for one or more Categories on a regional basis.

The Proposals will be evaluated by appropriate group.

Evaluation Criteria

Right to Waive Minor Irregularities: Proposals received prior to Closing will be reviewed for Responsiveness to all RFP requirements including compliance with Minimum Requirements section and Proposal Content Requirements section. If the Proposal is unclear, the Lead State Contract Administrator may request clarification from Offeror. However, clarifications may not be used to rehabilitate a non-Responsive Proposal. If the Lead State Contract Administrator finds the Proposal non-Responsive, the Proposal may be rejected, however, the Lead State may waive mistakes in accordance with OAR 125-247-0470.

At any time prior to award, the Lead State may reject an Offeror found to be not Responsible.

#### **Phase 2 of the Evaluation:** Technical Proposal Evaluation (85 points)

The Evaluation Committee will score the Technical Proposals. Evaluators will assign a score for each evaluation criterion listed below up to the maximum points available in the Point and Score Calculation section and as further described in Attachments A, D, and D-1.

Proposals will be evaluated against the following Proposal evaluation criteria and scored as follows:

From Attachment A:	rossiole roints
6.2 Experience and Capabilities	20 pts
6.3 Volume Discounts	10 pts
6.5 Scope of Work	30 pts
6.6 Administration and Marketing	20 pts
6.7 Additional Services	5 pts

Passible Points

Phase 3 of the Evaluation: Evaluation of Market Basket Cost Proposals: (40 points)

Each Offeror shall complete the Market Basket Cost Proposal, (Attachments D and D-1). The Evaluation of the Cost Proposal will be in two steps:

- Step one will be based upon the responses on Attachment D.
- Step two will be based upon the responses on Attachment D-1. The Lead State will compare the total extended total offer price for all items in each category. The lowest cost will receive the maximum 35 points. All other Offerors will receive points as determined by the ratio* of their costs to the lowest cost. Final cost scores will be calculated based on the following:

Evaluation Criteria	Possible Points
Cost Proposal Attachment D	5 pts
Cost Attachment D-1	35 nts

The Lead State will compare the total extended total offer price for all items in each category. The lowest cost will receive the maximum 40 points. All other Offerors will receive points as determined by the ratio* of their costs to the lowest cost. Final cost scores will be calculated based on the following:

Offerors shall submit pricing on all line items listed for each category. If Offeror does not submit a price on a line item listed in each category under the "Extended Total Offer Price" column "O" listed in Tab 1-16 of Attachment D-1, the Lead State will deduct 1 point per line item left blank from the cost proposal score total given that Offeror.

*Ratio Calculation: Lead State will award a cost score to each Cost Proposal based upon the percentage of the proposed cost as compared to the lowest Offerors cost using the following formula:

Scoring of cost of Offerors who submit proposal Offer on Tab 1 for all categories:

lowest cost of all Offerors X cost being scored		cost points possible	=	cost score
		hogginie		SCOLO

Scoring cost of Offerors who submit proposal on "each" individual Tab 2 – 16 per category:

lowest cost of all		cost points		cost
Offerors	X	possible	=	score
cost being scored				

The Lead State will total the two Cost Proposal Scores.

Offerors shall submit pricing on all line items listed for each category. If Offeror does not submit a price on a line item listed in each category under the "Extended Total Offer Price" column "O" listed in Tab 1 – 16 of Attachment D-1, the Lead State will deduct 1 point per line item left blank from the cost proposal score total given that Offeror.

Total Score: The Lead State will combine the scores from Phase 2 and Phase 3.

# 5.3 Sample Evaluation Score Sheet

# Sample RFP Evaluation Score Sheet

TITLE OF SOLICITATION # Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

#### RFP EVALUATION SCORESHEET

	addie will de toolfied to loudita.
	0 = Failure, no response
	1 = Poor, inadequate, fails to meet requirement
Firm Name	2 = Fair, only partially responsive
Evaluator:	3 = Average, meets minimum requirement
Date:	4 = Above average, exceeds minimum requirement
Date.	<b>m a</b>

	Evaluator (No)	Score (0-5)	Weight	Points	
Demonstrated Ability to meet Products and Services Attachment A (85 points possible)				4p=2	
Section 6.2	20 pts possible	<del> </del>	X 4		
Section 6.3	10 pts possible		X 2		
Section 6.5	30 pts possible		Χđ		
Section 6.6	20 pts possible		X 4		
Section 6.7	5 pts possible		X 1		
5. Cost (40 points possible)	40 pts possible			* Inserted by	
Step One	5 pts possible		X 1		
Step Two	35 pts possible		X7		
TOTAL EVALUATION POINTS	(125 pts possible)		Total		

#### 5.4 Award of Master Agreement(s)

The Lead State intents to award a Master Agreement(s) on both a National level or a Regional level, to each Proposer with a combined total score in excess of 80 points in either the National level (i.e. the Proposer will receive an award for a National Master Agreement) or on a Regional level (i.e. the Proposer will receive an award on a Regional level).

Score will be applicated as follows:

# 5.5 Notice of Intent to Award

After a final selection(s) is made, the Lead State will issue a notice of intent-to-award announcement in ORPIN. Proposal files are public records and available for review at the offices of the Lead State by appointment.

#### 5.6 Protest

A protest must be submitted in writing to the Lead State Contract Administrator identified in Section 1.2 of this RFP and must be received within seven (7) calendar days after the date of the notice of intent to award. Award protests must meet the requirements of Lead State's statutes, regulations and rules to be considered. The Lead State will not consider any protests that are received after this deadline.

The Lead State will address all timely submitted protests that are in accordance with their statutes, regulations and rules within a reasonable time following the Lead State's receipt of the protest and the Lead State will issue a written decision to the Offeror who submitted the protest. Protests that do not include the information required by the Lead State's statutes, regulations and rules may be rejected by Lead State. Lead State will receive protests in the following forms:

#### 5.6.1 Protests must:

- Be emailed to the Lead State Contract Administrator
- Reference the RFP number
- Identify prospective Offeror's name and contact information
- Be sent by an authorized representative
- State the reason for the protest, including:
- The grounds that demonstrate how the procurement process is contrary to law, unnecessarily restrictive, legally flawed, or improperly specifies a brand name; and
- Evidence or documentation that supports the grounds on which the protest is based

#### 5.6.2 Protest Response

DAS will respond timely to all protests submitted by the due date and time listed in the Schedule. Protests that are not received timely or do not include the required information may not be considered.

#### 5.7 Post Award Formalization of the Master Agreement

The Lead State reserves the right during contract negotiation of the Master Agreement(s) to adjust terms and conditions that would not (in the Lead State's judgment) have a material effect on price, schedule, scope of work, or risk to the Lead State and Participating States, with materiality defined in terms of the effect on the evaluation and award. The Lead State reserves the right to accept contract or pricing changes that are more favorable to the Lead State.

# Attachment A Description of Products and Services- Evaluation Criteria

THESE SECTIONS ARE MANDATORY- OFFERORS MUST MEET THE FOLLOWING CRITERIA FOR THEIR PROPOSAL TO BE ACCEPTED AND SCORED BY THE SOURCING TEAM

# 6.1. Categories

The scope of work consists of 15 categories. This proposal has been divided into categories with items that generally represent those most frequently purchased during the previous contract period including environmentally preferable options. Proposals will be considered from qualified offerors that can provide all products at minimum of one entire category listed below and be able to supply the products to a minimum of one entire State.

The United Nations Standard Products and Services Code (UNSPSC) codes are identified on Attachment D-1 to further describe each category.

Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)
Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)
Fasteners

Material Handling

Plumbing

**Power Sources** 

Outdoor Garden

Lamps, Lighting, Ballasts

**HVAC** 

Hand Tools

Power Tools (excluding automotive related tools and products)

Electrical

Paint

Security

Safety (does not include any public safety equipment)

# 6.2. Experience and Capabilities

This procurement contemplates a multi-state scope and may result in more than one award. The following are the weighted evaluation criteria for this procurement.

6.2.1. Experience in performance of comparable engagements/References;

- 6.2.1.1 ESB/MBE/WBE/DV & DBE Programs;
- 6.2.1.2 Growth Incentives;
- 6.2.1.3 The quality and availability of recycling or other sustainability programs, including products or services offered;
- 6.2.1.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered;
- 6.2.1.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products;

#### 6.2.2. Conformance with the terms of this RFP;

- 6.2.2.1 Return Policy;
- 6.2.2.2 Distribution points;
- 6.2.2.3 Delivery;
- 6.2.2.4 Shipping;
- 6.2.2.5 Range of commodities offered;
- 6.2.2.6 Scope of geographical coverage offered;
- 6.2.2.7 Accurate and meaningful marking of green products in the on-line catalog when applicable;

#### 6.2.3. Expertise and availability of key personnel:

- 6.2.3.1 Contract Management Retail Store/Will Call Availability;
- 6.2.3.2 The favorability of the terms under which the offeror will do business:

#### 6.2.4. Demonstrated Competence;

- 6.2.4.1 Reporting Capabilities Disaster Recovery Plan;
- 6.2.4.2 Web based ordering System;
- 6.2.4.3 The number of available green environmentally preferable products that meet the solicitations specifications available, showing a robust supply of green products.

#### 6.2.5. Reasonableness of pricing.

While the primary purpose of this solicitation is to select a offeror(s) who can offer the supplies for all Participating States, offerors are permitted to submit a proposal on more limited geographical areas, however, not less than one entire Participating State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all Participating States. However, if a Offeror elects to submit a Proposal for a single State then the Offeror must be willing to

supply the entire State and will not be allowed to add additional States following award or at any time during the term of the contract or any renewals.

A Participating State may evaluate and select an offeror for award in more limited geographical areas (e.g. A single state) where judged to be in the best interests of the State or States involved. Administration of any such award(s) will be done by the Participating State(s) involved unless the awarded contract includes the Lead State in its geographical area.

Participating States, and Purchasing Entities reserve the right to competitively solicit for additional sources for commodities during the contract term, where deemed to be in the best interests of the State(s) or entities involved. Further, Participating States may have existing awards for commodities within the scope of this solicitation.

Any Participating State reserves the right to award partial commodity categories or not participate in the award if deemed to not be in the best interests of that Participating State.

All pricing listed shall be ceiling prices with the option for Participating States to negotiate more favorable discounts for large orders.

Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

Products may be changed with thirty (30) day notice every six (6) months after initial term.

The Participating States and Purchasing Entities reserve the right to update product specifications based on changes in regulations, in addition to third party certification criteria.

The Participating State may elect to designate the resulting contracts as permissive, or mandatory.

# 6.3. VOLUME DISCOUNTS

#### 6.3.1. General

Additional volume and other price discount options are encouraged, which can distinguish between individual order minimum quantities, cumulative volume discounts, and other discount terms that may be defined by the offeror. Extensions of additional discounts are not required but may be evaluated if offered.

# 6.3.2. Cumulative Ordering Volume Discounts

The offeror is invited to identify additional percentage discounts if total cumulative ordering volumes (by all Purchasing Entities) exceed an amount specified by the offeror. If the volume of total orders exceeds that amount in any quarter, the offered discount will apply to future orders during the term of the award(s), as extended through option exercises.

#### 6.3.3. Additional Volume Discount for Minimum Order Quantity

The offeror is also invited to identify additional discounts for minimum order quantities. Purchasing Entities may consolidate purchases in order to take advantage of any volume discount extended by offeror for minimum orders, so long as a single delivery location at the discretion of the Purchasing Entity is specified.

#### 6.3.4. Minimum Orders

No minimum dollar or item count is allowed on orders from Authorized Purchasers. Participating States reserves the right to authorize a minimum via their Participating Addendums.

#### 6.4. ESTIMATED PURCHASES

The total purchase of any individual item on the contract is not known. The Purchasing Division has attempted to give an accurate estimate of probable purchases of each item for the contract period. The Purchasing Division does not guarantee that the Participating States will buy any or all estimated amounts of any specified item or any total amount.

#### 6.5. SCOPE OF WORK

#### 6.5.1. Ordering Capabilities

Orders resulting from this contract will be placed directly with the Offeror by the individual Purchasing Entity. The offeror must have toll free telephone, fax numbers and email address for use by those entities located outside of the offeror's toll free area. The offeror will ship and bill as requested by the purchasing agency. The purchasing agency will remit payment directly to the offeror. As an example, there are approximately 1,000 possible separate delivery locations within the State of Nevada. The number of locations will vary by Participating States.

Please supply your toll free telephone, facsimile number and email address.

In addition to the market basket items, Purchasing Entities will be allowed to order from a successful offeror's catalog(s) and website for delivery anywhere within the Participating States. NASPO ValuePoint requires internet catalogs.

#### 6.5.2. F.O.B. Destination

Prices for all items associated with this contract are to be FOB Destination anywhere within the Participating State or geographic area offered. Any exceptions to this provision must be clearly stated as an exception to this document.

# 6.5.3. On-line Ordering

6.5.3.1 Successful offeror shall provide Internet Catalogs for all agencies as described below.

On-line Catalogs available?	Yes!	٧	Ç
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- 6.5.3.2 Provide a descriptive narrative for the type of internet catalog offered, and a URL link.
- 6.5.3.3 Offerors must designate market basket items in their online catalogs for ease of ordering. What symbol or marking will you use to identify market basket items?
- 6.5.3.4 Offerors shall designate all environmental preferable products (EPP) in their on-line catalogs. Describe the designation (symbol) that you will use to identify these EPP products.
- 6.5.3.5 Offerors shall provide accurate and meaningful labeling of environmentally preferable products offered in the on-line catalog when applicable.
- 6.5.3.6 Offerors shall explain or describe what they do to clearly identify in their online catalogs and on their shelves how they designate all environmentally preferable products (EPP) that have received any of the following appropriate 3d-party designation certifications:

- Biodegradable Products Institute (compostable bags, food service ware);
- (2) Consortium for Energy Efficiency (lamps);
- (3) Cradle to Cradle (building materials, construction adhesives, etc.);
- (4) Design Lights Consortium (LED lighting equipment);
- (5) ENERGY STAR (HVAC and lighting equipment);
- (6) Forest Stewardship Council (wood and paper products);
- (7) Green Seal (cleaners, hand soap, janitorial paper products, paint);
- (8) Master Painters Institute (MPI) Green Performance Standard (paints and coatings);
- (9) NEMA Premium Efficiency (motors, ballasts);
- (10) Scientific Certification Systems (SCS) Indoor Advantage Gold (building materials, furniture);
- (11) Scientific Certification Systems (SCS) FloorScore (carpet, flooring, flooring adhesives, underlayment, etc.);
- (12) UL GREENGUARD (adhesives, flooring, insulation, sealants, etc.);
- (13) UL EcoLogo (cleaners, deodorizers, hand soaps and sanitizers, floor polish and strippers, etc.);
- (14) USDA Biobased (lubricants, building materials, etc.);
- (15) USDA Organic;
- (16) US EPA Safer Choice (cleaners, hand soaps, deicers, floor maintenance chemicals);
- (17) WaterSense (water efficient fixtures, toilets, etc.);

Offerors shall also explain or describe how products meet the following standards are clearly identified:

- (18) Restriction of hazardous Substances (RoHS)
  Directive:
- (19)South Coast Air Quality Management District (SCAQMD) limits on volatile organic compounds (VOCs, which apply to adhesives, sealants, coatings, etc.)
- (20) US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs);
- (21) Rechargeable Batteries; and
- (22) Solar Powered Equipment.

Offerors may suggest other 3rd party certifications as applicable and include a description.

In addition, offer shall describe the designation (symbol) that you will use to identify these EPP products provided, including the certification or standard that it meets, and where a buyer would find clarification on the website about what the designation means.

# 6.5.4. E-commerce description

The successful offeror shall have a proven record of E Commerce capabilities, with the technology and support personnel to provide content deployment or punch out access to their online catalog, for the purpose of supporting the purchasing web sites of the Participating States. Provide a clear narrative addressing the statement above. Integration of a punch out site is required per Section 9d of the NASPO ValuePoint eMarket Center Section of Attachment B, NASPO ValuePoint Master Agreement Terms and Conditions.

- 6.5.5. E- Commerce and Web Catalog Capabilities
  - (1) Multiple search options from narrow options to specific search criteria;
  - (2) Display contract pricing;
  - (3) Have workflow management controls;

(4) On-line order	ing capal	bility;
(5) Order status	and orde	r tracking capabilities;
(6) Order history	· •	
		personal lists and profiles, and a ing procurement card information;
(8) Online help to normal work		should be available at minimum during
		itions, Material Safety Data Sheets, access to web-based product sourcing is
(10) Allow viewer location;	s to view	on line Offeror's product availability by
(11) Ability to blo	ck certair	n items or categories.
(12)Ability to acc	ept "P-Ca	ard" payments.
(13)Web-based (	Catalog a	vailable?
	Yes	No
(14)Contract pric	ing availa	ble on line?
	Yes	No
15)Online workfl	ow mana	gement?
	Yes	No
16)Order Status	Tracking	Online?
	Yes	_No
(17)Order Histor	y?	
-	Yes	No
(18) Personal Lis	sts?	
,	Yes	_ No

(19)Online Availability?
YesNo
(20)What are you doing to ensure that your EPP products are properly identified and labeled in your Catalogs?
(21)Offeror is able to highlight EPP products either through prioritizing the EPP products in the online catalog, or by offering to substitute conventional with greener products? YesNo
6.5.6. Storage Of Electronic Data
6.5.6.1 Describe in detail how the electronic information for each Participating State shall be stored.
6.5.6.2 Do you have a dual system as a backup in the unlikely event that the main information storehouse becomes unusable?
6.5.6.3 Provide a general description of security protocol including storage of data, ordering security and data file security.
6.5.7. Catalogs
The successful offeror must provide paper and/or computer media catalogs to all agencies upon request for the duration of this contract. Offeror to explain if catalog identifies environmentally preferable products with associated EPP certifications.
6.5.8. Procurement Card Policy
6.5.8.1 The successful offeror must offer the capability to accept procurement cards as an acceptable form of payment. Level III reporting is preferred.
Procurement Cards Accepted? Yes No
6.5.8.2 Explain in detail your reporting capabilities for procurement card transactions.
6.5.9. Forced Substitutions
6.5.9.1 Forced substitutions are not allowed. If an ordered item is out of stock, the Offeror must notify the purchasing entity

for prior approval before substituting for the out of stock item. Explain your methodology for items that are discontinued or out of stock. This must include your substitution policy.

6.5.9.2 Explain how you will notify customers about out of stock items and how you will provide information about how the substituted product compares with the product that is out of stock.

# 6.5.10. Customer Service Representatives

- 6.5.10.1 Offerors shall provide each authorized purchaser with customer service representatives assigned to handle questions and resolve all problems that arise.
- 6.5.10.2 Service representatives shall be available, at a minimum, from 8:00 am to 5:00 pm in EACH time zone, Monday through Friday. Service representatives shall be available by phone (via local or toll free number), fax, or email during the required times for each participating state.
- 6.5.10.3 This solicitation is for all States and all time zones.

  Describe how you will manage the servicing of the contract for each time zone.
- 6.5.10.4 Provide an Emergency number and contact for afterhours use.
- 6.5.10.5 All service representatives shall have online access to account information and provide a timely response to inquiries concerning the status of orders (shipped or pending), delivery information, back-order information, contract pricing, category discounts, product availability, product information, account and billing questions, and contract compliance requirements.
- 6.5.10.6 Describe in detail the process that shall be used to ensure adequate service representatives will be available.

# 6.6. Administration and Marketing

6.6.1. Return Policy

What is your standard return policy?

#### 6.6.2. Distribution Points

It is desirable that a successful offeror has inside and outside sales staff and distribution facilities located in all Participating States or geographic area offered. Offerors must provide the locations of their distribution points and information regarding sales staff for each Participating States or geographic area offered.

#### 6.6.3. Contract Management

- 6.6.3.1 Describe the Offeror's strategy for contract management and sales support including roles and responsibilities as they relate to each participating state for each of the proposed account teams that will handle contract management issues.
- 6.6.3.2 It is desired that offerors have a representative(s) that has the sole responsibility of management of this NASPO ValuePoint contract. Provide a list the name(s) and title(s) of the dedicated representative(s) per region or State.
- 6.6.3.3 Does your contract management include customer training? Please provide a detailed narrative including, at a minimum, the following:
- 6.6.3.4 Sustainable Products (e.g., energy efficient, water efficient, low toxicity, recycled content, etc.);
- 6.6.3.5 Review of environmentally preferable products with third party certifications (see section 6.5.3.6 above for a list of some of the 3rd party certifications).
- 6.6.3.6 New products:
- 6.6.3.7 Equipment and operation- Manufacturer/certified set up and training;
- 6.6.3.8 Seminars and other learning opportunities;

# 6.6.4. Delivery

6.6.4.1 Delivery time for in-stock items should not exceed 24-48 hours for all points within in the Participating States. Non-stocked items must be delivered within 10 working days. The Participating States reserve the right to impose restrictions. Explain in detail your delivery policy.

- 6.6.4.2 Specify Guaranteed Delivery Time for In-Stock Items.
- 6.6.4.3 Specify Guaranteed Delivery Time for Non-Stock Items.
- 6.6.4.4 SDS must accompany all orders at the time of delivery (where applicable).
- 6.6.4.5 The Participating States expect high delivery standards from all contractors. Penalties may be imposed on contractors that have continual late deliveries. These penalties may include but are not limited to cancellation of orders, request for discounted pricing, non-use of an offending contractor or cancellation of the contractor's participating addendum(s).

# 6.6.5. Shipping

6.6.5.1 All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package:

Authorized Purchaser; Delivery Address; Purchasing entity and floor; Contact; and Telephone number.

6.6.5.2 A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order:

Line item description;
Date ordered;
Quantity ordered;
Quantity included in shipment;
Any backordered items;
Unit Price and extension;
Number of parcels;
Purchase Order Number;
Purchasing entity name; and
F.O.B. Destination.

6.6.5.3 Describe in detail how your company has implemented environmentally sound shipping and transportation

#### practices. For example:

- Is your company a US EPA SmartWay Partner?
- Does your company use alternative fuel vehicles (e.g., electric, battery hybrid electric, bio-based diesel, etc.?
- Does your company reduce energy usage or other environmental impacts during shipping?

# 6.6.6. Implementation

- 6.6.6.1 Implementation of this contract is vital to the Participating States. Describe in detail your implementation program including an estimated time line to include at minimum the following points.
- 6.6.6.2 Describe in detail the Offeror's implementation plan, including all process steps.
- 6.6.6.3 Detail the specific information, resources, and assistance the offeror will require from each Participating State to implement the contract.
- 6.6.6.4 Describe how soon from execution of the Participating Addendum the online ordering system will be available to each Participating State. If a phased implementation is planned in terms of limited functionality vs. complete functionality, please specify.
- 6.6.6.5 Describe in detail the Offeror's experience when implementing customer relationships of equivalent size and complexity.
- 6.6.6.6 Describe any customization abilities for different States or political subdivisions within a Participating State.

#### 6.6.7. Reporting Capabilities

6.6.7.1 The offeror shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. If there are other reports available at additional pricing, information on these reports is also required. Please note the reporting requirement in the NASPO ValuePoint terms and conditions; in addition states may have additional reporting requirements.

- 6.6.7.2 Explain your company auditing policy to ensure that pricing and services are in compliance with the contract. Explain your policy for revenue recovery in the event that any auditing reveals incorrect pricing.
- 6.6.7.3 Does your company provide a green product spend report? Please describe how your company reports environmentally preferable product purchases.

# 6.6.8. Sustainability/Environmental Practices

Sustainability and sound environmental practices are important to many of the Participating States. Thoroughly describe your sustainability and environmental practices that you currently have in place. This description should include the following:

### (1) Sustainability Program

- a. Does your company have a corporate-wide sustainability policy? If yes, attach or provide a link to your sustainability policy as well as any related policy initiatives such as a Climate Action Plan, a Zero Waste Policy, a Toxics Reduction Strategy, or a Green Fleet Policy. Also, please summarize what your corporate sustainability policy directs your company to do.
- b. Describe the key elements of your company's sustainability program including sustainability staff positions, qualifications and training.
- c. Describe Proposer's environmental practices that are applicable to items that Proposer markets. Provide links to your published statements, policies and reports and summarize key accomplishments.

#### (2) Product Take Back/End of Life:

- a. Provide a list of products for which you provide end of life take-back and recycling (e.g. fluorescent lamps, batteries, solvents, metals, etc.). List subcontractors if any you use for these services. List any fees or conditions for these services. Certificates of Disposal must be provided for hazardous waste. This is an EPA requirement.
- b. Proposers are to minimize or eliminate the use of disposable containers; is made from recycled content or other bio-based fibers; is easily recyclable, contains a minimum of 25% by weight of post-consumer materials;

and/or meets or exceeds the minimum post-consumer content level for respective packaging in the U.S. Environmental Protection Agency Comprehensive Procurement Guidelines.

- c. Proposers are to provide packaging that does not contain inks, dyes, pigments, adhesives, stabilizers, or any other additives to which any lead, cadmium, mercury or hexavalent chromium has been included as an element during manufacture or distribution in such a way that the sum of the concentrations levels of such lead, cadmium, mercury or hexavalent chromium exceed the following concentration level: 100 parts per million by weight (0.01%).
- d. All drums shall remain the property of the supplier. Empty drums shall not become the property of the affected state entity under any circumstance or condition. All empty drums, including their respective caps, plugs, or bungs, shall be collected by the supplier within a reasonable time frame specified by the affected state entity for reuse or recycling via the most reasonable transport method.

# (4) Product Choice:

a. Proposers green claims are consistent with the Federal Trade Commission's Green Guides. (for more information visit: <a href="https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides">https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides</a>)

Yes	No

- (5) Other Sustainability Practices:
  - a. Offerors may provide additional information their company's sustainability policies, practices and/or achievements. Attach appropriate documentation to substantiate claim.
- 6.6.9. Emerging Small Business, Minority Business Enterprise, Women Business Enterprise, And Disabled Veteran Owned Business.
  - 6.6.9.1 Some Participating States, may desire to purchase products and services from ESB/MBE/WBE/DV & DBE companies. Some Participating States may or may not have an ESB/MBE/WBE/DV & DBE program and therefore each state will integrate this desirable into its Participating Addendum, if applicable. In some Participating States, to qualify as an ESB/MBE/WBE/DV

- & DBE supplier the listed companies must be registered with either the government or a recognized certifying entity and provide a certification type and number. Registered ESB/MBE/WBE/DV & DBE companies must be operating from a legitimate commercial site, carry all applicable insurance policies, required business licenses, and have operated continuously for at least two years. Please explain how the Offeror will provide opportunity for, ESB/MBE/WBE/DV & DBE companies.
- 6.6.9.2 At a minimum, the following policies and practices must be described in detail:
- 6.6.9.3 Describe in detail how the Offeror will work with the registered companies to determine what products can be a part of the contract.
- 6.6.9.4 Describe in detail how the Offeror will track all ESB/MBE/WBE/DV & DBE Products and services, including ordering, delivery, and invoicing.
- 6.6.9.5 Provide a list of Products that may be available to be purchased from ESB/MBE/WBE/DV & DBE companies under the proposed Contract.
- 6.6.9.6 Describe how Offeror will make best efforts to increase the number of Products available to Authorized Purchasers under the Contract acquired from ESB/MBE/WBE/DV & DBE businesses.
- 6.6.9.7 Describe what other products or services the Offeror can offer within a category that supports ESB/MBE/WBE/DV & DBE suppliers.
- 6.6.10. Community Rehabilitation Program (CRP) / Qualified Rehabilitative Facilities (QRF):
  - Describe how the Offeror supports the use of products and/or services sourced from QRF and the CRP programs.
- 6.6.11. Retail Store Purchases/Will Call:
  - 6.6.11.1 Describe the availability of contracted items through Offeror's branch locations. Please provide a list of branch

locations that provide a will call service in each of the Participating States.

6.6.11.2 Provide a narrative that explains how authorized purchasers will be able to make purchases at will call branch locations, make payment for those items and have those items included in the reporting.

#### 6.6.12. Growth Incentives:

- 6.6.12.1 Describe in detail any contract growth incentives, e.g. larger revenue, different levels of discounts for large orders that may be offered to the Participating States/purchasing agency.
- 6.6.12.2 Describe in detail any incremental pricing incentives for on-line ordering verses fax or call in ordering.

#### 6.7. Additional Services

# 6.7.1. Training

- 6.7.1.1. Offeror shall provide all training as necessary at no additional pricing to all Participating States on all aspects of ordering, online ordering, product delivery, product returns, EPP's, and customer service processes.
- 6.7.1.2 Describe in detail the Offeror's ability to offer training that may be required to ensure purchasing entities have a thorough understanding of all ordering processes including any online systems. No pricing for product training, safety training, or travel and per Diem.

# 6.7.2. Disaster Recovery

Please describe your emergency management plan to aid States during an emergency or disaster recovery. Be specific as to response time, supplies availability and other goods and services that you offer.

6.7.3. Installation, if applicable

Please describe Offeror's ability to provide installation services of products or equipment that Participating States may chose, if applicable to their States rules.

#### 6.7.4. Value added solutions

Offerors are encouraged to suggest value added solutions that may improve the States use of the contracts and products offered. One such value-add is product sourcing.

#### 6.7.4.1 Sourced Products

- Supplier sourced products is a product which is not currently listed in the suppliers contract catalog or on-line ordering system at the time of order receipt but is capable of being supplied through the offeror.
- (2) If the offeror is capable of supplying sourced products they must be direct line extension products which have a similar item to an established product category and the offeror must already have a publically recognized business partnership with the "brand".
- (3) The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge.

#### 6.7.4.2 Vending Machines

- (1) Vending style machines that can dispense singular or multiple products with control type methods.
- (2) Offerors are encouraged to list their vending solutions.

# Attachment B



# **NASPO ValuePoint Master Agreement**

This NASPO ValuePoint Master Agreement ("Master Agreement)	eement") is between the State
of Oregon, acting by and through the Department of Adm	inistrative Services, Enterprise
Goods and Services, Procurement Services ("DAS PS"), (	as the Lead State, on behalf of
the member states of the NASPO ValuePoint Cooperative	Purchasing Program and other
Participating Entities and	("Contractor"). This Master
Agreement is effective on the date that it has been signe	d by the parties and has been
approved as required by applicable law ("Effective Date").	

# 1. Master Agreement Order of Precedence

- a. Any Order placed under this Master Agreement shall consist of the following documents:
  - (1) A Participating Entity's Participating Addendum ("PA"), substantially in the form attached hereto as Exhibit A;
  - (2) NASPO ValuePoint Master Agreement and its exhibits:

eMarket Center Addendum

Exhibit A - Sample Participating Addendum

Exhibit B - Description of Products and Services

Exhibit C - Provisions Required by Federal Law

Exhibit D - NASPO ValuePoint Detailed Sales Data Report Form

- (3) A Purchase Order issued against the Master Agreement;
- (4) Any terms and conditions provided electronically or online or as part of Product materials or descriptions or guidelines; and
- (5) Any Offeror's online or third party terms and conditions.
- b. These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above. Contractor terms and conditions that apply to this Master Agreement are only those that are expressly accepted by the Lead State and must be in writing and attached to this Master Agreement as an Exhibit or Attachment.

#### 2. Definitions

Acceptance means a written notice from a Purchasing Entity to Contractor advising Contractor that the Product has passed its Acceptance Testing. Acceptance of a Product for which acceptance testing is not required shall occur following the completion of delivery, installation, if required, and a reasonable time for inspection of the Product, unless the Purchasing Entity provides a written notice of rejection to Contractor.

Acceptance Testing means the process for ascertaining that the Product meets the standards set forth in the section titled Standard of Performance and Acceptance, prior to Acceptance by the Purchasing Entity.

Contract means any Order or Purchase Order or other agreed upon ordering instrument issued by a Purchasing Entity under this Master Agreement, together with the terms and conditions of this Master Agreement.

Contractor means the person or entity delivering Products or performing services under the terms and conditions set forth in this Master Agreement.

Embedded Software means one or more software applications which permanently reside on a computing device.

Environmentally Preferable Product means products and services that have a lesser or reduced effect on human health and the environment when compared to competing products or services that serve the same purpose.

Intellectual Property means any and all patents, copyrights, service marks, trade marks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.

Lead State means the State centrally administering any resulting Master Agreement(s).

Master Agreement means the underlying agreement executed by and between the Lead State, acting on behalf of the members of the NASPO ValuePoint Cooperative Purchasing Program, and the Contractor, as now or hereafter amended.

NASPO ValuePoint is the NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, a 501(c)(3) limited liability company that is a subsidiary organization the National Association of State Procurement Officials (NASPO), the sole member of NASPO ValuePoint. NASPO ValuePoint facilitates administration of the NASPO cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. NASPO ValuePoint is identified in the Master Agreement as the recipient of reports and may perform contract administration functions relating to collecting and receiving reports as well as other contract administration functions as assigned by the Lead State.

Order or Purchase Order means any purchase order, sales order, contract or other document used by a Purchasing Entity to order the Products.

Participating Addendum means a bilateral agreement executed by a Contractor and a Participating Entity incorporating this Master Agreement and any other additional Participating Entity specific language or other requirements, e.g. ordering procedures specific to the Participating Entity, other terms and conditions.

Participating Entity means a state, or other legal entity, properly authorized to enter into a Participating Addendum.

Participating State means a state, the District of Columbia, or one of the territories of the United States that is listed in the Request for Proposal as intending to participate. Upon execution of the Participating Addendum, a Participating State becomes a Participating Entity; however, a Participating State listed in the Request for Proposals is not required to later participate in the Master Agreement

Product means any equipment, software (including embedded software), supplies, materials, commodities, goods, documentation or other deliverable supplied, offered, or created by the Contractor pursuant to this Master Agreement. The term Products, supplies, and products are used interchangeably in this Master Agreement.

Purchasing Entity means a state (as well as the District of Columbia and U.S territories), city, county, district, other political subdivision of a State, and a nonprofit organization under the laws of some states if authorized by a Participating Addendum, who issues a Purchase Order against the Master Agreement and becomes financially committed to the purchase.

Services means installation and additional services as defined in the Master Agreement.

# 3. Term of the Master Agreement; Non-exclusivity

- a. The initial term of this Master Agreement is for one (1) year. This Master Agreement may be extended beyond the original contract period for four (4) additional years at the Lead State's discretion and by mutual agreement and upon review of requirements of Participating Entities, current market conditions, and Contractor performance.
- b. This Master Agreement is not exclusive. Purchasing Entities retain the right to contract for Products or Services or both through any selection process authorized by law, or to perform the Services themselves. Neither NASPO ValuePoint nor the Lead State guarantees that any specific number of Contracts will be issued or that any specific amount of Products or Services will be required.

#### 4. Amendments

The terms of this Master Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of the Lead State and Contractor.

# 5. Participants and Scope

- a. Contractor may not deliver Products under this Master Agreement until a Participating Addendum acceptable to the Participating Entity and Contractor is executed. The NASPO ValuePoint Master Agreement Terms and Conditions are applicable to any Order by a Participating Entity (and other Purchasing Entities covered by their Participating Addendum), except to the extent altered, modified, supplemented or amended by a Participating Addendum. By way of illustration and not limitation, this authority may apply to unique delivery and invoicing requirements, confidentiality requirements, defaults on Orders, governing law and venue relating to Orders by a Participating Entity, indemnification, and insurance requirements. Statutory or constitutional requirements relating to availability of funds may require specific language in some Participating Addenda in order to comply with applicable law. The expectation is that these alterations, modifications, supplements, or amendments will be addressed in the Participating Addendum or, with the consent of the Purchasing Entity and Contractor, may be included in the ordering document (e.g. purchase order or contract) used by the Purchasing Entity to place the Order.
- b. Use of specific NASPO ValuePoint cooperative Master Agreements by state agencies, political subdivisions and other Participating Entities (including cooperatives) authorized by individual state's statutes to use state contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the respective State Chief Procurement Official.
- c. Obligations under this Master Agreement are limited to those Participating Entities who have signed a Participating Addendum and Purchasing Entities within the scope of those Participating Addenda. States or other entities permitted to participate may use an informal competitive process to determine which Master Agreements to participate in through execution of a Participating Addendum. Financial obligations of Participating Entities who are states are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating Entities who are states incur no financial obligations on behalf of other Purchasing Entities. Contractor shall email a fully executed PDF copy of each Participating Addendum to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.
- d. NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, is not a party to the Master Agreement. It is a nonprofit cooperative purchasing organization assisting states in administering the NASPO cooperative purchasing program for state government departments, institutions, agencies and political subdivisions (e.g., colleges, school districts, counties, cities, etc.) for all 50 states, the District of Columbia and the territories of the United States.
- e. Participating Addenda shall not be construed to amend the following provisions in this Master Agreement between the Lead State and Contractor that prescribe NASPO ValuePoint Program requirements: Term of the Master Agreement; Amendments; Participants and Scope; Administrative Fee; NASPO ValuePoint Summary and Detailed Usage Reports; NASPO ValuePoint Cooperative Program Marketing and Performance

Review; NASPO ValuePoint eMarketCenter; Right to Publish; Price and Rate Guarantee Period; and Individual Customers. Any such language shall be void and of no effect.

- f. Participating Entities who are not states may under some circumstances sign their own Participating Addendum, subject to the consent to participation by the Chief Procurement Official of the state where the Participating Entity is located. Coordinate requests for such participation through NASPO ValuePoint. Any permission to participate through execution of a Participating Addendum is not a determination that procurement authority exists in the Participating Entity; they must ensure that they have the requisite procurement authority to execute a Participating Addendum.
- g. Resale. "Resale" means any payment in exchange for transfer of tangible goods, software, or assignment of the right to services. Subject to any specific conditions included in the solicitation or Contractor's proposal as accepted by the Lead State, or as explicitly permitted in a Participating Addendum, Purchasing Entities may not resell Products (the definition of which includes services that are deliverables). Absent any such condition or explicit permission, this limitation does not prohibit: payments by employees of a Purchasing Entity for Products; sales of Products to the general public as surplus property; and fees associated with inventory transactions with other governmental or nonprofit entities and consistent with a Purchasing Entity's laws and regulations. Any sale or transfer permitted by this subsection must be consistent with license rights granted for use of intellectual property.

#### 6. Administrative Fees

- a. The Contractor shall pay to NASPO ValuePoint, or its assignee, a NASPO ValuePoint Administrative Fee of one-quarter of one percent (0.25% or 0.0025) no later than sixty (60) days following the end of each calendar quarter. The NASPO ValuePoint Administrative Fee shall be submitted quarterly and is based on all sales of products and services under the Master Agreement (less any charges for taxes or shipping). The NASPO ValuePoint Administrative Fee is not negotiable. This fee is to be included as part of the pricing submitted with proposal.
- b. Additionally, some states may require an additional fee be paid directly to the state only on purchases made by Purchasing Entities within that state. For all such requests, the fee level, payment method and schedule for such reports and payments will be incorporated into the Participating Addendum that is made a part of the Master Agreement. The Contractor may adjust the Master Agreement pricing accordingly for purchases made by Purchasing Entities within the jurisdiction of the state. All such agreements shall not affect the NASPO ValuePoint Administrative Fee percentage or the prices paid by the Purchasing Entities outside the jurisdiction of the state requesting the additional fee. The NASPO ValuePoint Administrative Fee in subsection 6a shall be based on the gross amount of all sales (less any charges for taxes or shipping) at the adjusted prices (if any) in Participating Addenda.

# 7. NASPO ValuePoint Summary and Detailed Usage Reports

In addition to other reports that may be required by this solicitation, the Contractor shall provide the following NASPO ValuePoint reports:

- a. Summary Sales Data. The Contractor shall submit quarterly sales reports directly to NASPO ValuePoint using the NASPO ValuePoint Quarterly Sales/Administrative Fee Reporting Tool found at http://www.naspo.org/WNCPO/Calculator.aspx. Any/all sales made under this Master Agreement shall be reported as cumulative totals by state. Even if Contractor experiences zero sales during a calendar quarter, a report is still required. Reports shall be due no later than thirty (30) days following the end of the calendar quarter (as specified in the reporting tool).
- b. Detailed Sales Data. Contractor shall also report detailed sales data by: (1) state; (2) entity/customer type, e.g. local government, higher education, K12, non-profit; (3) Purchasing Entity name; (4) Purchasing Entity bill-to and ship-to locations; (4) Purchasing Entity and Contractor Purchase Order identifier/number(s); (5) Purchase Order Type (e.g. sales order, credit, return, upgrade, determined by industry practices); (6) Purchase Order date; (7) Ship Date; (8) and line item description, including product number if used. The report shall be submitted in any form required by the solicitation. Reports are due on a quarterly basis and must be received by the Lead State and NASPO ValuePoint Cooperative Development Team no later than thirty (30) days after the end of the reporting period. Reports shall be delivered to the Lead State and to the NASPO ValuePoint Cooperative Development Team electronically through a designated portal, email, CD-ROM, flash drive or other method as determined by the Lead State and NASPO ValuePoint. Detailed sales data reports shall include sales information for all sales under Participating Addenda executed under this Master Agreement. The format for the detailed sales data report is in shown in Exhibit D.
- c. Reportable sales for the summary sales data report and detailed sales data report includes sales to employees for personal use where authorized by the solicitation and the Participating Addendum. Report data for employees should be limited to ONLY the state and entity they are participating under the authority of (state and agency, city, county, school district, etc.) and the amount of sales. No personal identification numbers, e.g. names, addresses, social security numbers or any other numerical identifier, may be submitted with any report.
- d. Contractor shall provide the NASPO ValuePoint Cooperative Development Coordinator with an executive summary each quarter that includes, at a minimum, a list of states with an active Participating Addendum, states that Contractor is in negotiations with and any Participating Addendum roll out or implementation activities and issues. NASPO ValuePoint Cooperative Development Coordinator and Contractor will determine the format and content of the executive summary. The executive summary is due thirty (30) days after the conclusion of each calendar quarter.
- e. Timely submission of these reports is a material requirement of the Master Agreement. The recipient of the reports shall have exclusive ownership of the media containing the reports. The Lead State and NASPO ValuePoint shall have a perpetual, irrevocable, non-exclusive, royalty free, transferable right to display, modify, copy, and otherwise use reports, data and information provided under this section.

# 8. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review

- a. Contractor agrees to work cooperatively with NASPO ValuePoint personnel. Contractor agrees to present plans to NASPO ValuePoint for the education of Contractor's contract administrator(s) and sales/marketing workforce regarding the Master Agreement contract, including the competitive nature of NASPO ValuePoint procurements, the Master agreement and participating addendum process, and the manner in which qualifying entities can participate in the Master Agreement.
- b. Contractor agrees, as Participating Addendums become executed, if requested by ValuePoint personnel to provide plans to launch the program within the participating state. Plans will include time frames to launch the agreement and confirmation that the Contractor's website has been updated to properly reflect the contract offer as available in the participating state.
- c. Contractor agrees, absent anything to the contrary outlined in a Participating Addendum, to consider customer proposed terms and conditions, as deemed important to the customer, for possible inclusion into the customer agreement. Contractor will ensure that their sales force is aware of this contracting option.
- d. Contractor agrees to participate in an annual contract performance review at a location selected by the Lead State and NASPO ValuePoint, which may include a discussion of marketing action plans, target strategies, marketing materials, as well as Contractor reporting and timeliness of payment of administration fees.
- e. Contractor acknowledges that the NASPO ValuePoint logos may not be used by Contractor in sales and marketing until a logo use agreement is executed with NASPO ValuePoint.
- f. The Lead State expects to evaluate the utilization of the Master Agreement at the annual performance review. Lead State may, in its discretion, cancel the Master Agreement pursuant to section 28, or not exercise an option to renew, when Contractor utilization does not warrant further administration of the Master Agreement. The Lead State may exercise its right to not renew the Master Agreement if vendor fails to record or report revenue for three consecutive quarters, upon 60-calendar day written notice to the Contractor. Cancellation based on nonuse or under-utilization will not occur sooner than two years after award (or execution if later) of the Master Agreement. This subsection does not limit the discretionary right of either the Lead State or Contractor to cancel the Master Agreement pursuant to section 28 or to terminate for default pursuant to section 30.
- g. Contractor agrees, within 30 days of their effective date, to notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-part contracts or agreements that may affect the promotion of this Master Agreements or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this master agreement. Upon request of the Lead State or NASPO

ValuePoint, Contractor shall provide a copy of any such provisions.

#### 9. NASPO ValuePoint eMarket Center

- a. In July 2011, NASPO ValuePoint entered into a multi-year agreement with SciQuest, Inc. (doing business as JAGGAER) whereby JAGGAER will provide certain electronic catalog hosting and management services to enable eligible NASPO ValuePoint's customers to access a central online website to view and/or shop the goods and services available from existing NASPO ValuePoint Cooperative Contracts. The central online website is referred to as the NASPO ValuePoint eMarket Center.
- b. The Contractor will have visibility in the eMarket Center through Ordering Instructions. These Ordering Instructions are available at no cost to the Contractor and provide customers information regarding the Contractors website and ordering information. The Contractor is required at a minimum to participate in the eMarket Center through Ordering Instructions.
- c. At a minimum, the Contractor agrees to the following timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin Ordering Instruction process. The Contractor shall have thirty (30) days from receipt of written request to work with NASPO ValuePoint to provide any unique information and ordering instructions that the Contractor would like the customer to have.
- d. If the solicitation requires either a catalog hosted on or integration of a punchout site with eMarket Center, or either solution is proposed by a Contractor and accepted by the Lead State, the provisions of the eMarket Center Appendix to these NASPO ValuePoint Master Agreement Terms and Conditions apply.

# 10. Right to Publish

Throughout the duration of this Master Agreement, Contractor must secure from the Lead State prior approval for the release of information that pertains to the potential work or activities covered by the Master Agreement. This limitation does not preclude publication about the award of the Master Agreement or marketing activities consistent with any proposed and accepted marketing plan. The Contractor shall not make any representations of NASPO ValuePoint's opinion or position as to the quality or effectiveness of the services that are the subject of this Master Agreement without prior written consent. Failure to adhere to this requirement may result in termination of the Master Agreement for cause.

#### 11. Price and Rate Guarantee Period

All prices and rates must be guaranteed for the initial term of the Master Agreement. Following the initial Master Agreement period, any request for price or rate adjustment must be for an equal guarantee period, and must be made at least (30) days prior to the effective date. Requests for price or rate adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the Master Agreement shall not be effective unless approved by the Lead State. No retroactive adjustments to prices or rates will be allowed.

#### 12. individual Customers

Except to the extent modified by a Participating Addendum, each Purchasing Entity shall follow the terms and conditions of the Master Agreement and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement, including but not limited to, any indemnity or right to recover any costs as such right is defined in the Master Agreement and applicable Participating Addendum for their purchases. Each Purchasing Entity will be responsible for its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Purchasing Entity individually.

# Administration of Orders

# 13. Ordering

- a. Master Agreement order and purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.
- b. Purchasing Entities may define entity or project-specific requirements and informally compete the requirement among companies having a Master Agreement on an "as needed" basis. This procedure may also be used when requirements are aggregated or other firm commitments may be made to achieve reductions in pricing. This procedure may be modified in Participating Addenda and adapted to the Purchasing Entity's rules and policies. The Purchasing Entity may in its sole discretion determine which Master Agreement Contractors should be solicited for a quote. The Purchasing Entity may select the quote that it considers most advantageous, cost and other factors considered.
- c. Each Purchasing Entity will identify and utilize its own appropriate purchasing procedure and documentation. Contractor is expected to become familiar with the Purchasing Entities' rules, policies, and procedures regarding the ordering of supplies and/or services contemplated by this Master Agreement.
- d. Contractor shall not begin work without a valid Purchase Order or other appropriate commitment document under the law of the Purchasing Entity.
- e. Orders may be placed consistent with the terms of this Master Agreement during the term of the Master Agreement.
- f. All Orders pursuant to this Master Agreement, at a minimum, shall include:
  - (1) The Products, Services or Supplies being delivered;
  - (2) The place and requested time of delivery:
  - (3) A billing address;
  - (4) The name, phone number, and address of the Purchasing Entity representative:
  - (5) The price per hour or other pricing elements consistent with this Master Agreement and the contractor's proposal;

- (6) A ceiling amount of the order for services being ordered; and
- (7) The Master Agreement identifier.
- g. All communications concerning administration of Orders placed shall be furnished solely to the authorized purchasing agent within the Purchasing Entity's purchasing office, or to such other individual identified in writing in the Order.
- h. Orders must be placed pursuant to this Master Agreement prior to the termination date thereof, but may have a delivery date or performance period up to 120 days past the then-current termination date of this Master Agreement. Contractor is reminded that financial obligations of Purchasing Entities payable after the current applicable fiscal year are contingent upon agency funds for that purpose being appropriated, budgeted, and otherwise made available.
- i. Notwithstanding the expiration, cancellation or termination of this Master Agreement, Contractor agrees to perform in accordance with the terms of any Orders then outstanding at the time of such expiration or termination. Contractor shall not honor any Orders placed after the expiration, cancellation or termination of this Master Agreement, or otherwise inconsistent with its terms. Orders from any separate indefinite quantity, task orders, or other form of indefinite delivery order arrangement priced against this Master Agreement may not be placed after the expiration or termination of this Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.

# 14. Shipping and Delivery

- a. The prices are the delivered price to any Purchasing Entity. All deliveries shall be F.O.B. destination, freight pre-paid, with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage shall remain the Contractor's until final inspection and acceptance when responsibility shall pass to the Purchasing Entity except as to latent defects, fraud and Contractor's warranty obligations. The minimum shipment amount, if any, will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an Order to be shipped without transportation charges that is back ordered shall be shipped without charge.
- b. All deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the Order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order. Any damage to the building interior, scratched walls, damage to the freight elevator, etc., will be the responsibility of the Contractor. If damage does occur, it is the responsibility of the Contractor to immediately notify the Purchasing Entity placing the Order.
- c. All products must be delivered in the manufacturer's standard package. Costs shall include all packing and/or crating charges. Cases shall be of durable construction, good condition, properly labeled and suitable in every respect for storage and handling of contents. Each shipping carton shall be marked with the commodity, brand, quantity, item code number and the Purchasing Entity's Purchase Order number.

# 15. Laws and Regulations

Any and all Products offered and furnished shall comply fully with all applicable Federal and State laws and regulations, including the Federal Terms and Conditions set forth in Exhibit C.

# 16. Inspection and Acceptance

- a. Where the Master Agreement or an Order does not otherwise specify a process for inspection and Acceptance, this section governs. This section is not intended to limit rights and remedies under the applicable commercial code.
- b. All Products are subject to inspection at reasonable times and places before Acceptance. Contractor shall provide right of access to the Lead State, or to any other authorized agent or official of the Lead State or other Participating or Purchasing Entity, at reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance requirements under this Master Agreement. Products that do not meet specifications may be rejected. Failure to reject upon receipt, however, does not relieve the contractor of liability for material (nonconformity that substantial impairs value) latent or hidden defects subsequently revealed when goods are put to use. Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked.
- c. If any Services do not conform to contract requirements, the Purchasing Entity may require the Contractor to perform the services again in conformity with contract requirements, at no increase in Order amount. When defects cannot be corrected by reperformance, the Purchasing Entity may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and reduce the contract price to reflect the reduced value of services performed.
- d. The warranty period shall begin upon Acceptance.
- e. Acceptance Testing may be explicitly set out in a Master Agreement to ensure conformance to an explicit standard of performance. Acceptance Testing means the process set forth in the Master Agreement for ascertaining that the Product meets the standard of performance prior to Acceptance by the Purchasing Entity. If Acceptance Testing is prescribed, this subsection applies to applicable Products purchased under this Master Agreement, including any additional, replacement, or substitute Product(s) and any Product(s) which are modified by or with the written approval of Contractor after Acceptance by the Purchasing Entity. The Acceptance Testing period shall be thirty (30) calendar days or other time period identified in this Master Agreement or the Participating Addendum, starting from the day after the Product is delivered or, if installed, the day after the Product is installed and Contractor certifies that the Product is ready for Acceptance Testing. If the Product does not meet the standard of performance during the initial period of Acceptance Testing, Purchasing Entity may, at its discretion, continue Acceptance Testing on a day-to-day basis until the standard of performance is met. Upon

rejection, the Contractor will have fifteen (15) calendar days to cure the standard of performance issue(s). If after the cure period, the Product still has not met the standard of performance, the Purchasing Entity may, at its option: (a) declare Contractor to be in breach and terminate the Order; (b) demand replacement Product from Contractor at no additional cost to Purchasing Entity; or, (c) continue the cure period for an additional time period agreed upon by the Purchasing Entity and the Contractor. Contractor shall pay all costs related to the preparation and shipping of Product returned pursuant to the section. No Product shall be deemed Accepted and no charges shall be paid until the standard of performance is met. The warranty period shall begin upon Acceptance.

# 17. Payment

Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to a maximum rate of one percent per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge.

# 18. Warranty

Warranty provisions govern where specified elsewhere in the documents that constitute the Master Agreement; otherwise this section governs. The Contractor warrants for a period of one year from the date of Acceptance that: (a) the Product performs according to all specific claims that the Contractor made in its response to the solicitation, (b) the Product is suitable for the ordinary purposes for which such Product is used, (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgment, (d) the Product is designed and manufactured in a commercially reasonable manner, and (e) the Product is free of defects. Upon breach of the warranty, the Contractor will repair or replace (at no charge to the Purchasing Entity) the Product whose nonconformance is discovered and made known to the Contractor. If the repaired and/or replaced Product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

#### 19. Title of Product

Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Product free and clear of all liens, encumbrances, or other security interests. Transfer of title to the Product shall include an irrevocable and perpetual license to use any Embedded Software in the Product. If Purchasing Entity subsequently transfers title of the Product to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Product title. A subsequent transfer of this software license shall be at no additional cost or charge to either Purchasing Entity or Purchasing Entity's transferee.

# 20. License of Pre-Existing Intellectual Property

Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the Intellectual Property, and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). The Contractor shall be responsible for ensuring that this license is consistent with any third party rights in the Pre-existing Intellectual Property.

# **General Provisions**

#### 21. Insurance

- a. Unless otherwise agreed in a Participating Addendum, Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state and having a rating of A, Class VII or better, in the most recently published edition of A.M. Best's Insurance Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a Participating Entity's option, result in termination of its Participating Addendum.
- b. Coverage shall be written on an occurrence basis. The minimum acceptable limits shall be as indicated below:
  - (1) Commercial General Liability covering premises operations, independent contractors, products and completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence/\$2 million general aggregate;
  - (2) Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.
- c. Contractor shall pay premiums on all insurance policies. Contractor shall provide notice to a Participating Entity who is a state within five (5) business days after Contractor is first aware of expiration, cancellation or nonrenewal of such policy or is first aware that cancellation is threatened or expiration, nonrenewal or expiration otherwise may occur.
- d. Prior to commencement of performance, Contractor shall provide to the Lead State a written endorsement to the Contractor's general liability insurance policy or other documentary evidence acceptable to the Lead State that (1) names Oregon, and the Participating States identified in the Request for Proposal as additional insureds, (2) provides that written notice of cancellation shall be delivered in accordance with the policy provisions, and (3) provides that the Contractor's liability insurance policy shall be primary, with any liability insurance of any Participating State as secondary and noncontributory. Unless otherwise agreed in any Participating Addendum, other state Participating Entities' rights and Contractor's obligations are the same as those specified

in the first sentence of this subsection except the endorsement is provided to the applicable state.

- e. Contractor shall furnish to the Lead State copies of certificates of all required insurance in a form sufficient to show required coverage within thirty (30) calendar days of the execution of this Master Agreement and prior to performing any work. Copies of renewal certificates of all required insurance shall be furnished within thirty (30) days after any renewal date to the applicable state Participating Entity. Failure to provide evidence of coverage may, at the sole option of the Lead State, or any Participating Entity, result in this Master Agreement's termination or the termination of any Participating Addendum.
- f. Coverage and limits shall not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Purchase Order.

#### 22. Records Administration and Audit

- a. The Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Agreement and Orders placed by Purchasing Entities under it to the extent and in such detail as shall adequately reflect performance and administration of payments and fees. Contractor shall permit the Lead State, a Participating Entity, a Purchasing Entity, the federal government (including its grant awarding entities and the U.S. Comptroller General), and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers and records directly pertinent to this Master Agreement or orders placed by a Purchasing Entity under it for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of five (5) years following termination of this Agreement or final payment for any order placed by a Purchasing Entity against this Agreement, whichever is later, or such longer period as is required by the Purchasing Entity's state statutes, to assure compliance with the terms hereof or to evaluate performance hereunder.
- b. Without limiting any other remedy available to any governmental entity, the Contractor shall reimburse the applicable Lead State, Participating Entity, or Purchasing Entity for any overpayments inconsistent with the terms of the Master Agreement or Orders or underpayment of fees found as a result of the examination of the Contractor's records.
- c. The rights and obligations herein exist in addition to any quality assurance obligation in the Master Agreement requiring the Contractor to self-audit contract obligations and that permits the Lead State to review compliance with those obligations.

# 23. Confidentiality, Non-Disclosure, and injunctive Relief

a. Confidentiality. Contractor acknowledges that it and its employees or agents may, in the course of providing a Product under this Master Agreement, be exposed to or acquire information that is confidential to Purchasing Entity or Purchasing Entity's clients. Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Master Agreement, including, but not necessarily limited to (1) any Purchasing Entity's records, (2) personnel records, and (3) information concerning

individuals, is confidential information of Purchasing Entity ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information. Confidential Information does not include information that (1) is or becomes (other than by disclosure by Contractor) publicly known; (2) is furnished by Purchasing Entity to others without restrictions similar to those imposed by this Master Agreement; (3) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement; (4) is obtained from a source other than Purchasing Entity without the obligation of confidentiality, (5) is disclosed with the written consent of Purchasing Entity or; (6) is independently developed by employees, agents or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

 b. Non-Disclosure. Contractor shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance of Orders placed under this Master Agreement. Contractor shall advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise Purchasing Entity, applicable Participating Entity, and the Lead State immediately if Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Master Agreement, and Contractor shall at its expense cooperate with Purchasing Entity in seeking injunctive or other equitable relief in the name of Purchasing Entity or Contractor against any such person. Except as directed by Purchasing Entity, Contractor will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at Purchasing Entity's request, Contractor shall turn over to Purchasing Entity all documents, papers, and other matter in Contractor's possession that embody Confidential Information. Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits and evidence of the performance of this Master Agreement.

c. Injunctive Relief. Contractor acknowledges that breach of this section, including disclosure of any Confidential Information, will cause irreparable injury to Purchasing Entity that is inadequately compensable in damages. Accordingly, Purchasing Entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Purchasing Entity and are reasonable in scope and content.

- d. Purchasing Entity Law. These provisions shall be applicable only to extent they are not in conflict with the applicable public disclosure laws of any Purchasing Entity.
- e. The rights granted Purchasing Entities and Contractor obligations under this section shall also extend to the cooperative's Confidential Information, defined to include Participating Addenda, as well as Orders or transaction data relating to Orders under this Master Agreement that identify the entity/customer, Order dates, line item descriptions and volumes, and prices/rates. This provision does not apply to disclosure to the Lead State, a Participating State, or any governmental entity exercising an audit, inspection, or examination pursuant to section 23. To the extent permitted by law, Contractor shall notify the Lead State of the identify of any entity seeking access to the Confidential Information described in this subsection.

#### 24. Public Information

This Master Agreement and all related documents are subject to disclosure pursuant to the Purchasing Entity's public information laws.

# 25. Assignment/Subcontracts

- a. Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Master Agreement, in whole or in part, without the prior written approval of the Lead State.
- b. The Lead State reserves the right to assign any rights or duties, including written assignment of contract administration duties to NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint and other third parties.

#### 26. Changes in Contractor Representation

The Contractor must notify the Lead State of changes in the Contractor's key administrative personnel managing the Master Agreement in writing within 10 calendar days of the change. The Lead State reserves the right to approve changes in key personnel, as identified in the Contractor's proposal. The Contractor agrees to propose replacement key personnel having substantially equal or better education, training, and experience as was possessed by the key person proposed and evaluated in the Contractor's proposal.

# 27. Independent Contractor

The Contractor shall be an independent contractor. Contractor shall have no authorization, express or implied, to bind the Lead State, Participating States, other Participating Entities, or Purchasing Entities to any agreements, settlements, liability or understanding whatsoever, and agrees not to hold itself out as agent except as expressly set forth herein or as expressly agreed in any Participating Addendum.

#### 28. Cancellation

Unless otherwise stated, this Master Agreement may be canceled by either party upon 60 days written notice prior to the effective date of the cancellation. Further, any Participating Entity may cancel its participation upon 30 days written notice, unless otherwise limited or stated in the Participating Addendum. Cancellation may be in whole

or in part. Any cancellation under this provision shall not affect the rights and obligations attending orders outstanding at the time of cancellation, including any right of a Purchasing Entity to indemnification by the Contractor, rights of payment for Products delivered and accepted, rights attending any warranty or default in performance in association with any Order, and requirements for records administration and audit. Cancellation of the Master Agreement due to Contractor default may be immediate.

# 29. Force Majeure

Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, unusually severe weather, other acts of God, or war which are beyond that party's reasonable control. The Lead State may terminate this Master Agreement after determining such delay or default will reasonably prevent successful performance of the Master Agreement.

#### 30. Defaults and Remedies

- a. The occurrence of any of the following events shall be an event of default under this Master Agreement:
  - (1) Nonperformance of contractual requirements; or
  - (2) A material breach of any term or condition of this Master Agreement; or
  - (3) Any certification, representation or warranty by Contractor in response to the solicitation or in this Master Agreement that proves to be untrue or materially misleading; or
  - (4) Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
  - (5) Any default specified in another section of this Master Agreement.
- b. Upon the occurrence of an event of default, the Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of 15 calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure shall not diminish or eliminate Contractor's liability for damages, including liquidated damages to the extent provided for under this Master Agreement.
- c. If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Master Agreement and the Lead State shall have the right to exercise any or all of the following remedies:
  - (1) Exercise any remedy provided by law; and
  - (2) Terminate this Master Agreement and any related Contracts or portions thereof; and

- (3) Impose liquidated damages as provided in this Master Agreement; and
- (4) Suspend Contractor from being able to respond to future bid solicitations; and
- (5) Suspend Contractor's performance; and
- (6) Withhold payment until the default is remedied.
- d. Unless otherwise specified in the Participating Addendum, in the event of a default under a Participating Addendum, a Participating Entity shall provide a written notice of default as described in this section and shall have all of the rights and remedies under this paragraph regarding its participation in the Master Agreement, in addition to those set forth in its Participating Addendum. Unless otherwise specified in a Purchase Order, a Purchasing Entity shall provide written notice of default as described in this section and have all of the rights and remedies under this paragraph and any applicable Participating Addendum with respect to an Order placed by the Purchasing Entity. Nothing in these Master Agreement Terms and Conditions shall be construed to limit the rights and remedies available to a Purchasing Entity under the applicable commercial code.

#### 31. Waiver of Breach

Failure of the Lead State, Participating Entity, or Purchasing Entity to declare a default or enforce any rights and remedies shall not operate as a waiver under this Master Agreement or Participating Addendum. Any waiver by the Lead State, Participating Entity, or Purchasing Entity must be in writing. Waiver by the Lead State or Participating Entity of any default, right or remedy under this Master Agreement or Participating Addendum, or by Purchasing Entity with respect to any Purchase Order, or breach of any terms or requirements of this Master Agreement, a Participating Addendum, or Purchase Order shall not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement, Participating Addendum, or Purchase Order.

#### 32. Debarment

The Contractor certifies 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. This certification represents a recurring certification made at the time any Order is placed under this Master Agreement. If the Contractor cannot certify this statement, attach a written explanation for review by the Lead State.

#### 33. Indemnification

a. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, and Purchasing Entities, along with their officers and employees, from and against third-party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to tangible property arising from act(s), error(s), or omission(s) of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to the performance under the Master Agreement.

b. Indemnification – Intellectual Property. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, Purchasing Entities, along with their officers and employees ("Indemnified Party"), from and against claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of the claim that the Product or its use, infringes Intellectual Property rights ("Intellectual Property Claim") of another person or entity.

- (1) The Contractor's obligations under this section shall not extend to any combination of the Product with any other product, system or method, unless the Product, system or method is:
  - (a) provided by the Contractor or the Contractor's subsidiaries or affiliates;
  - (b) specified by the Contractor to work with the Product; or
  - (c) reasonably required, in order to use the Product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available product, system or method capable of performing the same function; or
  - (d) It would be reasonably expected to use the Product in combination with such product, system or method.
- (2) The Indemnified Party shall notify the Contractor within a reasonable time after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party fails to provide reasonable notice, the Contractor shall not be relieved from its obligations unless the Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to the Contractor. If the Contractor promptly and reasonably investigates and defends any Intellectual Property Claim, it shall have control over the defense and settlement of it. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible. The Indemnified Party shall furnish, at the Contractor's reasonable request and expense, information and assistance necessary for such defense. If the Contractor fails to vigorously pursue the defense or settlement of the Intellectual Property Claim, the Indemnified Party may assume the defense or settlement of it and the Contractor shall be liable for all costs and expenses, including reasonable attorneys' fees and related costs, incurred by the Indemnified Party in the pursuit of the Intellectual Property Claim. Unless otherwise agreed in writing, this section is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.

# 34. No Waiver of Sovereign Immunity

in no event shall this Master Agreement, any Participating Addendum or any contract or any Purchase Order issued thereunder, or any act of the Lead State, a Participating Entity, or a Purchasing Entity be a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh

Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

This section applies to a claim brought against the Participating Entities who are states only to the extent Congress has appropriately abrogated the state's sovereign immunity and is not consent by the state to be sued in federal court. This section is also not a waiver by the state of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

# 35. Governing Law and Venue

- a. The procurement, evaluation, and award of the Master Agreement shall be governed by and construed in accordance with the laws of the Lead State sponsoring and administering the procurement. The construction and effect of the Master Agreement after award shall be governed by the law of the state serving as Lead State. The construction and effect of any Participating Addendum or Order against the Master Agreement shall be governed by and construed in accordance with the laws of the Participating Entity's or Purchasing Entity's State.
- b. Unless otherwise specified in the RFP, the venue for any protest, claim, dispute or action relating to the procurement, evaluation, and award is in the Lead State. Venue for any claim, dispute or action concerning the terms of the Master Agreement shall be in the state serving as Lead State. Venue for any claim, dispute, or action concerning any Order placed against the Master Agreement or the effect of a Participating Addendum shall be in the Purchasing Entity's State.
- c. If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): the Lead State for claims relating to the procurement, evaluation, award, or contract performance or administration if the Lead State is a party; a Participating State if a named party; the state where the Participating Entity or Purchasing Entity is located if either is a named party.

# 36. Assignment of Antitrust Rights

Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or a Participating Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided in that state for the purpose of carrying out the Contractor's obligations under this Master Agreement or Participating Addendum, including, at the Participating Entity's option, the right to control any such litigation on such claim for relief or cause of action.

# 37. Contract Provisions for Orders Utilizing Federal Funds

Pursuant to Appendix II to 2 Code of Federal Regulations (CFR) Part 200, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Orders funded with federal funds may have additional contractual requirements or certifications that must be

satisfied at the time the Order is placed or upon delivery. These federal requirements may be proposed by Participating Entities in Participating Addenda and Purchasing Entities for incorporation in Orders placed under this Master Agreement.

# 38. Leasing or Alternative Financing Methods

Authorized Signatures:

The procurement and other applicable laws of some Purchasing Entities may permit the use of leasing or alternative financing methods for the acquisition of Products under this Master Agreement. Where the terms and conditions are not otherwise prescribed in an applicable Participating Addendum, the terms and conditions for leasing or alternative financing methods are subject to negotiation between the Contractor and Purchasing Entity.

Contractor:	
Ву:	and the second s
Title:	Date:
The State of Oregon acting by and through a Administrative Services, Enterprise Goods a Procurement Services	
Ву:	
Title:	Date:
Approved pursuant to ORS 291.047	
Oregon Department of Justice	
By: Sr. Assistant Attorney General	
Date:	

#### eMarket Center Appendix

- a. This Appendix applies whenever a catalog hosted by or integration of a punchout site with eMarket Center is required by the solicitation or either solution is proposed by a Contractor and accepted by the Lead State.
- b. Supplier's Interface with the eMarket Center. There is no cost charged by JAGGAER to the Contractor for loading a hosted catalog or integrating a punchout site.
- c. At a minimum, the Contractor agrees to the following:
- (1) Implementation Timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin enablement process. The Contractor shall have fifteen (15) days from receipt of written request to work with NASPO ValuePoint and JAGGAER to set up an enablement schedule, at which time JAGGAER's technical documentation shall be provided to the Contractor. The schedule will include future calls and milestone dates related to test and go live dates. The contractor shall have a total of Ninety (90) days to deliver either a (1) hosted catalog or (2) punch-out catalog, from date of receipt of written request.
- (2) NASPO ValuePoint and JAGGAER will work with the Contractor, to decide which of the catalog structures (either hosted or punch-out as further described below) shall be provided by the Contractor. Whether hosted or punch-out, the catalog must be strictly limited to the Contractor's awarded contract offering (e.g. products and/or services not authorized through the resulting cooperative contract should not be viewable by NASPO ValuePoint Participating Entity users).
  - (a) Hosted Catalog. By providing a hosted catalog, the Contractor is providing a list of its awarded products/services and pricing in an electronic data file in a format acceptable to JAGGAER, such as Tab Delimited Text files. In this scenario, the Contractor must submit updated electronic data [Insert Time Frame Here] to the eMarket Center for the Lead State's approval to maintain the most upto-date version of its product/service offering under the cooperative contract in the eMarket Center.
  - (b) Punch-Out Catalog. By providing a punch-out catalog, the Contractor is providing its own online catalog, which must be capable of being integrated with the eMarket Center as a. Standard punch-in via Commerce eXtensible Markup Language (cXML). In this scenario, the Contractor shall validate that its online catalog is up-to-date by providing a written update every six months to the Lead State stating they have audited the offered products/services and pricing listed on its online catalog. The site must also return detailed UNSPSC codes (as outlined in line 3) for each line item. Contractor also agrees to provide e-Quote functionality to facilitate volume discounts.
- d. Revising Pricing and Product Offerings: Any revisions to product/service offerings (new products, altered SKUs, new pricing etc.) must be pre-approved by the Lead State and shall be subject to any other applicable restrictions with respect to the frequency or

amount of such revisions. However, no cooperative contract enabled in the eMarket Center may include price changes on a more frequent basis than once per quarter. The following conditions apply with respect to hosted catalogs:

- (1) Updated pricing files are required by the 1st of the month and shall go into effect in the eMarket Center on the 1st day of the following month (i.e. file received on 1/01/13 would be effective in the eMarket Center on 2/01/13). Files received after the 1st of the month may be delayed up to a month (i.e. file received on 11/06/09 would be effect in the eMarket Center on 1/01/10).
- (2) Lead State-approved price changes are not effective until implemented within the eMarket Center. Errors in the Contractor's submitted pricing files will delay the implementation of the price changes in eMarket Center.
- e. Supplier Network Requirements: Contractor shall join the JAGGAER Supplier Network (SQSN) and shall use JAGGAER's Supplier Portal to import the Contractor's catalog and pricing, into the JAGGAER system, and view reports on catalog spend and product/pricing freshness. The Contractor can receive orders through electronic delivery (cXML) or through low-tech options such as fax. More information about the SQSN can be found at: www.sciquest.com or call the JAGGAER Supplier Network Services team at 800-233-1121.
- f. Minimum Requirements: Whether the Contractor is providing a hosted catalog or a punch-out catalog, the Contractor agrees to meet the following requirements:
- (1) Catalog must contain the most current pricing, including all applicable administrative fees and/or discounts, as well as the most up-to-date product/service offering the Contractor is authorized to provide in accordance with the cooperative contract; and
- (2) The accuracy of the catalog must be maintained by Contractor throughout the duration of the cooperative contract; and
  - (3) The Catalog must include a Lead State contract identification number; and
  - (4) The Catalog must include detailed product line item descriptions; and
  - (5) The Catalog must include pictures when possible; and
- (6) The Catalog must include any additional NASPO ValuePoint and Participating Addendum requirements. Although suppliers in the SQSN normally submit one (1) catalog, it is possible to have multiple contracts applicable to different NASPO ValuePoint Participating Entities. For example, a supplier may have different pricing for state government agencies and Board of Regents institutions. Suppliers have the ability and responsibility to submit separate contract pricing for the same catalog if applicable. The system will deliver the appropriate contract pricing to the user viewing the catalog.

- g. Order Acceptance Requirements: Contractor must be able to accept Purchase Orders via fax or cXML. The Contractor shall provide positive confirmation via phone or email within 24 hours of the Contractor's receipt of the Purchase Order. If the Purchasing Order is received after 3pm EST on the day before a weekend or holiday, the Contractor must provide positive confirmation via phone or email on the next business day.
- h. UNSPSC Requirements: Contractor shall support use of the United Nations Standard Product and Services Code (UNSPSC). UNSPSC versions that must be adhered to are driven by JAGGAER for the suppliers and are upgraded every year. NASPO ValuePoint reserves the right to migrate to future versions of the UNSPSC and the Contractor shall be required to support the migration effort. All line items, goods or services provided under the resulting statewide contract must be associated to a UNSPSC code. All line items must be identified at the most detailed UNSPSC level indicated by segment, family, class and commodity.
- i. Applicability: Contractor agrees that NASPO ValuePoint controls which contracts appear in the eMarket Center and that NASPO ValuePoint may elect at any time to remove any supplier's offering from the eMarket Center.
- j. The Lead State reserves the right to approve the pricing on the eMarket Center. This catalog review right is solely for the benefit of the Lead State and Participating Entities, and the review and approval shall not waive the requirement that products and services be offered at prices (and approved fees) required by the Master Agreement.
- k. Several NASPO ValuePoint Participating Entities currently maintain separate JAGGAER eMarketplaces, these Participating Entities do enable certain NASPO ValuePoint Cooperative Contracts. In the event one of these entities elects to use this NASPO ValuePoint Cooperative Contract (available through the eMarket Center) but publish to their own eMarketplace, the Contractor agrees to work in good faith with the entity and NASPO ValuePoint to implement the catalog. NASPO ValuePoint does not anticipate that this will require substantial additional efforts by the Contractor; however, the supplier agrees to take commercially reasonable efforts to enable such separate JAGGAER catalogs.

(August 2017)

# **Exhibit A to NASPO ValuePoint Master Agreement**

# SAMPLE PARTICIPATING ADDENDUM

MASTER AGREEMENT # _____
Exhibit ___
FORM PARTICIPATING ADDENDUM

NASPO ValuePoint
PARTICIPATING ADDENDUM

Maintenance and Facilities Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #:	
Contractor:	(Contractor)
Participating Entity:	State of XXXXX

The following Goods or services are included in this Addendum:

 <u>Removable Example</u>: All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

The following Goods or services are not included in this Addendum:

- Removable Example: Product modifications.
- Removable Example: Installation services.

Master Agreement Terms and Conditions:

 Scope: This addendum covers the Maintenance and Facilities Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State [or State Entity] authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.

[Removable Instruction: Participating States should ensure that paragraph 2 properly defines the scope of participation. The model language in paragraph enables participation by all political subdivisions, institutions of higher education, and other entities included in the state's statewide contract program.]

 Participation: This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of [xxxxxxx]. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3.	Primary Contacts: The as follows (or their nar	primary contact individuals for this Participating Addendum are med successors):
C	ontractor	
	Name:	
	Address:	
	Telephone:	
	Fax:	
	Email:	
P	articipating Entity	
	Name:	
1	Address:	
	Telephone:	
	Fax:	
	Email:	
Pa Pa L an	articipating Entity. Articipating Entity must continue to the tent of the following change doubtions.  Inditions. Indicate which anges are required, che	Additions apply only to actions and relationships within the sheck one of the boxes below.  The and conditions of the Master Agreement are required.  It is are modifying or supplementing the Master Agreement terms and section numbers of the Master Agreement are modified. If no eck the box above and delete this paragraph.]
5.	lease agreement terms approved for use by the	applicable, insert a statement about whether or not equipment is and conditions included in the Master Agreement have been be Participating State and any restrictions or requirements for treement language in the Master Agreement. If not applicable, served".]
6.	[xxxxxx], as shown on approved to provide	entactors, dealers, and resellers authorized in the State of the dedicated Contractor (cooperative contract) website, are sales and service support to participants in the NASPO greement. The contractor's dealer participation will be in

accordance with the terms and conditions set forth in the aforementioned Master

Agreement.

7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor:
Signature:	Signature:
Name:	Name:
Title;	Title:
Date:	Date:

[Additional signatures may be added if required by the Participating Entity] For questions on executing a participating addendum, please contact:

#### NASPO ValuePoint

Cooperative Development Coordinator:	Shannon Berry
Telephone:	775-720-3404
Email:	sberrry@naspovaluepoint.org

# Exhibit B to NASPO ValuePoint Master Agreement Description of Products and Services

# Exhibit C to NASPO ValuePoint Master Agreement PROVISIONS REQUIRED BY FEDERAL LAW

Without limiting the generality of Section 15 of the Master Agreement, if applicable, Contractor shall comply and, as indicated, cause all subcontractors to comply with the following federal requirements. For purposes of this Master Agreement, all references to federal laws are references to federal laws as they may be amended from time to time.

- 1. Equal Employment Opportunity. If this Master Agreement, including amendments, is for more than \$10,000, then Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- 2. Clean Air, Clean Water, EPA Regulations. If this Master Agreement, including amendments, exceeds \$100,000 then Contractor shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)), the Federal Water Pollution Control Act as amended (commonly known as the Clean Water Act) (33 U.S.C. 1251 to 1387), specifically including, but not limited to Section 508 (33 U.S.C. 1368). Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15), which prohibit the use under nonexempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to the Participating Entity or Purchasing Entity, HHS and the appropriate Regional Office of the Environmental Protection Agency. Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving more than \$100,000 in Federal Funds, language requiring the subcontractor to comply with the federal laws identified in this section.
- 3. Energy Efficiency. Contractor shall comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163).
- 4. Truth In Lobbying. The Contractor certifies, to the best of the Contractor's knowledge and belief that:
  - 4.1. No federal appropriated funds have been paid or will be paid, by or on behalf of Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
  - 4.2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or

cooperative agreement, the Contractor shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

4.3. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this Master Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Master Agreement imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 5. HIPAA Compliance. If the work performed under this Master Agreement are covered by the Health Insurance Portability and Accountability Act or the federal regulations implementing the Act (collectively referred to as HIPAA), Contractor agrees to perform the work in compliance with HIPAA. Without limiting the generality of the foregoing, work performed under this Master Agreement is covered by HIPAA. Contractor shall comply and cause all subcontractors to comply with the following:
  - 5.1. Privacy and Security Of Individually Identifiable Health Information. Individually Identifiable Health Information about specific individuals is confidential. Individually Identifiable Health Information relating to specific individuals may be exchanged between Contractor and Participating Entity or Purchasing Entity for purposes directly related to the provision of services to clients which are funded in whole or in part under this Master Agreement. However, Contractor shall not use or disclose any Individually Identifiable Health Information about specific individuals in a manner that would violate the Participating Entity or Purchasing Entity Privacy Rules, OAR 407-014-0000 et. seq., or the Participating Entity or Purchasing Entity Notice of Privacy Practices, if done by Participating Entity or Purchasing Entity. A copy of the most recent Participating Entity or Purchasing Entity Notice of Privacy may be obtained from Participating Entity or Purchasing Entity
  - 5.2. Data Transactions Systems. If Contractor intends to exchange electronic data transactions with Participating Entity or Purchasing Entity in connection with claims or encounter data, eligibility or enrollment information, authorizations or other electronic transaction, Contractor shall execute an EDI Trading Partner Agreement with Participating Entity or Purchasing Entity and shall comply with the Participating Entity or Purchasing Entity EDI Rules.
  - 5.3. Consultation and Testing. If Contractor reasonably believes that the Contractor's or the Participating Entity's or Purchasing Entity's data transactions system or other application of HIPAA privacy or security compliance policy may result in a violation of HIPAA requirements, Contractor shall promptly consult the Participating Entity's or Purchasing Entity's HIPAA officer. Contractor or Participating Entity or Purchasing

Entity may initiate a request for testing of HIPAA transaction requirements, subject to available resources and the Participating Entity's or Purchasing Entity's testing schedule.

- 5.4. If Contractor is deemed to be a business associate of Participating Entity or Purchasing Entity under HIPAA's Privacy Rule, 45 CFR Parts 160 and 164, Contractor hereby provides Participating Entity or Purchasing Entity with satisfactory assurances that if it receives from Participating Entity or Purchasing Entity or any trading partner any protected health information of any individual, it shall maintain the security and confidentiality of such information as required by the HIPAA's Privacy Rule, and other applicable laws and regulations. Without limiting the foregoing, Contractor agrees that:
  - 5.4.1. Contractor will not use or further disclose Protected Health Information otherwise than as permitted or required by this Master Agreement or as required by law:
  - 5.4.2. Contractor will use appropriate safeguards to prevent use or disclosure of PHI otherwise than as provided for by this Master Agreement;
  - 5.4.3. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of the requirements of the Master Agreement;
  - 5.4.4. Contractor will report to Participating Entity or Purchasing Entity any use or disclosure of PHI not provided for by this Master Agreement of which Contractor becomes aware;
  - 5.4.5 Contractor agrees to ensure that any agents, including subcontractors, to whom it provides PHI, agree to the same restrictions and conditions that apply to Contractor with respect to such information;
  - 5.4.6. Contractor shall make available to Participating Entity or Purchasing Entity such information as they may require to fulfill their obligations to account for disclosures of such information;
  - 5.4.7. Contractor shall make its internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from the Participating Entity or Purchasing Entity or trading partner (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partner) available to Participating Entity or Purchasing Entity and to the Secretary of the United States Department of Health and Human Services, for purposes of determining Participating Entity's or Purchasing Entity's or trading partners' compliance with HIPAA; and
  - 5.4.8. If feasible, upon termination of this Master Agreement, Contractor shall return or destroy all PHI received from Participating Entity or Purchasing Entity or trading partners (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partners) that Contractor still maintains in any form, and shall retain no copies of such information or, if return or destruction is not feasible, Contractor shall continue to extend the protections of this Master Agreement to such information, and limit further use of the information to those purposes that make the return or destruction of the information infeasible.

Subject to the foregoing restrictions, Participating Entity or Purchasing Entity agrees that

Contractor may use such PHI in the process of providing transaction mapping, trading partner profiling and training and mentoring services for Participating Entity or Purchasing Entity and trading partners under this Master Agreement.

- 6. Resource Conservation and Recovery. Contractor shall comply and cause all subcontractors to comply with all mandatory standards and policies that relate to resource conservation and recovery pursuant to the Resource Conservation and Recovery Act (codified at 42 USC 6901 et. seq.). Section 6002 of that Act (codified at 42 USC 6962) requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency. Current guidelines are set forth in 40 CFR Parts 247-253.
- 7. Substance Abuse Prevention and Treatment. Contractor shall comply with federal rules and statutes pertaining to the Substance Abuse, Prevention, and Treatment Block Grant, including the reporting provisions of the Public Health Services Act (42 USC 300x through 300x-64).
- 8. Audits. Contractor shall comply and, if applicable, cause a subcontractor to comply, with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."
- 9. Debarment and Suspension. Contractor shall not permit any person or entity to be a subcontractor if the person or entity is listed on the non-procurement portion of the General Service Administration's "List of Parties Excluded from Federal Procurement or Nonprocurement Programs" in accordance with Executive Orders No. 12,549 and No. 12,689, "Debarment and Suspension". (See 45 CFR part 76). This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory authority other than Executive Order No. 12549. Subcontractors with awards that exceed the simplified acquisition threshold shall provide the required certification regarding their exclusion status and that of their principals prior to award.
- 10. Medicaid Compliance. To the extent Contractor performs any work whose costs are paid in whole or in part by Medicaid, Contractor shall comply with and cause its subcontractors to comply with the federal and State Medicaid statutes and regulations applicable to the work, including but not limited to:
  - 10.1.Keeping such records as may be necessary to disclose the extent of services furnished to clients and, upon request, furnish such records or other information to Participating Entity or Purchasing Entity, the Secretary of Health and Human Services, and as otherwise directed by Participating Entity or Purchasing Entity;
  - 10.2.Complying with all applicable disclosure requirements set forth in 42 CFR Part 455, Subpart B;
  - 10.3. Complying with any applicable advance directive requirements specified in 42 CFR section 431.107(b)(4); and

10.4.Complying with the certification requirements of 42 CFR sections 455.18 and 455.19.

Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving Medicaid, language requiring the subcontractor to comply with the record keeping and reporting requirements set forth in this section and with the federal laws identified in this section.

- 11. Americans with Disabilities Act. Contractor shall comply and cause all subcontractors to comply with Title II of the Americans with Disabilities Act of 1990 (codified at 42 USC 12131 et. seq.) in the construction, remodeling, maintenance and operation of any structures and facilities, and in the conduct of all programs, services and training associated with the performance of work.
- 12. Pro-Children Act. Contractor shall comply and cause all subcontractors to comply with the Pro-Children Act of 1995 (codified at 20 USC section 6081 et. seq.).
- 13. Federal Tax Information. Contractor shall comply with the provisions of Section 6103(b) of the Internal Revenue Code, the requirements of IRS Publication 1075, and the Privacy Act of 1974, 5 U.S.C. §552a et. seq. related to federal tax information.
- 14. Educational Records. Contractor shall comply with the provisions of the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99).

# EXHIBIT D to NASPO VALUEPOINT MASTER AGREEMENT NASPO ValuePoint DETAILED SALES DATA REPORT FORM

Field Name	Field Description
VENDOR	The awarded Contractor's name
VENDOR CONTRACT NUMBER	Lead State assigned contract number (using Lead State's numbering protocol)
STATE	State postal abbreviation code (Alaska = AK, Missouri = MO, etc.)
CUSTOMER TYPE (SEGMENT)	State Gov't, Education-K12, Education-HED, Local Gov't, Medical, Other - are acceptable segments. [determined by industrial practice for each contract - uniform for each contract]
BILL TO NAME	Customer (agency) Bill to name
BILL TO ADDRESS	Customer (agency) Bill to address
BILL TO CITY	Customer (agency) Bill to city
BILL TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]
SHIP TO NAME	Customer (agency) Ship to name
SHIP TO ADDRESS	Customer (agency) Ship to address
SHIP TO CITY	Customer (agency) Ship to city
SHIP TO ZIPCODE	Zip code in standard 5-4 format (standard 5 digits is acceptable, formatted as a zip code)
ORDER NUMBER	Vendor assigned order number
CUSTOMER PO NUMBER	Customer provided Purchase Order Number
CUSTOMER NUMBER	Vendor assigned account number for the purchasing entity
ORDER TYPE	Sales order, Credit/Return, Upgrade/Downgrade, etc. [determined by industrial practice for each contract - uniform for each contract]
PO DATE (ORDER DATE)	(mm/dd/ccyy)
SHIP DATE	(mm/dd/ccyy)
INVOICE DATE	(mm/dd/ccyy)
INVOICE NUMBER	Vendor assigned invoice Number
PRODUCT NUMBER	Product number of purchased product
PRODUCT DESCRIPTION	Product description of purchased product
UNSPSC	Commodity-level code based on UNSPSC code rules (8 Digits)
LIST PRICE/MSRP/CATALOG PRICE	Ust Price - US Currency (\$99999.999) [determined by industrial practice for each contract - uniform for each contract]
NASPO ValuePoint PRICE	NASPO ValuePoint Price- US Currency (\$99999.999)
QUANTITY	Quantity invoiced (99999.999)
TOTAL PRICE	Extended Price (unit price multiplied by the quantity invoiced) - US Currency (\$9999999999999)
Discount Percentage	Percent off of List Price- example=20%
NASPO ValuePoint ADMIN FEE	Administrative Fee based on Total Price - US Currency (\$999999.999)
VAR/Reseller/Distributor	If a VAR/Reseller/Distributor, name of VAR/Reseller/Distributor and state where located
Optional	More information

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# Attachment C HISTORICAL SALES

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O. 3 Jd - Sep 2011 Jd - Sep 2011 A. Fea	8347,654,00 81,739.27	\$178,619.28 \$892,80	\$3,780,118,64 \$18,780,69	\$89,618,642,28 \$345,079,42	\$118,009,80 \$564,64	\$1,742,623.18 \$4,713.12	\$278,644.01 \$1,378.22	\$76,234,351.06	\$311,146.76
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Apr-Jun 2012 A. Feb. Ct. 3-Jul Sep 2012	\$2,334.17 \$331,690,84	\$2,082.09 \$218,784.00	849,556.33	\$515,002,20 \$115,008,428,99	\$790.81 \$121,663.60	817,512,44 84,006,780,89	8799,06 9178,884.61		6247,984.48
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Yotal admin fees year had									\$1,111,443,45
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Q 1 Jan-Mar 2013 - Jan-Mar 2013 A. Fee	\$274,889,41 \$1,374,96	\$126,985.06 \$1,834.03	\$11,287,484.20 \$56,297.20	\$64,726,252.21 \$478,631.46	\$124,016,72 \$620.48	84,642,839.77 822,749.70	\$434.86		e£ 6£7,13 <del>6</del> \$
Q. 2- Apr. Jun 2013 Apr. Jun 2012 A. Fee Q. 3- Jul Bap 2013	\$278,821,96 \$1,378,16 \$357,806,19	\$586,990.17 \$2,963,46 \$366,037.25	\$12,626,665,50 \$64,645.33 \$13,814,740.84	\$116,786,093,64 \$563,830,47 \$116,466,426,22	\$178,658.10 \$854.10 \$181,133.67	\$4,507,264,96 78,600,966 78,850,075,78	\$118,531.57 \$594.56 \$180,432.50		64,646,4646
Ar - Sep 2013 A. Fee	\$1,787.62 \$291,135.82	\$1,823.19 3499,041.74	\$69,872.70 \$14,368,081.83	\$692,204.14 \$102,809,895,80	\$966.67	\$38,540.16 \$5,739,444.17	\$902.16 \$122,301.70		\$433,AGE.44
Cot-Dec 2013 A. Fan Total asjander eptes year	88,681,68	\$2,448.21	871,025,31	\$512,447.A1	4713.41	\$29,647,42	\$611.86	\$812,810,142.17	\$444.AZ
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Calendar Year 2014 Q. 1 Jan-Mer 2014 Jan-Mar 2014 A. Fee	8339,848.70 81,609.24	\$362,049.45 \$1,780.25	\$13,572,584,60 \$77,662,62	\$102,806,500.90 \$512,547.86	\$120,063.60 \$600.32	88,812,137.48 \$34,060.89	94,094,0018		Manadass
0, 2- Apr-Jun 2014 Apr-Jun 2014 A. Pre-	8277,074.37 83,396,37	\$377,398.00 \$1,096.59	818,598,313.01 \$83,676.87	\$113,645,113,62 \$582,725,87	8216,307.80 14.140,18	87,000,000.03 830,783.46	\$73,636.26 \$367.68	\$142,141,432.23	\$710,707.17
O. 5-Jul Bep 2014 Jul - Bep 2014 A. Fee	\$357,603,28 \$1,764.03	8424,778.38 \$2,123.88	\$17,891,485,60 \$48,807,31	\$112,530,806.05 \$862,884.04	\$117,410.25 3687.08	84,421.21 844,732.14	\$121,711.22 \$506.60	\$140,480,218.Z	\$7.02,451.04
D. 4 Oct-Det 2014 Oct-Dec 2014 A. Fas	\$399,847.81 \$1,629,24	\$400,048.38 \$2,300,23	\$18,421,281,10 \$82,106.20	\$61,453,860,21 \$492,366,46	6116,864.53 65H.27	\$7,814,027.82 \$37,870.14	. \$96,307.00 8481.64	\$123,4 <b>8</b> 0,224.88	<b>\$417,241.53</b>
Total estandar sales yes Total estant fees yest for								\$831,880,743.74	22.4 to ,4 to .72
Querter	Cedala	ConsersViets	Fastenal	Omingal	Industrial Sply	MBO	No.Genet	Circus Sales Fotal	Adapt for Yotals
Calendar Year 2018 Q. 1 Jan-Mar 2018 Jan-Mar 2015 A. Pes	\$368,857,22 \$1,643,29	\$327,409.83 \$1,887,05	\$17,944,822,48 \$86,223.11	\$101,024,301,16 \$305,121,81	\$97,278.46 \$486.40	\$42,747.74	8112,936.17 8564.66	\$127,864,784.82	\$536,829.78
0, 2- Aprilin 2018 Aprilin 2016 A. Fee	\$312,600,21 \$1,812.6b	8341,659.22 81,708.30	819,818,960,07 \$94,084,90	\$120,324,365.04 \$601,828,000	6181,164.12 \$303.77	\$11,366,818,48 866,827.86	\$100,814,62 \$502.67	8182,808,81 <del>9</del> .72	\$781,623.60
Q. \$-Jut Bep 2016 Jul - Bep 2016 A. Fan	\$378,326,44 \$1,891.14	\$1,970.35	818,125,494,81 886,877,47	\$174,105,P29,#6 \$570,976.16	51,545,746.87 08.0678	\$11,458,937.71 \$57,184,89	\$\$5,542.17 \$427.71	\$165,784,662.10	1721,02201
Q. A Det-Det 2015 Oct-Det 2015 A. Pee	\$254,451,80 \$1,472.48	\$1,805.82	817,955,049,60 880,234,43	48.577, 260,0014 48.448, 2048	\$148,307.42 \$741,64	\$6.613,780.74 \$43,088.95	\$51,140.94 \$456.70	\$127,863,801.13	\$5.00 \$,000.00
Total calendar sales year Total admin fees year five								\$463,749,687.87	\$2, <b>760,706.9</b> 8
Buarter	Cadale	Conservivett	Fastensi	Onliner	Industrial Sply	MAC	No.Comi	Omas Sales Total	Admin the Yotals
Calendar YAN: 2018 C. 1 Jan-Mei 2018 Jan-Mar 2016 A. Fee	8349,270.10 81,740.35	\$367,682.67 \$1,987.91	10,110,020,613 76,977,74g	\$99,903,782.26 \$496,\$19.76	\$70,078.77 \$350.36	\$8,000,100,000 \$8,000,000	\$47,832.18 \$257.96	£130,048,322.05	08.0E.0848
2.2-Apr-Jan 2018 Apr-Jan 2018 A. Fee	\$375,786.10 \$1,878.93	8289,851.42 81,449.73	\$20,438,114.91 \$102,180.67	\$117,006,718.96 \$533,033,80	\$137,362.03 \$1,037.19	\$11,741,030,00 \$58,706.16	\$2,064.03 \$2.014		6780,760,44
Q, 3- Ari Bep 2018 Jul - Bep 2015 A. Fee	8301,#23.69 81,#99.12	4314,782,86 81,673,78	620,336,670,03 8101,694,95	8112,440,423,46 \$143,404.82	\$124,\$42.49 \$624.21	\$13,568,301.87 \$67,944.60	\$140,743.24 \$763.72	\$147,880,897.04	\$727,854,88
O. 4 Oct-Dep 2018 Oct-Des 2018 A. Fee	\$283,221.61 \$1,410.11	\$328,828.25 \$1,834.18	\$18,657,244,13 \$93,286,44	\$84,622,021.91 \$484,610.11	\$100,634.94 \$802.70	\$14,843,612.82 \$74,717,66	\$143,881.\$3 \$718.41	\$183,877,884.88	\$001,A11.A0
Total salendar sales year sh								\$841,073,801.76	\$2,00K,71E.0\$
Quarter Calcadar Year 9017	Codale	ConsersWet	Fastonal	Oreinger	industrial Sply	MBC	No.Costi	Gross Sales Total	Admin fee Totals
Q. 1 Jan-Mar 2017 Jen-Met 2017 A. Fee	8340,174.92 81,760.87	14.306.61 88.000,14	\$20,641,607,82 \$103,208,04	78.570, 691,008 16.070, 651,2	\$103,924,28 \$619.82	\$10,731,869.51 \$5,664.55	\$69,052.36 \$440.31		\$450,048.17
Q, 2-Apr-An 2017 Apr-An 2017 A. Fee	64.816,68 80.814,18	81,621,089.17 88,106.38	\$21,020,614.09 \$105,103,07		\$143,360.38 \$715,76	860,436,876 860,436,83		\$14,482,028.52	£173,510.f2
D. 3- Jul Bep 2017 Jul - Sep 2017 A. Fee								\$2.60	\$0.00
G. 4 Ort-Dec 2017 Oct-Dec 2017 A. Fae								***	***
Total sciender sales yes Total admin fees yest se								161,141,16112	********

# Attachment D COST PROPOSAL and MARKET BASKET COST PROPOSAL

Offeror must submit cost, prices and rates as required by Attachment D-1, Cost Spread sheets. Prices and rates shall include all anticipated charges, including but not limited to, freight and delivery, cost of materials and product, travel expenses, transaction fees, overhead, profits, and other costs or expenses incidental to the Contractor's performance.

In addition, Offeror shall complete and submit the below discount information:

# Percentage off list per category

Company Name	
Please provide the percentage off of list pricing for any of the categories Offero the table below. The proposed discount percentage must not exceed 4 digits he decimal point (i.e.10.3729% is acceptable while 10.37292% is not).	
Category  1. Janitorial Equipment & Supplies (does not include Sanitation Cleaning Chemicals)  2. Sanitation Cleaning Chemicals & Supplies (does not include Janitorial Equipment & Supplies  3. Fasteners  4. Material Handling  5. Plumbing  6. Power Source  7. Outdoor Garden	Discount
8. Lamps & Lighting and Ballasts 9. HVAC	
<ul><li>10. Hand Tools</li><li>11. Power Tools (excluding automotive related tools and products)</li><li>12. Electrical</li></ul>	
13. Paint 14. Security	
15. Safety (does not include any public safety equipment)	

Note: This Price Schedule must be submitted together with Attachment D-1 (Market Basket Pricing Schedule) to the State as a <u>separate</u>, sealed package and clearly marked: "Pricing Proposal in Response to RFP No. DASPS-2183-17" per the Submittal Instructions.

The Offerors Percentage off list discount will not be reduced throughout the life of the Master Agreement except, Offeror can however provide a higher percentage off list discount by providing the Lead State a thirty (30) day notice and Lead State approving the discount.

## Attachment E OFFEROR INFORMATION AND CERTIFICATION SHEET

This form must be completed and returned with the Proposal in response to Section 2.21 of this RFP. Failure to submit this form with the Proposal may result in disqualification for non-responsiveness.

1. Offeror Information:		
Offeror/Firm Name (Printed):		All the same of th
Address:		
Citizenship, if applicable: Non-resid	dent alien	
Business Designation (Check One)	<b>)</b> :	
<ul><li>□ Professional Corporation</li><li>□ Liability Company</li><li>□ Other</li></ul>	□Ltd. Liability Partnership	☐Sole Proprietorship
Federal Tax ID #:		_
State Tax #:		
Secretary of State Corporation		
2. Identify Individual with Author	ority to Obligate the Offeror	Contractually:
Name/Title:		
Telephone Number:		
Fax Number:		
E-mail Address:		•
3. Identify Person Authorized to Offeror:	o Negotiate the Master Agre	ement on Behalf of
Name/Title:		
Telephone Number:	Fax Number:	
F-mail Address:		

•			
Name/Title:	,		
Telephone Number:		Fax Number:	

4. Identify Person Authorized to be Contacted for Clarification of Proposal:

E-mail Address:

#### 5. CONTRACTOR CERTIFICATION CLAUSES IN RESPONSE TO RFP

- a. Offeror understands and accepts the requirements of this RFP. By Proposal submission, the Successful Offeror(s) agree(s) to be bound by the Master Agreement attached hereto as (Attachment B), as modified by Addendum, except for those terms and conditions that DAS PS has reserved for negotiation in the RFP.
- b. Offeror acknowledges receipt of any and all Addendum to this RFP.
- c. Proposal is FIRM for 180 days following the Closing.
- d. If awarded a Master Agreement, Offeror agrees to perform the scope of work and meet the performance standards set forth in the final negotiated scope of work of the Contract.
- e. Offeror does not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation or national origin. Nor has Offeror or will Offeror discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.
- f. Offeror certifies that, to the best of its knowledge, there exists no actual or potential conflict between the business or economic interests of Offeror, its employees, or its agents, on the one hand, and the business or economic interests of the State, on the other hand, arising out of, or relating in any way to, the subject matter of the RFP. Offeror shall provide prompt written notification to the State of any change occurring with respect to Offeror's business or interests which is reasonably likely to result in (or has resulted in) an actual or potential conflict between the business or economic interests of the Offeror and those of the State, arising out of, or relating in any way to, the subject matter of the RFP. In its notice, Offeror will describe the nature of such actual or potential conflict of interest or remuneration in question in reasonable detail.

Offeror and Offeror's employees and agents are not included on the list titled "Specially Designated Nationals and Blocked Persons" maintained by the Office of Foreign Assets Control of the United States Department of the Treasury and currently found at http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf.

- g. Offeror certifies that all contents of the Proposal (including any other forms or documentation, if required under this RFP) and this Proposal Certification Sheet, are truthful and accurate and have been prepared independently from all other Offerors, and without collusion, fraud, or other dishonesty. Offeror acknowledges these certifications are in addition to any certifications required in the Master Agreement (Attachment B) at the time of Master Agreement execution.
- h. Participating Entity Only: While the primary purpose of this RFP is to select one or more contractor(s) who can offer the Parks and Recreation Equipment and Related Services for all Participating States, Offerors are permitted to submit a Proposal for one or more State(s). However, if a Offeror elects to submit a Proposal for one or more State(s), then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) resulting from this RFP, including all optional renewals. Offerors must propose to all RFP Mandatory Requirements.

I, the undersigned,	certify that I am d	uly authorized to	legally bind	the Offeror to
the provisions of th	ne RFP and the Mas	ster Agreement.		

Authorized Signature	Date
Typed or Printed Name and Title of Signatory	

## Attachment F AFFIDAVIT OF TRADE SECRET

State of) ss:
County of)
(Affiant), being first duly sworn under oath, and representing [insert Offeror Name] (hereafter "Offeror"), hereby deposes and swears or affirms under penalty of perjury that:
<ol> <li>I am an employee of the Offeror, I have knowledge of the Request for Proposals referenced herein, and I have full authority from the Offeror to submit this affidavit and accept the responsibilities stated herein.</li> </ol>
2. I am aware that the Offeror has submitted a Proposal, dated on or about [insert date] (the "Proposal"), to the State of Oregon (State) in response to Request for Proposals [insert number], for [insert brief description of the goods and/or services sought in the RFP] and I am familiar with the contents of the RFP and Proposal.

- 3. I have read and am familiar with the provisions of Oregon's Public Records Law, Oregon Revised Statutes ("ORS") 192.410 through 192.505, and the Uniform Trade Secrets Act as adopted by the State of Oregon, which is set forth in ORS 646.461 through ORS 646.475. I understand that the Proposal is a public record held by a public body and is subject to disclosure under the Oregon Public Records Law unless specifically exempt from disclosure under that law.
- 4. I have reviewed the information contained in the Proposal. The Offeror believes the information listed in Exhibit A is exempt from public disclosure (collectively, the "Exempt Information"), which is incorporated herein by this reference. It is my opinion that the Exempt Information constitutes "Trade Secrets" under either the Oregon Public Records Law or the Uniform Trade Secrets Act as adopted in Oregon because that information is either:
  - A. A formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information that:
    - i. is not patented.
    - ii. is known only to certain individuals within the Offeror's organization and that is used in a business the Offeror conducts,
    - iii. has actual or potential commercial value, and
    - iv. gives its user an opportunity to obtain a business advantage over competitors who do not know or use it.

or

- B. Information, including a drawing, cost data, customer list, formula, pattern, compilation, program, device, method, technique or process that:
  - i. Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and
  - ii. Is the subject of efforts by the Offeror that are reasonable under the circumstances to maintain its secrecy.

judicial determinations made in accordance		aw.
Affiant's Signature		
Signed and sworn to before me onname).	(date) by	(Affiant's
Notary Public for the State of  My Commission Expires:		

## Attachment G OREGON SAMPLE PARTICIPATING ADDENDUM

PARTICIPATING ADDENDUM NO. _____ ("Addendum") to

## NASPO VALUEPOINT FACILITIES MAINTENANCE AND REPAIR & OPERATIONS (MRO), INDUSTRIAL SUPPLIES

Administered by the State of Oregon (hereinafter "Lead State")

Master Agreement No: _____

(Insert Contractor Name)

(Hereinafter "Contractor")

for

State of Oregon, by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("Participating State")

On, the State of Oregon issued an Request for Proposal, #DASPS-2138-17, on behalf of
the member states of the NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint")
and other purchasing entities seeking offers from qualified and responsible proposers to provide
Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Materia
Handling, Plumbing, Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating
Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and
products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment)
under executed Master Agreement No ("Master Agreement"), which consists
of contract terms and conditions and other attachments.

The State of Oregon ("State" or "Oregon") is a member of NASPO ValuePoint. The State, by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("DAS PS"), on behalf of the State of Oregon and its agencies and the Oregon Cooperative Procurement Program ("ORCPP") members (collectively "Authorized Purchasers" as defined in Exhibit No. 1), has elected to participate in the Master Agreement, subject to the terms and conditions of this Participating Addendum ("Addendum" or "Participating Addendum"). This Addendum is effective when all necessary approvals have been obtained and signed by the parties ("Effective Date").

1. <u>Scope: Order of Precedence</u>. This Addendum covers the purchase of Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material Handling, Plumbing,

Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment) products available to Authorized Purchasers under the Master Agreement. This Addendum consists of the following documents, which are incorporated herein as part of this Addendum:

- a) Exhibit No. 1 State Specific Terms and Conditions
- b) Exhibit No. 2 insurance
- c) Exhibit No. 3 Contractor Tax Certification
- d) Exhibit No. 4 Form of Purchase Order
- e) Exhibit No. 5 Report form for Vendor Collected Administrative Fee (VCAF)/Volume Sales Report (VSR)

This Addendum contains additional terms and conditions specifically applicable to individual Contracts between Contractor and Authorized Purchasers. In the event of a conflict between the terms and conditions of this Addendum, the Master Agreement and Purchase Orders, the following descending order of precedence applies:

- a) This Addendum, less its exhibits;
- b) Exhibit No. 1 of this Addendum (State Specific Terms and Conditions):
- c) Exhibit No. 2 of this Addendum (Insurance) and Exhibit No. 3 of this Addendum (Contractor Tax Certification);
- d) Exhibit No. 5 (Vendor Collected Administrative Fee (VCAF)/Volume Sales Report (VSR);
- f) Exhibit No. 4 of this Addendum (Purchase Order).

Nothing in this Addendum limits the Contractor's obligations under the Master Agreement unless otherwise noted herein. If a Contractor obligation in this Addendum conflicts with a Contractor obligation of the Master Agreement, the order of precedence in this Section 1 applies.

- 2. <u>Participation</u>: Use of specific NASPO ValuePoint cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use state/entity contracts are subject to the prior approval of the respective state chief procurement official. Issues of interpretation and eligibility for participation are solely within the authority of the respective state chief procurement official.
- 3. Participating State Modifications or Additions to Master Agreement:

(These modifications or additions apply only to actions and relationships within the Participating Entity.)

Participating Entity to check one box.

RFP DASPS-2183-17 - (MRO), Industrial Suj	
No changes to the terms and compared to the terms.	onditions of the Master Agreement are required
[X] In addition to the Exhibits identifi	ed above, the following changes are modifying or
supplementing the Master Agree	ement terms and conditions.

#### 4. Authorized Purchaser - Contractor Selection:

This Addendum is not exclusive, Authorized Purchasers may acquire the products and services from other contractors. In the event DAS PS awards Addenda to more than one contractor under this solicitation, Authorized Purchasers who are State Agencies shall follow the selection process below.

Authorized Purchasers who are not State Agencies may select the Contractor of the Authorized Purchaser's choice in compliance with applicable statute and rules.

4.1 Contractor Selection Process, Large Purchases. From time to time, Authorized Purchasers (or Purchasing Entities), who are State Agencies, may purchase Products or Services from Contractor or other contractors and shall use one of the following three selection processes for all purchases over \$10,000:

#### 4.1.1 Brand Name Justification

A documented brand name justification in compliance with applicable statute and rule.

OR

#### 4.1.2 Best Value Analysis

Authorized Purchaser may conduct a comparison of the offers based upon a best value analysis. Authorized Purchaser shall:

- Contact at least 3 different Master Agreement Contractors via phone, e-mail or facsimile and request a quote for the anticipated Goods. Quoted rates must not exceed the most competitive rates and discounts set forth in the Master Agreement. However, a Contractor may agree to extend specialized, discounted pricing based on the requirements by providing a specific quote to the Authorized Purchaser.
- Determine which Contractor provides the best value for Authorized Purchaser based on Authorized Purchaser's application of some or all of the following factors:
  - Applicable discounts and incremental pricing options;
  - Shipping costs:
  - Delivery process and service levels;
  - o EPP:
  - Applicable warranties;

- Contractor's past performance record through reference checks;
- o Contractor's service area:
- Price comparison of the current market value of Good and services similar to the Products:
- Price comparison to past purchases and the goods similar to the products, taking the inflation rate into account;
- cost analysis through an element-by-element examination of the estimated or actual cost of proposed goods to determine whether the supplier's costs are in line with what reasonably economical and efficient performance should cost. Some of the cost elements examined for necessity and reasonableness are materials' costs, labor costs, equipment and overhead:
- Comparison of pricing to MSRP;
- Market conditions and competition levels;
- o General economic conditions;
- Life cycle costing including expected life, salvage value and discounted total cost of ownership.
- Document its procurement files describing the process, considerations, findings, and decisions used for determining the Contractor selected through the Best Value Analysis.
- 4.1.3 Contractor Selection Process, Small Purchases. For purchases under \$10,000, Authorized Purchaser who are State Agencies may select the Contractor of its choice in compliance with applicable statute and rule.

#### INTENTIONALY LEFT BLANK

5. <u>Primary Contacts</u>: The primary contact individuals for this Addendum are as follows (or their named successors):

Contractor

Name	
Address	
Telephone	
Fax	
E-mail	

Oregon, Contract Administrator

Name	Shirley A. Smith State of Oregon, Department of Administrative Services, Procurement Services
Address	1255 SE Ferry Street, Salem, OR 97301
Telephone	503-378-5395
Fax	503-373-1626
E-mail	Shirey.Smith@oregon.gov

- 6. <u>Subcontractors</u>: All Contractor dealers and resellers authorized in the State of Oregon, as shown on the dedicated ______ (cooperative contract) website, are approved to provide products and service support to Authorized Purchasers. The Contractor's authorized dealers and reseller's participation shall be in accordance with the terms and conditions set forth in this Addendum and the Master Agreement.
- 7. Orders: All Purchase Orders issued by Authorized Purchasers must include a reference to the Master Agreement, _____, and this Addendum, #____. All valid Purchase Orders issued by Authorized Purchasers are subject to the terms and conditions of this Addendum. All Authorized Purchasers issuing valid purchase orders shall be obligated to pay Contractor for goods and services when the terms of the Purchase Order have been completed and payment has been approved by the Authorized Purchaser.
- 8. Tax Compliance: As set forth on Exhibit No. 3, Contractor has complied with the tax laws of this state and the applicable tax laws of any political subdivision of this state. Contractor shall, throughout the duration of this Addendum and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of this state. For the purposes of this Section, "tax laws" includes: (i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Any violation of this Section 8 constitutes a material breach of this addendum and any contract issued under this Addendum. Further, any violation of Contractor's warranty set forth in Exhibit No. 3 also shall constitute a material breach of this Addendum and any Contract issued under this Addendum. Any violation shall entitle DASPS or Authorized Purchaser to terminate this Addendum or the applicable Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Addendum or the

applicable Contract, and to pursue any or all of the remedies available under this Addendum, a Contract, at law, or in equity, including but not limited to:

Termination of this Addendum or the applicable Contract, in whole or in part; Exercise of the right of setoff, and withholding of amounts otherwise due and owing to Contractor, in an amount equal to Authorized Purchaser's setoff right, without penalty; and Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. DASPS or Authorized Purchaser may recover any and all damages suffered as the result of Contractor's breach of this Addendum or the applicable Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement Goods or Services or both.

These remedies are cumulative to the extent the remedies are not inconsistent, and DASPS or Authorized Purchaser may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

8. Participating Addendum Integration: This Addendum and the Master Agreement set forth the entire agreement between Contractor and Participating State with respect to the subject matter. There are no understandings, agreements, or representations, oral or written, not specified herein. Any attempt to modify or add or incorporate terms and conditions inconsistent with, and contrary to, the terms and conditions of this Addendum and the Master Agreement through a Contract or other document is null and void and hereby rejected. The terms and conditions of this Addendum and the Master Agreement shall prevail and govern in case of any attempted modifications or inconsistent terms.

IN WINESSWHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating State: STATE OF OREGON, acting by and through the Department of Administrative Services	Contractor:
By:	Ву:
Name:	Name:
Title:	Title:
Date:	Date:
Approved Pursuant to ORS 291.047	FEID:
By:Date:	
Sr. Assistant Attorney General	

#### EXHIBIT NO. 1

## Changes to Master Agreement State-Specific Constitutional, Statutory and Other Requirements

1. **Definitions.** The following terms have the meanings set forth below. Capitalized terms not defined in this Addendum have the meaning ascribed to them in the Master Agreement and its exhibits.

"Authorized Purchaser" means an agency of the State of Oregon or any ORCPP member that submits a Purchase Order to Contractor.

"DAS PS" means the State of Oregon acting by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services.

"ORCPP" means the Oregon Cooperative Purchasing Program Members, which recognizes certain agencies and organizations within the State of Oregon as authorized to purchase the goods and services available under a price agreement entered into by the State.

"Master Agreement" means the State of Oregon Master Agreement #_______between Contractor and the State of Oregon, on behalf of the member states of the National Association of State Procurement Officials and the NASPO ValuePoint, and its attachments, which together with this Addendum sets forth terms, conditions and requirements for purchase by Authorized Purchasers of the goods and services described therein.

"Purchase Order" means the purchase order document / order document submitted to Contractor by an Authorized Purchaser that incorporates this Addendum by reference and specifies the quantity and type of goods or services that Contractor will provide to the Authorized Purchaser under the terms of the Master Agreement and this Addendum.

"State" for the purposes of this Participating Addendum, means the State of Oregon.

#### Purchase Orders.

**2.1 Purchase Orders.** Authorized Purchasers may use their own forms for Purchase Orders. State agencies may also use the general State-approved Purchase Order referencing the Master Agreement Number, substantially in the form attached hereto as Exhibit No. 4. To the extent that the terms of any form differ from the terms of this Addendum, the terms of this Addendum supersede such contrary terms. Each Purchase Order from an Authorized Purchaser that is not a State agency must contain, on the front page, the following language:

THIS PURCHASE IS PLACED AGAINST THE STATE OF OREGON MASTER AGREEMENT NO.____
THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT AND THE ASSOCIATED
PARTICIPATING ADDENDUM ENTERED INTO BY THE STATE OF OREGON, CONTRACT NO. ____
APPLY TO THIS PURCHASE AND SUPERSEDE ALL CONFLICTING TERMS AND CONDITIONS,
EXPRESS OR IMPLIED.

- **2.2 Effect of Purchase Orders.** The State is only liable for purchases made by State of Oregon agencies that issue Purchase Orders. Other Authorized Purchasers are responsible for any purchases under Purchase Orders they issue. The State expressly disclaims any liability for purchases made by non-State agency Authorized Purchasers or any other entity.
- 2.3 Verification of Authorized Purchasers. Contractor shall verify that it provides goods and services under this Addendum only to Authorized Purchasers. Contractor may verify that a particular entity is an ORCPP member on-line at <a href="http://www.oregon.gov/das/Procurement/Pages/Orcppmember.aspx">http://www.oregon.gov/das/Procurement/Pages/Orcppmember.aspx</a> or by using the Oregon Procurement Information Network (ORPIN) at <a href="http://orpin.oregon.gov/open.dll/welcome">http://orpin.oregon.gov/open.dll/welcome</a>.
- 3. Payment Provisions; Buy Down Incentive Program. All payments are subject to ORS 293.462.

In addition to the prices or discounts offered in the Master Agreements, the State of Oregon may wish to participate with Contractors for specific energy efficient products and addition discounts that may be offered by the Energy Trust of Oregon for the Buy Down incentive program. The Buy Down incentive program provides instant pricing discounts for specific energy efficient products. Initially participation in the Buy Down program may be limited to State Agencies Authorized Purchasers ONLY, but DAS PS may elect to include other Authorized Purchasers (ORCPP members) if eligible for Energy Trust's Buy Down program at a later date. An Authorized Purchaser's participation will be subject to Energy Trust's terms and conditions and must include the Efficient Lighting Instant Incentives form "PI 190ELI currently v01."

#### Authorized Purchasers make note: 3.3 of current PI 190ELI v01 which states:

"Energy Trust may include some or all of the following information in reports or other documentation submitted to the Energy Trust Board of Directors, the Oregon Public Utility Commission, the Oregon Legislature or such State of Oregon agencies as necessary to meet Energy Trust responsibilities: Purchaser's name, city or county of business, a description of any Energy Trust services or incentives provided, or any resulting energy-savings or generation."

- "Purchaser will be installing the Promotion-qualifying lighting products at an existing building site receiving electric service from Portland General Electric or Pacific Power where the State owns the site or Purchaser otherwise has authority to perform the installation at the site..."
- 4. Funds available and authorized/non-appropriation. The State of Oregon's and its agencies' payment obligations under this Addendum are conditioned upon Authorized Purchaser's receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to meet its payment

obligations under any Purchase Order issued under this Addendum. Contractor is not entitled to receive payment under this Addendum or any Purchase Order from any part of Oregon state government other than Authorized Purchaser. Nothing in this Addendum or Purchase Order is to be construed as permitting any violation of Article XI, section 7 of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon. Authorized Purchaser represents that it has sufficient appropriations and limitation for the current biennium to make payments under any Purchase Order issued under this Addendum.

#### 5. Volume Sales Reports (VSRs) / Vendor Collected Administrative Fee (VCAF)

#### 5.1 Volume Sales Reports (VSRs):

5.1.1 Contractor shall submit a Volume Sales Report (VSR), in the form attached hereto as Exhibit No. 5, no later than thirty (30) calendar days from the end of each calendar quarter, which contains:

Complete and accurate details of all receipts (sales and refunds) for the reported period:

- The information as identified in the DAS PS document titled Volume Sales Report Template Data Requirement, Format and Layout (Exhibit 5); and
- Such other information as DAS PS may reasonably request.

Contractor shall send a VSR to DAS PS each quarter, whether or not there are sales. When no sales have been recorded for the quarter a report must be submitted stating "No Sales for the Quarter."

- **5.1.2** Data Medium and Delivery Medium: Contractor shall provide VSRs in MS Excel (.xls) format. VSRs must be submitted by e-mail. Delivered print outs of VSRs are not acceptable. Hard copies of VSRs on CDs are only acceptable if the size of the file precludes transmission by email. Approval from the Contract Administrator must be obtained for deviations from these requirements.
- 5.1.3 Receipt/Acceptance: The first VSR submitted by the Contractor must be submitted to the DAS PS Contract Administrator for review and approval. Approved first VSRs and subsequent VSRs must be submitted to <a href="mailto:vcaf.reporting@state.or.us">vcaf.reporting@state.or.us</a>. A separate section follows describing the administrative charge if it is applicable. The Contract Administrator's receipt or acceptance of any of the VSRs furnished pursuant to this Price Agreement shall not preclude DAS PS from challenging the validity thereof at any time.
- 5.1.4 DAS PS reserves the right to terminate this price agreement if volume sales reports are not received as scheduled on in the prescribed format.
- 5.2 Vendor Collected Administrative Fee (VCAF):
- 5.2.1 Vendor Collected Administrative Fee (VCAF) PERCENTAGE:

The Vendor Collected Administrative Fee (VCAF), is a charge equal to Two Percent (2.0 %) of

Contractor's Gross total sales, less any credits, made to Authorized Purchasers during the calendar quarter.

- **5.2.2 VCAF Amount / Payment Due Date:** During the term of this Price Agreement and for the sales during the last calendar quarter of the term of this Price Agreement, the Contractor shall remit VCAF payment to DAS PS within forty-five (45) calendar days after the end of each calendar quarter.
- **5.2.3** Contractors may not reflect the VCAF fee as a separate line item charge to Authorized Purchasers. Contractor's proposed prices shall reflect all Contractor's charges to Authorized Purchasers. For the purposes of this Price Agreement, quarters end March 31, June 30, September 30, and December 31. DAS PS will invoice the Contractor for the VCAF on a State generated invoice from the information submitted on the VSR. Contractor is responsible for timely reporting and payment, regardless of entity that actually reports or makes VCAF payment to DAS PS.
- 5.2.3.1 Payment Format: The fee shall be in the form of a check remitted to:

State of Oregon
Department of Administrative Services
Attn: Shared Financial Services/PS
155 Cottage Street NE
Salem, Oregon 97301

Any other form of payment must be specifically approved by the Contract Administrator.

- **5.2.3.2 Interest**: Any payments Contractor makes or causes to be made to DAS PS after the due date as indicated on the invoice shall accrue interest at a rate of 18% per annum or the maximum rate permitted by law, whichever is less, until such overdue amount shall have been paid in full. DAS PS's right to interest on late payments shall not preclude DAS PS from exercising any of its other rights or remedies pursuant to this Price Agreement or otherwise with regards to Contractor's failure to make timely remittances.
- 5.3 Audit: DAS PS, as its own expense (except as provided herein), shall have the right during regular business hours, at Contractor's premises, and upon reasonable notice, by itself or by a person authorized by it, to audit Contractor's Records, as defined herein, and other pertinent data, to determine and verify the figures reported in any VSRs furnished by Contractor. In the event that any such audit reveals underpayment of administrative fees, Contractor shall immediately pay the amount of deficiency, together with interest thereon at the rate provided in Section 5.2.3.2. At DAS PS'S request, Contractor shall pay the reasonable cost of an audit, but only if such audit reveals that an underpayment may exist as determined by DAS PS.
- **5.4 Limitation of Liability**: Contractor acknowledges and agrees that the State shall bear no liability on Purchase Orders entered into for purchases by non-State Agencies, which liability the State expressly disclaims. With regard to non-State Agencies, Contractor agrees to look solely to the respective contracting party for any rights and remedies Contractor may have at law or in equity arising out of the sale and purchase of Contractor's Goods or Services and the resulting contractual relationship, if any, with each such contracting party.

- 6. Warranties. Authorized Purchasers are entitled to the warranties, rights, remedies, and benefits under the Master Agreement, including but not limited to those set forth in Section 18, and this Addendum for any purchases made by such Authorized Purchasers pursuant to Purchase Orders. Without limiting the generality of the warranty provisions of the Master Agreement, Contractor represents and warrants to Authorized Purchaser that:
- **6.1.** Contractor has the power and authority to enter into and perform this Addendum and that this Addendum, when executed and delivered, will be a valid and binding obligation of Contractor enforceable in accordance with its terms;
- 6.2 All Services to be performed under this Addendum will be performed in accordance with the highest applicable professional or industry standards, and that only workmanship of the first quality shall be employed in the performance of this Addendum;
- **6.3.** Contractor shall transfer to Authorized Purchaser all manufacturer warranties covering Goods or Products, if any at time of delivery at no charge, and
- 6.4. All Goods or Products, if any, are free and clear of any liens or encumbrances, and that Contractor has full legal title to such Goods or Products, and that no other person has any right, title or interest in the Goods or Products which is superior to or infringe upon the rights granted to Authorized Purchaser hereunder.

The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided in the Master Agreement. All warranties provided in this Addendum are cumulative and will be interpreted expansively so as to afford Authorized Purchaser the broadest warranty protection available.

#### 7. Indemnities.

- 7.1 General Indemnity. Contractor will defend, save, hold harmless and indemnify the Authorized Purchaser and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever resulting from, arising out of or relating to the activities of Contractor or its officers, employees, subcontractors or agents under the Addendum.
- 7.2 Infringement Indemnity. Contractor will, at Contractor's sole expense, defend, save, hold harmless and indemnify Authorized Purchasers and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against any and all costs, damages, attorneys' fees, and any and all costs incurred in any settlement negotiation or final settlement agreement resulting from, relating to, or arising out of a claim that any aspect of the goods or services furnished under a Purchase Order infringes a patent, utility model, industrial design, copyright, mask work, trademark, trade dress, or any other legally cognizable intellectual property right of any third party (an "Infringement Claim").

- 7.3 Participation. Control of Defense and Settlement. Contractor's obligation to indemnify Authorized Purchaser as set forth in Sections 7.1 and 7.2 is conditioned on Authorized Purchaser providing to Contractor prompt notification of any claim or potential claim of which Authorized Purchaser becomes aware that may be the subject of those Sections. Contractor shall have control of the defense and settlement of any claim that is subject to Section 7.1 or Section 7.2; however, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of Oregon or any Authorized Purchaser of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the approval of the Attorney General, nor shall Contractor settle any claim on behalf of the State of Oregon without the approval of the Attorney General. The State of Oregon may, at its election and expense, assume its own defense and settlement in the event that the State of Oregon determines that Contractor is prohibited from defending the State of Oregon, is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue and the State of Oregon desires to assume its own defense.
- **7.4** Remedies. If any goods or services furnished by Contractor are, in Contractor's opinion, likely to become the subject of an Infringement Claim, or if an Authorized Purchaser is prevented from exercising its rights under this Addendum based on any Infringement Claim or court order arising from any Infringement Claim, then Contractor may, at its option and expense, procure for the Authorized Purchaser the right to continue using the allegedly infringing goods or services, or replace or modify the goods or services so that they become non-infringing; provided that the replacement or modified good or service meets the specifications set forth in the applicable Purchase Order to the satisfaction of the Authorized Purchaser. If the foregoing remedies are not available, then Authorized Purchaser will return the allegedly infringing goods or services.

#### 8. Term and Termination of Participating Addendum.

- 8.1 Term. This Addendum remains in effect until the earlier of (a) the expiration or termination of the Master Agreement, or (b) termination of this Addendum in accordance with its terms.
- 8.2 Termination. DAS PS may terminate this Addendum, in whole or in part, at any time upon thirty (30) days prior notice to Contractor. In addition, DAS PS may terminate this Addendum, in whole or in part, immediately upon notice to Contractor, or at such later date as DAS PS may establish in such notice, for any reason, or upon the occurrence of any of the following events:
- 8.2.1 State fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for the goods to be purchased under the Addendum; or
- 8.2.2 Federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of goods under this Addendum is prohibited or the State is prohibited from paying for such goods from the planned funding source.

Upon receipt of written notice of termination, Contractor will stop performance under all Purchase Orders as directed by State.

8.3 Termination under any provision of this Addendum does not extinguish or prejudice State's or an Authorized Purchaser's right to enforce this Addendum or a Purchase Order with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of the State or an Authorized Purchaser to indemnification by Contractor. If this Addendum or a Purchase Order is so terminated, the State or an Authorized Purchaser will pay Contractor in accordance with the terms of this Addendum for goods delivered and accepted by the Authorized Purchaser.

#### 9. Termination of Individual Purchase Orders.

- 9.1 Individual Purchase Orders may be terminated at any time by written consent of Authorized Purchaser and Contractor or Authorized Purchaser may, at its sole discretion, terminate individual Purchase Orders, in whole or in part, upon 30 days written notice to Contractor.
- 9.2 Authorized Purchaser may terminate individual Purchase Orders, in whole or in part, immediately upon notice to Contractor, or at such later date as Authorized Purchaser may establish in such notice, upon the occurrence of any of the following events:
- 9.2.1 Authorized Purchaser fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for the goods to be purchased under the Purchase Order;
- 9.2.2 Federal or State laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of goods under the Purchase Order is prohibited or Authorized Purchaser is prohibited from paying for such goods from the planned funding source; or
- 9.2.3 Contractor commits any material breach of this Addendum or a Purchase Order.
- **9.3** Upon receipt of written notice of termination, Contractor will stop performance under the Purchase Order as directed by Authorized Purchaser.
- **9.4** Termination of a Purchase Order does not extinguish or prejudice Authorized Purchaser's right to enforce the Purchase Order with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of Authorized Purchaser to indemnification by Contractor. In addition, termination of a Purchase Order does not extinguish or prejudice Authorized Purchaser's right to enforce the warranty, indemnification, governing law, venue and consent to jurisdiction provisions of this Addendum. If a Purchase Order is so terminated, Authorized Purchaser will pay Contractor in accordance with the terms of this Addendum for goods delivered and accepted by Authorized Purchaser.
- 10. Compliance with Law. Contractor will comply with all federal, state and local laws, rules, regulations, executive orders and ordinances applicable to the Work under this Addendum or any Purchase Order, and an Authorized Purchaser's performance under a Purchase Order is conditioned on Contractor's compliance with the provisions of ORS 279B.220, 279B.235, 279B.230, and 279B.270. In addition, Contractor warrants good and services provided under this Addendum will comply with all

federal Occupational Safety and Health Administration (OSHA) requirements and with all Oregon safety and health requirements, including those of the State Workers' Compensation Division. Contractor also agrees to comply with (a) Title VI of the Civil Rights Act of 1964, (b) Section v of the Rehabilitation Act of 1973, (c) the Americans with Disabilities Act of 1990 and ORS 659.425, (d) all regulations and administrative rules established pursuant to the foregoing laws and (e) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

- 11. Application of Public Records Law. Contractor acknowledges that any disclosures Contractor makes to Authorized Purchaser under this Addendum are subject to application of the Oregon Public Records Law, including but not limited to ORS 192.410 192.505, the provisions for the Custody and Maintenance of Public Records, ORS 192.005 192.710, and of ORS 646.461 646.475. The non-disclosure of documents or of any portion of a document submitted by Contractor to Authorized Purchaser may depend upon official or judicial determinations made pursuant to the foregoing laws. Contractor will be notified prior to Authorized Purchaser's release of documents to Entities other than participating agencies or other State agencies. Contractor shall be exclusively responsible for defending Contractor's position concerning the confidentiality of the requested documents, at its own expense,
- 12. Recycled Products. Contractor will use, to the maximum extent economically feasible in the performance of this Addendum or any Purchase Order, recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh), and other recycled plastic resin products and recycled products (as "recycled product" is defined in ORS 279A.010(1)(ii).
- 13. Notices. Except as otherwise provided in a Purchase Order, any formal communications between the parties to or notices to be given under a Purchase Order will be given in writing by personal delivery of a facsimile transmission or the notice or mailing the notice, postage prepaid, at the address or number set forth on the Purchase Order. Any communication so addressed and mailed will be deemed to have been received five (5) calendar days after mailing. Any communication delivered by facsimile will be deemed to be given when a confirming report for the transmission is generated by the transmitting machine. To be effective against the receiving party, such facsimile transmission must be confirmed by telephone notice to the receiving party's authorized representative, as set forth in the Purchase Order. Any communication or notice by personal delivery will be deemed to be given when actually received by the appropriate authorized representative.

As between Contractor and State with respect to this Addendum, the Primary Contacts of Contractor and State are set forth above.

- 14. Governing Law. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Addendum and resulting Purchase Orders, including, without limitation, their validity, interpretation, construction, performance, and enforcement.
- 15. Jurisdiction and Venue. Any claim, action, suit or proceeding (collectively, "Claim") between State or any other agency or department of the State of Oregon, and Contractor, that arises from or relates to this Addendum or a Purchase Order under this Addendum, will be brought and conducted solely and exclusively in the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively in the United States District Court of the District of Oregon. CONTRACTOR, BY EXECUTION OF THIS

ADDENDUMOR ACCEPTANCE OF A PURCHASE ORDER SUBMITTED PURSUANT TO THIS ADDENDUM HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS. Nothing in this section will be construed as a waiver of the State of Oregon's sovereign immunity with respect to any Claim, whether brought under State or Federal law, or consent to jurisdiction in State or Federal Court.

Any Claims between Contractor and an Authorized Purchaser other than the State of Oregon or State agency that arise from or are related to individual Purchase Orders or this Addendum will be brought and conducted solely and exclusively within the Circuit Court of the county in the State of Oregon in which such Authorized Purchaser resides or has its principal office, or at Authorized Purchaser's option, within such other county as Authorized Purchaser will be entitled to proceed under the venue laws of Oregon to bring or defend Claims. If any such Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.

- 16. Foreign Contractor. If Contractor is not domiciled in or registered to do business in the State of Oregon as of the effective date of this Addendum, Contractor will promptly provide to the Oregon Department of Revenue all information required by that Department relative to the Addendum or any Purchase Order. An Authorized Purchaser may withhold final payment under a Purchase Order until Contractor has provided the Oregon Department of Revenue with the required information.
- 17. Merger Clause; Waiver. This Addendum, including the Master Agreement and the exhibits attached to this Addendum, constitutes the entire agreement between the parties on the subject matter hereof, and supersede all prior agreements, oral or written. There are no understandings, agreements, or representations, oral or written, between these parties that are not specified in this Addendum. No waiver, consent, modification or change of terms of this Addendum binds either party unless in writing and signed by both parties and all necessary State approvals have been obtained. Such waiver, consent, modification or change, if made is effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Addendum does not constitute a waiver by the State of that or any other provision.
- 18. Independent Contractor. Contractor shall act at all times as an independent contractor and not as an agent or employee of Authorized Purchaser. Contractor has no right or authority to incur or create any obligation for or legally bind Authorized Purchaser in any way. Contractor is not an "officer", "employee", or "agent" of Authorized Purchaser (or any other agency, office, or department of the State of Oregon), as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary. Neither party shall make any statements, representations, nor commitments of any kind or to take any action binding on the other except as provided for herein or authorized in writing by the party to be bound.
- 19. Access to Records. Contractor will maintain all fiscal records relating to Purchase Orders in accordance with generally accepted accounting principles and will maintain any other records relating to Purchase Orders in such a manner as to clearly document Contractor's performance thereunder. The Authorized Purchaser, the State and its agencies, the Oregon Secretary of State Audits Division and their duly authorized representatives will have access to such fiscal records and to all other books, documents, papers, plans and writings of Contractor which relate to this Addendum to perform examination and audits and make excerpts and transcripts. To the extent provided by law, the federal government will be entitled

to the same access as the State of Oregon and Authorized Purchasers. Contractor will retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of six years, or such longer period as may be required by applicable law following final payment and termination of this Addendum, or until the conclusion of any audit, controversy or litigation arising out of or related to this Addendum, whichever date is later.

- **20.** Severability. If any term or provision of this Addendum is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the parties will be construed and enforced as if the Addendum did not contain the particular term or provision held to be invalid.
- 21. Survival. Any terms of this Addendum, which by their nature are intended to survive termination or expiration including but not limited to warranty, indemnification, access to records, governing law, venue, consent to jurisdiction, termination and remedies provisions survive the termination or expiration of this Addendum.
- 22. Insurance. Within ten (10) days of the Effective Date, Contractor must provide insurance as set forth on Exhibit No. 2. No Purchase Orders may be placed or accepted until proof is provided that these requirements have been met.
- 22. Amendments. This Addendum may be modified in writing once agreed to and signed by all parties.

## Exhibit No. 2 - INSURANCE

Contractor shall obtain at Contractor's expense the insurance specified in this Exhibit No. 2 prior to performing under this Addendum and shall maintain it in full force and at its own expense throughout the duration of this Addendum and all warranty periods. Contractor shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in State and that are acceptable to DAS PS. Coverage shall be primary and non-contributory with any other insurance and self-insurance. Contractor shall pay for all deductibles, self-insured retention and self- insurance, if any.

#### WORKERS' COMPENSATION & EMPLOYERS' LIABILITY

All employers, including Contractor, shall provide workers' compensation insurance as required by applicable workers' compensation laws for persons performing work under this Addendum including Employers' Liability Insurance with limits not less than \$500,000 each accident. Contractor shall require and ensure that each of its subcontractors complies with these requirements.

and ensure that each or its subcontractors complies with these requirements.
COMMERCIAL GENERAL LIABILITY:  ☑ Required by DAS PS ☐ Not required by DAS PS.
Commercial General Liability Insurance covering bodily injury, death and property damage in a form and with coverage that are satisfactory to the State. This insurance shall include personal injury liability, products and completed operations, and contractual liability coverage. Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000.00 per occurrence. Annual aggregate limit shall not be less than \$2,000,000.00.
AUTOMOBILE LIABILITY INSURANCE:  ☑ Required by DAS PS ☐Not required by DAS PS.
Automobile Liability Insurance covering all owned, non-owned, or hired vehicles with a combined single limit of not less than \$1,000,000.00 for bodily injury and property damage.
PROFESSIONAL LIABILITY:
☐ Required by DAS PS  ☐ Not required by DAS PS.

Professional Liability insurance covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Addendum in an amount not less than \$_per occurrence. Annual aggregate limit shall not be less than \$. If coverage is on a claims made basis, then either an extended reporting period of not less than 24 months shall be included in the Professional Liability insurance coverage, or the Contractor shall provide Tail Coverage as stated below.

#### ADDITIONAL INSURED:

The Commercial General Liability insurance and Automobile Liability insurance required under this Addendum shall include the State of Oregon, its officers, employees and agents as Additional

Insureds but only with respect to Contractor's activities to be performed under this Addendum.

#### TAIL COVERAGE:

If any of the required insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, Contractor shall maintain either tail coverage or continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of this Addendum, for a minimum of 24 months following the later of (i) Contractor's completion and DAS PS's acceptance of all Services required under this Addendum, or, (ii) The expiration of all warranty periods provided under this Addendum.

#### **CERTIFICATE(S) AND PROOF OF INSURANCE:**

Contractor shall provide to DAS PS Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Addendum. The Certificate(s) shall list the State of Oregon, its officers, employees and agents as a Certificate holder and as Additional Insured, specify that Contractor shall pay for all deductibles, self-insured retention and self-insurance, if any, that all coverage shall be primary and non-contributory with any other insurance and self-insurance, and confirm that either an extended reporting period of at least 24 months is provided on all claims made policies or that tail coverage is provided. As proof of insurance DAS PS has the right to request copies of insurance policies relating to the insurance requirements in this Addendum.

#### NOTICE OF CHANGE OR CANCELLATION:

The contractor or its insurer must provide at least 30 days' written notice to DAS PS before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

#### **INSURANCE REQUIREMENT REVIEW:**

Contractor agrees to periodic review of insurance requirements by DAS PS under this Addendum and to provide updated requirements as mutually agreed upon by Contractor and DAS PS.

#### INTENTIONALY LEFT BLANK

#### **EXHIBIT NO. 3**

#### CONTRACTOR TAX CERTIFICATION

The Individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury to the best of the individual's knowledge that:

1. The number shown on this form is Contractor's correct taxpayer identification:

Federal Tax Number	
Oregon Tax Number	

- 2. Contractor is not subject to backup withholding because:
  - (i) Contractor is exempt from backup withholding,
  - (ii) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or
  - (iii) The IRS has notified Contractor that Contractor is no longer subject to backup withholding.
- 3. S/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes,
- 4. For a period of no fewer than six calendar years preceding the Effective Date of this Addendum and any Contract, Contractor faithfully has complied with:
  - (i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
  - (ii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor;
  - (iii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and
  - (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Contractor:	1-000000000000000000000000000000000000		
Signature			
Date			

#### EXHIBIT NO. 4 SAMPLE PURCHASE ORDER

	AND C	)E(0)			PURCHASE ORDER (PO) NO.	PAGE#	
Authorized Purchaser's Authorized Representative Purchase Order			Date		Requisition No.		
Contractor Name and Address		Authorized Purchaser's Invoicing Address					
Contractor FEIN Price Agreement number MA #XXXX, PA#XXXX			Authorized Purchaser's Authorized Representative Email Address				
Deliver to Address		Authorized Purchaser's Authorized Representative Phone and Fax Number					
			Delivery Scheo	iule or Dei	lvery Date		
Jem P	escratyti om		Quantity	V/M	Langia Langia	NexPadt	
					Sub Total Freight		
				THE THE THE THE	Total		
This Purchase Order is subject to Master Agreement #XXXX, and Participating Addendum #XXXX. The terms and conditions contained in the Participating Addendum apply to this purchase and take precedence over all other conflicting terms and conditions, express or implied. There are no understandings, agreements or representations, oral or written, not specified herein.							
Authorized Purchaser's Authorized R	epresentative to Mal	ke Purchase			Date		

#### EXHIBIT NO. 5 VENDOR COLLECTED ADMINISTRATIVE FEE (VCAF)/VOLUME SALES REPORT (VSR)

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## Attachment H COBID CERTIFIED FIRM / OUTREACH PLAN

"Certified Firm" means a small business certified under ORS 200.055 by the Oregon Certification Office for Business Inclusion and Diversity ("COBID") as "disadvantaged business enterprise", "minority-owned business", "woman-owned business", "emerging small business" or "business that a service-disabled veteran owns".

#### Certified Firm Participation

As noted in Governor Kitzhaber's Executive Order 12-03: "Minority-owned and Woman-owned businesses continue to be a dynamic and fast-growing sector of the Oregon economy. Oregon is committed to creating an environment that supports the ingenuity and industriousness of Oregon's Minority Business Enterprise ["MBE"] and Woman Business Enterprise ["WBE"]. Emerging Small Business ["ESB"], Disabled Veteran ["DV"], and Disadvantaged Business Enterprise ["DBE"] firms are also an important sector of the state's economy."

In 2015, HB 3303 revised ORS 200.055 to add "a business that a service-disabled veteran owns" as a business type that may apply to COBID for certification. Contracting agencies shall aggressively pursue a policy of providing opportunities to Certified Small Businesses (hereinafter "Certified Firms") according to ORS 200.090. As such, Oregon Certified firms must have an equal opportunity to participate in the performance of contracts financed with state funds. By submitting its offer, Offeror certifies that it will take reasonable steps to ensure that Certified Firms are provided an equal opportunity to compete for and participate in the performance of any subcontracts resulting from this procurement. Offeror further certifies and agrees that it has not discriminated and will not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation or national origin, and it has not discriminated and will not discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business certified under ORS 200.055.

If there may be opportunities for subcontractors to work on the project, it is the expectation of the DAS and NASPO ValuePoint and its Purchasing Entities that the Offeror will take reasonable steps to ensure that Certified Firms are provided an equal opportunity to compete for and participate in the performance of any contract and/or subcontracts resulting from this procurement.

Following opening of bids and prior to Contract Award, the Offeror with the apparent highest scoring Proposal or lowest Bid must provide, within five days of Notice of Intent to Award, a Certified Firms Outreach Plan using the form on the following page. The information submitted in response to this clause will not be considered in any scored evaluation and no evaluative points will be assigned to the information.

## Certified Small Business Outreach Plan

1. Is Offeror an Oregon Certified Firm? Yes ☐ No ☐
If yes, indicate all certification type(s): MBE ☐ WBE ☐ ESB ☐ DBE ☐ DV ☐
Oregon State Certification number:
2. Does Offeror foresee any subcontracting opportunities for this procurement? Yes ☐ No ☐
If no, do not complete the rest of this form.
3. The Offeror shall provide a narrative description of its experience in obtaining Certified Firms participation as subcontractors, consultants or suppliers on previous projects, and discuss any innovative or particularly successful measures that the Offeror has undertaken. The Offeror shall include a list of those certified firms with which it has had a contractual relationship during the past 24 months immediately preceding the date this solicitation document was issued. If none, mark the following checkbox:   No prior experience obtaining participation from Certified Firms.
4. The Offeror shall provide examples where Certified Firms participation was achieved, along with information on Certified Firms subcontracting participation levels for up to three projects/contracts that the Offeror is either currently performing or has completed within the past 24 months immediately preceding the date this solicitation document was issued. Certified Firms participation should be described as the percentage of the dollar value of subcontracts and material or supply contracts awarded to Certified Firms as compared with the total dollar value of subcontracts and material or supply contracts let for each identified project or contract. The Offeror shall describe any technical assistance or mentoring the firm provided to Certified Firms subcontracting on each project. If none, mark the following checkbox:   No prior experience obtaining participation from Certified Firms.
Project 1 Name
Award Date/_/ Completion Date/_/ Contract Award Amount \$
Certified Firms goal percentage, if applicable% Certified Firms achievement percentage%

Certified Firms Subcontract Award Amount \$ Achieved \$	Certified Firms Spend
Describe any technical assistance or mentoring provided on this project.	
Project 2 Name	
Award Date / / Completion Date //	/ Contract Award Amount
Certified Firms goal percentage, if applicable	_% Certified Firms achievement
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Describe any technical assistance or mentoring subcontracting on this project.	
Project 3 Name	
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achievement percentage% Certified Firms Subcontract Award Amount \$Achieved \$	Certified Firms Spend
Describe any technical assistance or mentoring provided project.	d to Firms subcontracting on this

5. If the total cost of the awarded contract is expected to be greater than \$10,000.00, the

Offeror shall describe the outreach and subcontracting plan it will use, if awarded the contract, to provide Oregon Certified Firms certified firms an equal opportunity to perform any subcontracts under the contract. The plan must be realistic and based on Offeror's successful past experience. If Offeror has no previous outreach experience, the Offeror shall describe the outreach plan it intends to use if awarded the contract.

The Offeror must include the following in its plan:

- i. A description of the steps that the Offeror will take to solicit Certified Firms participation;
- ii. A description of the mentoring, technical or other business development assistance the Offeror will provide to subcontractors needing or requesting such services.

If awarded the contract, the Offeror must accept, as contract performance obligations, the outreach and subcontracting plan described in this section. If certified firms are unavailable for type of work to be performed, please indicate in this section.

Company Name:	
Authorized Signature:  Date:/_/  Name of Authorized Representative:	
Title:	

# Attachments I - O ADDITIONAL PARTICIPATING STATES TERMS AND CONDITIONS

# NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

Submitted to: Shirley A. Smith, State Procurement Analyst State of Oregon, DAS PS 1225 Ferry St., SE Salem, Oregon 97301

Request for Proposal (RFP) No. DASPS-2183-17

Master

Closing Date: January 5, 2018 at 2:00pm, PT

Submitted by:

## MSC Industrial Supply Co.

Elizabeth Flores
Business Development Manager
(714) 768-0049
FloresE@mscdirect.com

Page 1 + NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies RFP No. DASPS-2183-17 July 12, 2018



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## **Executive Summary**

MSC Industrial Supply Co. (MSC) is pleased to present our response to Request for Proposal (RFP) No. DASPS-2183-17 to the NASPO ValuePoint Selection Committee for consideration for the Multi-State Contract for MRO Products. Partnering with the NASPO ValuePoint Program since 2011, MSC has consistently demonstrated our strength as a partner to the NASPO ValuePoint program through our successful track record of past performance.

As a key supplier, MSC brings tremendous value to our NASPO ValuePoint Customers. Our world-class service model features a broad product offering of over 1,000,000 products, unmatched logistics and supply chain capabilities, and a customizable suite of solutions optimizing inventory management processes. Our experienced State Government team will continue to support NASPO ValuePoint customers and our State, Local and Education via our Business Development Resources, Telesales Team, and additional sales associates from our Class C Solutions (formerly Barnes North America Distribution) acquisition.

MSC has signed 34 Statewide Contract Agreements with the NASPO ValuePoint Cooperative Program along with many additional political subdivision participating agreements. Utilizing the NASPO ValuePoint Cooperative Agreement as a "Go to Market" Cooperative Agreement Partner, we've developed a growth strategy targeting the Educational Segment, including higher education, vocational and technical schools, and School Districts. This partnership drives commitment and supports a mutually beneficial growth opportunity, which complements both the NASPO ValuePoint program and our MSC strategy.

To better serve the NASPO ValuePoint contract, MSC has significantly invested in our business platform over the past 12 to 18 months. Our new state-of-the-art Telephony Platform Solution integrates our entire company telephone network into one system. This advancement seamlessly networks our customer service team, specialty teams (metalworking, tech and sourcing teams), and ecommerce solutions to best provide a more streamlined user experience for all of our customers.

MSC has also invested significant resources in our Data Capabilities. With enhanced data capabilities, MSC offers improved capabilities with cross referencing, attribute-based cross reference of product descriptions and product search capabilities that will help end users get what they want and need from the MSC Special Services Team. These enhancements offer the NASPO ValuePoint End Users a solution in finding what they need beyond traditional product search engines.

In addition, the following highlights how our capabilities meet and exceed the requirements outlined in the RFP:

#### **MSC** Background

- Financially sound company in business since 1941
- Experienced Government Supplier (GSA since 2002)
- State Government Team in place since 2007
- NASPO ValuePoint Key Supplier since 2011

#### Logistics Capabilities

- Same Day Shipping Guarantee (with 99% fill rate)
- 8pm, EST, order cut-off within the contiguous U.S.
  Integration Capabilities
- Extensive integrations with state, commercial and federal customers
- MSC supports current XML versions
- mscdirect.com Workflow Management controls



- mscdirect.com Personal Lists and Profiles
- Full line of reporting capabilities

#### **Eco-Friendly Solutions**

- Eco-Friendly products and solutions available
- Eco-Friendly logos displayed on mscdirect.com and within our 2017-18 Big Book

#### Supply Chain System Capability

- Fully integrated supply chain management system
- Integrated transportation network consisting of UPS, FedEx, USPS, and other LTL carriers
- Ability to support sustainment needs, with our breadth and depth of product, and supplier capabilities
- Ability to process emergency orders

#### **Breadth of Product**

- \$300 million of on-hand inventory
- 1,000,000 catalog items
- 38 different product categories

#### Past Performance

- Proven record of contract performance with the following:
- 34 Statewide Contract Agreements
- Over 300 National Account customers
- GSA Global Supply Programs
- USPS

#### Socioeconomic Program

- Strong history of supporting small businesses
- Annually, MSC has been awarded approximately\$200 Million in small business contracts

MSC looks forward to continuing its long and successful alignment to the NASPO ValuePoint Cooperative Program over the next five years (upon contract award). Our submitted proposal demonstrates how MSC can not only meet, but exceed the NASPO ValuePoint program's expectations, and ultimately deliver the most compelling overall value, company commitment, and savings plan in the marketplace.

As noted, we have read and understand all the terms outlined in the RFP and Exhibit B Master Service Agreement. However, MSC cannot comply with the below language:

State of Montana – Terms and Conditions - Cooperative Contract(s) for Maintenance, Repair and Operations (MRO), Industrial Supplies – Attachment A - Federal Terms and Conditions (Non-Construction), Section 7 Buy American Act

MSC cannot meet this requirement or certify that all products in our catalog qualify for domestic status, and are therefore compliant with the Buy American Act. When requested, MSC will provide the country of origin on an order-by-order basis. Please note, that items offered through MSC's GSA Schedule contract are Trade Agreements Act compliant.

Additionally, MSC respectfully takes exception to the below:

Attachment B, Section 8. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review, Part (g):

"Contractor agrees, within 30 days of their effective date, to notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-part contracts or agreements that may affect the promotion of this Master Agreements or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this master agreement. Upon request of the Lead State or NASPO ValuePoint, Contractor shall provide a copy of any such provisions."

MSC Exception: MSC expressly limits the applicability of the Most Favored Customer provision, and as such any subsequent notification and disclosure, to those third-party contracts or agreements, which are comparable in size and scope to that of the NASPO co-operative agreement.

State of Montana - Terms and Conditions - Cooperative Contract(s) for Maintenance, Repair and Operations (MRO), Industrial Supplies, Hold Harmless/Indemnification

"Hold Harmless/Indemnification: 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 of character, including the cost of defense thereof, arising in favor of 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 Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the —sole negligence of the State under this agreement."

MSC Exception: Delete the word "sole" in the last sentence, last line of Hold Harmless/Indemnification. MSC does not indemnify customers for their negligence.

State of Utah - ATTACHMENT A: STATE OF UTAH STANDARD TERMS AND CONDITIONS FOR GOODS AND SERVICES

"INDEMNITY: Contractor shall be fully liable for the actions of its agents, employees, officers, partners, and Subcontractors, and shall fully indemnify, defend, and save harmless the Division, the Eligible Users, and the State of Utah from all claims, losses, suits, actions, damages, and costs of every name and description arising out of Contractor's performance of this Contract caused by any intentional act or negligence of Contractor, its agents, employees, officers, partners, or Subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss, or damage arising hereunder due to the sele fault of the Division, Eligible Users, or the State of Utah. The parties agree that if there are any limitations of the Contractor's liability, including a limitation of liability clause for anyone for whom the Contractor is responsible, such limitations of liability will not apply to injuries to persons, including death, or to damages to property."

MSC Exception: Delete the word "sole" in the Indemnification. MSC does not indemnify customers for their negligence.

# Section 3: Administrative and Technical Response Requirements

#### 3.1 MANDATORY MINIMUM ADMINISTRATIVE PROPOSAL REQUIREMENTS

This section contains the minimum requirements that must be met in order to be considered for the evaluation phase. All of the items described in this section are non-negotiable. All Offerors must state willingness and demonstrate ability to satisfy these requirements in the proposal submitted for consideration.

MSC's proposal demonstrates how we can meet and / or exceed all the requirements outlined in the RFP No. DASPS-2183-17.

# 3.2 NASPO VALUEPOINT MASTER AGREEMENT STATEMENT OF COMPLIANCE

NASPO ValuePoint Master Agreement(s) resulting from this RFP will constitute the final agreement except for negotiated terms and conditions specific to a Participating State's or a Participating Entity's Participating Addendum.

This section highlights particular terms and conditions of NASPO ValuePoint Master Agreement, although Offerors will be bound to all the terms and conditions when executing a Master Agreement as shown in Attachment B. Offeror must include a statement in its Proposal that it has read and understands all of the terms and conditions as shown in the Master Agreement (Attachment B).

MSC has read and understands all the terms and conditions outlined in Attachment B NASPO ValuePoint Master Agreement.

## 3.2.1 Insurance

To be eligible for award, the Offeror agrees to acquire insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state at the prescribed levels set forth in Section 21 of the NASPO ValuePoint Master Agreement. Offeror must describe its insurance or plans to obtain insurance satisfying the requirements in Section 21.

In addition, Participating States/Entities may request additional insurance or other coverages for their State within their specific Participating Addendum.

MSC meets all insurance requirements outlined in Section 21 of Attachment B NASPO ValuePoint Master Agreement. We will gladly furnish Certificates of Insurance upon award.

# 3.2.2 NASPO ValuePoint Administrative Fee and Reporting Requirements

To be eligible for award, Offeror agrees to pay a NASPO ValuePoint administrative fee as specified in Section 6 of the NASPO ValuePoint Master Agreement. Moreover, specific summary and detailed usage reporting requirements are prescribed by Section 7 of NASPO ValuePoint Master Agreement.

Offeror shall identify the person responsible for providing the mandatory usage reports. This information must be kept current during the contract period. Contractor will be required to provide reporting contact within fifteen (15) calendar days of Master Agreement execution.

MSC agrees to pay the NASPO ValuePoint administrative fees as outlined in Section 6 of Attachment B NASPO ValuePoint Master Agreement. Additionally, we can meet all summary and detailed usage reporting requirements outlined in Section 7 of Attachment B NASPO ValuePoint Master Agreement.



We will provide all contact information for the individual responsible for providing the mandatory usage reports within 15 calendar days of the Master Agreement execution.

#### 3.2.3 NASPO ValuePoint eMarket Center

To be eligible for award, the Offeror agrees, by submission of a Proposal, to cooperate with NASPO ValuePoint and SciQuest (and any authorized agent or successor entity to SciQuest) with uploading a hosted catalog or integrating a punchout site. Refer to Attachment B, Section 9 and eMarket Center Appendix, NASPO ValuePoint Master Agreement for the prescribed requirements.

MSC complies with all requirements outlined in Attachment B, Section 9 and the eMarket Center Appendix. For over six years, MSC has successfully supported, and will continue to support, NASPO ValuePoint end-users through our extensive ecommerce capabilities. Additionally, many States also maintain MSC Punchout Catalogs via various integration partners, including SciQuest, Ariba, Periscope, and more (e.g., Massachusetts and New Jersey).

### 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments I - O to this Solicitation. These will be negotiated with individual Participating States after award of the Master Agreement(s). Each State reserves the right to negotiate additional terms and conditions in its Participating Addendums, including environmentally preferable products. Offeror shall submit a statement that it has read and understands all the Terms and Conditions as shown in the attached State specific Participating Addenda.

MSC has read and understands all the Terms and Conditions as shown in the attached State-specific Participating Addenda.

#### 3.4 TECHNICAL REQUIREMENTS

This section contains technical requirements pertaining to the Maintenance and Facilities Repair & Operations (MRO) industrial Supplies. Other sections of this RFP contain additional requirements that must be met in order to be considered responsive. Offeror must identify in its Proposal how it will meet (or exceed) all requirements listed in this Section 3, Section 4, and Attachments A, B, and D-1 of this RFP solicitation.

MSC will meet / exceed the requirements noted in below sections as follows:

- Section 3: Please note that MSC has responded to all requirements as necessary in this document.
- Section 4: As required in the RFP, MSC is providing a response to Section 4: Market Basket Cost Proposal in our separate Cost Proposal.
- Attachment A: MSC has outlined how we will meet / exceed all requirements in the Attachment A: Description of Product and Services section of our Technical Proposal.
- Attachment B: MSC has read and understands all requirements outlined in Attachment B: NASPO ValuePoint Master Agreement.
- Attachment D-1: MSC has completed Attachment D-1 Market Basket as required and is submitted with our Cost Proposal.
- Exhibit D: MSC confirms we can adhere to all reporting requirements outlined in Exhibit D: NASPO ValuePoint Detailed Sales Data Report Form.

## 3.4.1 Offeror Profile

Provide the following information specific to Offeror's company:



a. Company's full legal name

Sid Tool Co., Inc. DBA MSC Industrial Supply Co.

b. Primary business address

MSC's co-headquarters are located at:

- MSC Industrial Supply Co.75 Maxess RoadMelville, NY 11747
- MSC Industrial Supply Co.
   525 Harbour Place Drive
   Davidson, NC 28036
- c. Describe company ownership structure

MSC is a publicly owned corporation trading on the NYSE under the MSM symbol.

d. Employee size (number of employees)

MSC employs approximately 6,400 Associates.

e. Website

The MSC website can be found at mscdirect.com.

f. Sales contact information

The following individual may be contacted for any questions or information regarding MSC's response to the RFP:

Elizabeth Flores, Business Development Manager (714) 768-0049
FloresE@mscdirect.com

In addition, the below individuals may also be contacted in reference to the MSC response:

- Ron Manning, Senior Director, Government Sales Program (781) 249-4493

  ManningR@mscdirect.com
- Michael Gordon, State Government Team Manager (714) 454-5985 GordonM@mscdirect.com
- g. Company's client retention rate during the past 3 years

Typically, MSC standard contract length is three years with a majority of customers signing additional renewal terms. For example, MSC has had the GSA contract since 2002 and the State of California since 2006.

We currently service approximately 360,000 customers in all 50 states through our broad network of five domestic Customer Fulfillment Centers (CFCs) located regionally near Columbus, OH; Harrisburg, Pennsylvania; Atlanta, Georgia; Elkhart, Indiana; and Reno, Nevada and over 90 Branch offices.



Our customer base encompasses a wide range of purchasers from individual machine shops to Fortune 1,000 companies and government agencies, including the General Services Administration (GSA) and the Department of Defense. We also partner with many other federal, state, and local government agencies across the United States, including military bases, the United States Postal Service, state entities, universities, municipalities, school districts, and counties.

h. A brief history of the company and the year it was founded

Founded in 1941, MSC is an over \$2.8 billion nationwide distributor of metalworking and maintenance, repair and operations (MRO) products to industrial, commercial and government entities throughout the United States.

With a 75-year history of driving innovation in industrial product distribution, we help solve our manufacturing customers' metalworking, MRO and operational challenges. Our team of more than 6,400 associates brings deep expertise and insight to not only keep our customers' manufacturing operations up and running, but also improve their efficiency, productivity and profitability through our technical metalworking expertise and inventory management and other supply chain solutions.

i. Describe the company's growth during the past three years.

MSC is a financially strong and stable company as evidenced by the following net sales for the last three fiscal years:

FY17: \$2,887,744,000

FY16: \$2,863,505,000

**■** FY15: \$2,910,379,000

MSC actively pursues strategic acquisitions that we believe will either expand or complement our business in new or existing markets, or that will further enhance the value and offerings we are able to provide to our existing or future potential customers.

Most recently, we acquired DECO Tool Supply Co., a leading, metalworking-based industrial supply distributor headquartered in Davenport, Iowa. Barnes Distribution North America, now Class C Solutions Group, was acquired in 2013

Additionally, we opened our co-headquarters in Davidson, North Carolina, and fifth Customer Fulfillment Center in Columbus, Ohio in 2013.

#### 3.4.2 Customer Service

a. What are Offeror's hours of operation and when are key account people available to Participating States/Entities and Purchasing Entities?

NASPO ValuePoint users have access to a dedicated customer service team who may be contacted toll-free at 888-MSC-9722, or via email at nvp@mscdirect.com. Users may also contact our general customer service number at 800-645-7270, or via email at cust_service@mscdirect.com.

Customer service representatives at MSC Call Centers are available Monday through Friday, 7am-11pm, EST, and Saturdays, 8am-5pm, EST. Our national branch offices are typically open Monday through Friday, 8am-5pm, local time, but hours may vary.

Our website, mscdirect.com, and our fax number, 800-255-5067, are also available 24 hours a day, seven days a week.



b. Describe how problem identification and resolution will be handled.

The key to a smooth transition to MSC services and delivering on our commitment to world-class customer care is ensuring all customer program requirements are loaded and readily available to our Customer Care Associates, so that they are able to quickly respond to any issue that is received.

Our frontline associates are highly enabled and empowered to immediately resolve any concerns. When any service impacting situation occurs, it is brought to the attention of the Customer Care Team and State Dedicated Account Manager and reported through our customer's corrective action process. It is also reviewed at each Quarterly Business Review.

Specifically, upon the identification of an issue or challenge, NASPO users would either contact their local Sales Associate or call the dedicated NASPO toll-free telephone number. Our sales associates and customer service representatives are able to resolve a majority of calls upon first contact.

If the issue cannot be resolved at the local level, it would be escalated up to the MSC's experienced State Account Managers, who are familiar with the NASPO ValuePoint program and also each Participating State needs.

c. How does Offeror propose to service the NASPO account? Describe the system Offeror will use to manage the account.

MSC has been successfully partnering with NASPO ValuePoint for the last six years. We will continue to utilize our experienced Government Sales and State Team and Field Sales Resources to support the continued growth and expansion of this program. Our State Account Managers are familiar with the NASPO ValuePoint program and also each Participating State needs. Additionally, MSC will also make available State Business Development Managers to focus on new State and local government opportunities as well as higher education opportunities.

Our Call Centers staff approximately 1,100 dedicated Customer Service Representatives. Whether calling the dedicated NASPO ValuePoint toll-free number or the general MSC customer service number, NASPO ValuePoint users will reach a live Associate who can place an order, obtain product information, check a shipment, discuss a return, and more. Our Inside Sales Associates are able to inform customers on a real-time basis of the availability of a product, recommend substitute products, verify credit information, and arrange to provide technical assistance. We also maintain a staff of Certified Machine Tools Sales Engineers (CMTSE) who will assist in finding the best solution for each customer.

Additionally, local support will be provided by our Branch offices. Each of our Branch offices is staffed with trained and experienced Inside Sales Associates, Inside Sales Supervisors, Outside Sales Associates, Vendor Managed Inventory Specialists, and Branch Managers. Access to MSC's exceptional customer service is available at all our locations. MSC also has strategically located specialists (Customer Solutions Project Managers, Metalworking Specialists, and Machinery Specialists) to support special requests and best serve our customers' needs.

We also maintain a high customer satisfaction rate due to the efficient manner in which we receive and fulfill every single order. Additionally, MSC offers our Same-Day Shipping Guarantee with a 99% fill rate. If an order is placed by the 8 p.m., EST, national cut-off time, we will guarantee shipping of NASPO ValuePoint users' products the same day.

d. How does Offeror respond to customer complaints and service issues?



Upon the identification of an issue or challenge, NASPO users would either contact their local Sales Associate or call the dedicated NASPO toll-free telephone number. Our sales associates and customer service representatives are able to resolve a majority of calls upon first contact.

If the issue cannot be resolved at the local level, it would be escalated up to the MSC's experienced State Account Managers, who are familiar with the NASPO ValuePoint program and also each Participating State needs. Elizabeth Flores, Business Development Manager, will oversee the overall management of the NASPO ValuePoint Program.

In the rare instance a resolution cannot be reached in a single call, MSC will make all reasonable efforts to provide an acceptable response within one business day.

#### e. How does Offeror assess customer satisfaction?

MSC takes a holistic approach to assessing customer satisfaction by using external and internal key metrics. We leverage an outside Customer Experience (CX) partner to evaluate customer engagement at all touch points, including digital and live interactions. Our current CX results are in the top quartile of organizations within our partner's client base. These results are highlighted in four key areas; Accessibility, Professionalism, Knowledge and Engagement.

Internally, MSC performs a rigorous internal Quality Monitoring program and is customized based on customer and interaction type. Utilizing Avaya's AWFO (Workforce Optimization) platform, we are able to provide detailed monitoring and observations regardless of the type of interaction. A dedicated team is responsible for continuously updating our guidelines and is consistently responding to our external CX results. This team of analysts evaluate customer requirements, internal company standards and evaluate key interactions to drive increased customer retention ultimately resulting in a seamless customer experience.

By leveraging internal and external components, we get a complete picture of the overall customer experience and satisfaction. We believe this objectivity gives us insight into where we can create that perfect partnership.

f. Describe Offeror's quality assurance measures and how are they handled within the organization.

MSC utilizes several dozen quality and performance measurements, and all our quality metrics are audited continuously and reviewed with senior management. This review process is extremely important as it serves to assure that we are meeting our service levels and shipping guarantees for our customers. Our Quality Assurance team is focused on delivering results to our customers and meeting all their expectations.

MSC also utilizes a variety of measurements in different areas of the company, especially in our Customer Fulfillment Centers (CFCs). Both "internal" and "external" measures are taken into account. "Internally," we measure inbound item accuracy; inventory/bin integrity accuracy; and outbound package accuracy. Our "external" measures, also known as customer-reported measures, include customer comment cards, customer returns and on-time delivery. Several key processes also contribute to how we measure service levels:

Product Inspections: MSC performs a variety of inspections to ensure our customer's order accuracy. To ensure we are always processing the correct item, an inbound inspection is performed as items are received, and then is verified again by our inbound coordinators. Outbound orders are 100% electronically verified by our packaging department and are subject to our outbound audit.



- Supplier Performance Measures: Supplier performance is tracked and analyzed through MSC's Supplier Tactical Advance Receiving, or STARS, System. Suppliers are measured on the following criteria: acceptance at receiving inspection; on-time delivery; invoice accuracy; direct ship accuracy; and the number of customer returns due to defective items. This data is provided to suppliers and is used to drive improvements in our supplier base.
- Corrective Action Systems: MSC maintains documented processes for implementing formal corrective actions both internally, as well as with our supplier base.
- Packing and Shipping: Orders flow through our validation process in which individual items are scanned. Counts are captured in our system to prevent the processing of incomplete or inaccurate orders. After the packing process is complete, our Quality Assurance team performs package audits on a sample basis. The orders are checked for item accuracy, quantity, packaging and documentation. Proper and/or protective packaging and labeling is prepared in accordance with the MSC packaging and labeling procedures. This assures that proper packing methods are followed and provides MSC with a tool for measuring our overall accuracy of outbound shipments.
- Customer Returns: All customer returns are sent by the customer to designated Return Centers and are inspected 100% for identity, count, packaging, damage, documentation and reason for return. All returns are dispositioned within 24 hours. Credit data is captured and used to drive quality improvements and cost of quality measurements.

Additionally, our error rate is less than 1% per 1,000 lines.

## 3.4.3 Technology

a. Describe Offeror's online system that Purchasing Entities would use to place orders and receive results? Include all methods of order submission.

Please refer to 6.5.5. E-Commerce and Web Catalog Capabilities in the Attachment A: Description of Products and Services Section.

b. Describe Offeror's ability and process to support a decentralized system of orders submitted from many end users in multiple states and locations.

Please refer to 6.5.5. E-Commerce and Web Catalog Capabilities in the Attachment A: Description of Products and Services Section.

# 3.4.4 Products and Services

Offeror must review the Product and Services Descriptions and requirements set forth in (Attachment A) and submit with its Proposal. Offeror shall indicate which categories Offeror intends to provide; which Products and Services Offeror intends to provide; and whether Offeror intends to provide the Products and Services on a national, regional or one state only basis.

MSC has reviewed and responded to all the requirements outlined in Attachment A. Please refer to the Attachment A: Description of Products and Services Section for details of how MSC meets and / or exceeds these requirements.

Additionally, MSC is bidding on all 15 categories and intends to provide our Products and Services on a national basis.



# 3.5 Data Security

What measures does Offeror take to protect sensitive customer information?

MSC encrypts all sensitive data while in transit or at rest. MSC utilizes TLS for in-transit encryption and AES256 for all at-rest encryption.

MSC's ERP system stores all customer and transaction information in a single database. Standard database access techniques are utilized to ensure that the correct information is being processed for the correct customers. At no time does any customer have access to any other customer's information.

Once a user logs in to the MSC website, the same data access techniques are used to restrict the customer specific information to only that information that belongs to the logged-in customer.

# Attachment A: Description of Products and Services

#### 6.1. CATEGORIES

The scope of work consists of 15 categories. This proposal has been divided into categories with items that generally represent those most frequently purchased during the previous contract period including environmentally preferable options. Proposals will be considered from qualified offerors that can provide all products at minimum of one entire category listed below and be able to supply the products to a minimum of one entire State.

The United Nations Standard Products and Services Code (UNSPSC) codes are identified on Attachment D-1 to further describe each category.

- Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)
- Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)
- Fasteners
- Material Handling
- Plumbing
- Power Sources
- Outdoor Garden
- Lamps, Lighting, Ballasts
- **HVAC**
- Hand Tools
- Power Tools (excluding automotive related tools and products)
- Electrical
- Paint
- Security
- Safety (does not include any public safety equipment)

MSC is bidding on all categories.

#### 6.2. EXPERIENCE AND CAPABILITIES

6.2.1. Experience in performance of comparable engagements/References;

# 6.2.1.1 ESB/MBE/WBE/DV & DBE Programs;

MSC has a proven track record of teaming with certified small businesses and/or diverse business partners. We have worked with customers to tailor plans in which we can channel business to the appropriate ESB/MBE/WBE/DV & DBE groups to best meet our customers' socioeconomic goals.

MSC is committed to building partnerships with Small Business Programs as part of our State and Federal Government Programs. We have close to 50 Small Business Partners that we partner with to support



Federal "set aside" Contracts and State Programs that work to advance a Small Business Socio-Economic Advantage. We are actively looking for additional partners who can be sustainable partners with MSC and strongly support Government Contract Programs that strive to promote Small Business Program initiatives.

For example, we have successful partnerships with ESB/MBE/WBE/DV and DBE groups in California, Texas, New York, and Ohio. Our diversity business partners are a vital part or our growth as research has revealed:

- Most prominent change facing U.S. business is the change in their customer base and how will that change affect their revenue
  - U.S. population is expected to grow 374M by 2050 with 90% coming from minorities
  - Over 2M diversity companies in the U.S. and growing
  - Look within other areas of the business as minority-owned firms represent a large selection of product/service
  - Anticipating cultural shift in their market base
  - · People support companies who are like them
- MSC's value proposition to our diversity business partners are:
  - Broad Product Offering
  - Supply Chain Expertise
  - Logistics Capabilities
  - SME Subject Matter Expertise
  - Resource Support (Marketing / Analytics / Training)
  - Compliance
  - Past Performance (Track Record of Success)
  - Easy to work with (MSC Culture)

The following business partners may be contacted as a reference:

- Anchor Supply
   Bill Campbell, CEO
   2417 Front Street
   West Sacramento, CA 95691
   (916) 372-2456
- Echelon Distribution
   Steven Nodes, President and CEO
   5025 Arnold Avenue, Building 24, Suite 180
   McClellan, CA 95652
   (916) 426-1608
- Guardian Industrial Supply, LLC
   Mike Duncan, MID
   10629 Metric Boulevard
   Austin, TX 78758
   (512) 973-3500

Galaxy Defense Marketing Services
 Vincent Lawrence, President & CEO
 5330 Napa Street, Suite A
 San Diego, CA 92110
 (619) 299-9950, ext. 107

Additionally, we have provided references from several State customers that may be contacted as references. Please see Attachment 1: MSC References for additional information.

#### 6.2.1.2 Growth Incentives;

In addition to the standard Participating Addendum administrative fee language, MSC will offer a tiered "E-Commerce rebate incentive" to all states that utilize a statewide E-Commerce platform that is integrated with MSC. This rebate will be tabulated and paid annually after the one-year anniversary of the PA signing. The additional rebates will start at 1% and range up to 3% based on E-Commerce sales volume growth.

MSC is prepared to offer Cumulative Ordering Volume Discounts to NASPO ValuePoint. NASPO ValuePoint end users are encouraged to contact their MSC Representative or State Account Manager to request additional discounts on a quote-by-quote basis.

When dealing with large orders, NASPO ValuePoint end users are always encouraged to reach out to their MSC Representatives in order to discuss additional pricing discounts and incentives on a quote-by-quote basis.

6.2.1.3 The quality and availability of recycling or other sustainability programs, including products or services offered;

MSC has provided our response below.

6.2.1.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered;

MSC has provided our response in below.

6.2.1.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products;

MSC has provided our response in below.

(answer to 6.2.1.3; 6.2.14; 6.2.1.5)

MSC currently has identified more than 10,000 products considered "green," or as Environmentally Preferable Products (EPP), as well as other products designed to reduce energy consumption, conserve natural resources, and reduce costs. MSC is continually identifying and adding new EPP items to our inventory. Throughout our catalog and website, green product alternatives are clearly identified in the product descriptions, as noted in Figure 3.



In addition, when searching product lines on the MSC website, customers have the option to filter their search results for "Eco-Friendly", when applicable, as noted in Figure 3.



Narrow By
Eco-Enendy(25)

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MSC carries a line of certified products that meet standards of the Biodegradable Products Institute (BPI) (e.g., paper products). BPI verifies that certified products meet ASTM D6400 or D6868 testing standards to certify they will biodegrade in a managed compost facility. The green leaf icon is used to identify products that meet the standards of BPI.

MSC carries lamps that provide our customers with products to assist them in meeting energy efficiency standards and requirements. We are also evaluating potential consortiums to participate with to enhance our ability to accelerate the development and availability of products and services for energy efficient lamps. Products that aid in energy conservation are identified with the energy conservation icon.

MSC utilizes an icon to help identify Cradle-to-Cradle-approved products. Cradle-to-Cradle is a holistic economic, industrial and social framework that aims to improve efficiency and reduce waste.



MSC carries a line of certified products (e.g., GE) that meet standards for Design Lights Consortium. We also offer Energy Star certified products with the Energy Star icon. Under 'Lamps and Lighting' in our online catalog, customers may filter specifically for LED lighting products. LED products will display the Energy Star logo when applicable.

MSC carries numerous products that are qualified and / or certified under the EPA's Energy Star program. The icon provided will be visible to our customers for clear identification Energy Star, products. Energy Star-certified product lines may include, but are not limited to appliances, electronics, HVAC and lighting equipment, office equipment, etc.



MSC carries a line of Forest Stewardship Council-approved products. The provided icon ensures the products come from responsibly managed forests that provide environmental, social and economic benefits.



MSC carries a line of products that are certified to Green Seal standards, which contain performance, health, and sustainability criteria. The icon provided identifies products that have been approved and certified to meet Green Seal requirements.



MSC carries a line of paints and coatings certified to green standards. These standards may also be applied towards listings and certifications on MPI's approved list of products. We utilize an icon to identify any MPI products.



MSC carries products certified to NEMA standards. These include lighting, ballast, exit signs, and motor products that have been identified to help reduce energy consumption.. The icon provided identifies products that have been approved and certified to meet NEMA requirements.

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

MSC carries GreenGuard-certified products that aim to protect human health and improve quality of life by enhancing indoor air quality and reducing people's exposure to chemicals and other pollutants. The icon provided identifies products that have been approved and certified to meet GreenGuard requirements.



MSC carries ECOLOGO-certified products designed to reduce environmental impacts. ECOLOGO certified products meet or exceed multiple environmental performance standards. The icon provided identifies products that have been approved and certified to meet ECOLOGO requirements.



MSC carries USDA BioPreferred – Biobased products. These products reduce the nation's reliance on petroleum, increase the use of renewable agricultural resources, and contribute to reducing adverse environmental and health impacts. The icon provided identifies products that have been approved and certified to meet USDA BioPreferred – Biobased requirements.



MSC offers numerous products that meet USDA BioPreferred standards. USDA Organic certified products are not generally within scope of MSC product offerings, as MSC specializes in MRO solutions.

MSC carries EPA Safer Choice-certified products. The Safer Choice label enables our customers to quickly identify and choose products that can help protect the environment and are safer for families. The icon provided identifies products that have been approved and certified to meet EPA Safer Choice requirements.



MSC carries U.S. EPA WaterSense certified products. These products meet or exceed water efficiency and performance standards. The icon provided identifies products that have been approved and certified to meet WaterSense requirements.



MSC offers products compliant to the RoHS directive, which may be easily identified on our webpage by the icon provided in this section. In addition to the icon, individual product specifications on our website may also note standards met, including RoHS compliance.

MSC's Environmental Compliance & Sustainability

Department (EC&S) maintains an inventory of RoHS compliance certifications obtained from suppliers, and regularly obtains RoHS certifications and additional

Spece Number of Poles 120 VAC @ 50/60 Hz Coi Voltabe 50 @ 440 VAC Amperage NonReversible Action Auxiliary Contacts NO:NO 122 Overall Height (mm) Overall Width (mm) 55 Overall Depth (mm) 120 Standards Met Bureau Verilas, CCC, CSA, CSA, C22, 2 No., 14, DNV, EN/IEC 60947-4-1, EN/IEC 60947-5-1, Gi GOST, LROS; RINA; ROHS Compliant, UL 508, UL

product stewardship documentation for customers upon request. Our EC&S department may be contacted to verify items that do not have RoHS certification in the standards section or the icon.

MSC carries California SCAQMD-compliant products as designated by the provided icon. New environmental regulations in many states have prompted the development of low VOC paints and finishes that are less harmful to the consumer and the environment.



MSC utilizes a global recycling logo for recycled content and CPG items in our catalog/webpage offerings to assist in identifying items made from post- and pre-consumer Recycled Content. The icon provided identifies products meeting these requirements.

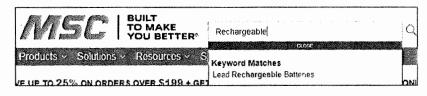


MSC carries many products that utilize rechargeable batteries. Rechargeable batteries are typically listed in the specifications section of all applicable product descriptions. MSC is considering creating a new identifier for batteries that are rechargeable which will improve visibility in our on-line catalog.



Additionally, MSC offers, at no cost, a take-back system for rechargeable batteries in applicable states.

Users can return these batteries at MSC participating branches (e.g., California, New York, Massachusetts, etc.). Drop-off locations can be found



MSC carries solar powered equipment (e.g., item numbers 40627127 and 40627119) identified by the Energy Conservation icon provided. Customers may search for solar products on our website by utilizing our keyword search feature available on our website.



In addition to the above outlined certifications, MSC also carries products with the following Environmentally Preferable Certifications:

- Carpet and Rug Institute's (CRI's) initiatives help protect air quality and carpet's lifespan, and lead to smarter buying decisions on cleaners and equipment. CRI's Seal of Approval program identifies effective carpet cleaning solutions and equipment. CRI's Green Label or Green Label Plus program tests carpet, cushions and adhesives to help specifiers identify products with very low emissions of VOCs.
  - In addition to third-party certified products, MSC works with our suppliers to identify products that are environmentally responsible but may not have a formal certification. These products can reduce water and energy consumption, are made from pre- or post-consumer recycled content, contain low VOCs, and more. Descriptions of these other third-party certifications are described below:
- Green Cleaners and Fluids: MSC offers a wide variety of biodegradable cleaners, degreasers, and cutting fluids to help maintain a healthy environment and assist in the prevention of ozone depletion. We have already identified categories of EcoLogo, Safer Choice and Green Seal with 3rd party certifications. We also have products that are LEED certified that are tracked, but not yet displayed on our website. Customers can contact the EC&S department for information on these products. Other items that may not be certified by a third party will the utilized icon pictured here.
- Rechargeable Products: Although some of our items do not carry a third party certification, they do provide a benefit through long-term use, greater power performance and recycling at end of life. These products are identified as Rechargeable and include items such as power tools, flashlights, and two-way radios powered by rechargeable batteries.
- Water Conservation: MSC has an extensive offering of plumbing fixtures and products that promote water conservation, such as motion activated faucets and low-flow fixtures. These products help reduce water waste, resulting in long-term cost savings. These items are identified with MSC's internal Water Conservation icon and may not have third party certification. However, if third party certification has been verified for the item the Customer will see both the Water Conservation icon and the third-party certification icon.
- Recycled Products: The purchase of recycled products helps to conserve natural resources and raw materials such as trees, water, electricity, and oil. MSC offers many products made from recycled materials, such as can liners, packaging, and various paper and plastic products. These items are identified with MSC's recycling icon shown here and may not have third party certification. However, if third-party certification has been verified for the item the Customer will see both the US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs) icon and the MSC recycling icon.



- Low Volatile Organic Compounds (VOC): Traditional paints and finishes release varying levels of harmful toxins into the air, resulting in possible exposure to VOCs. Environmental regulations in many states have prompted the development of low VOC products that are less harmful to the consumer and the environment. Each state can choose to participate in standards that are set by various organizations (i.e., Ozone Transport Commission (OTC), Lake Michigan Air Directors Consortium (LADCO) as well as establish their own regulations to limit VOC releases into the air. Additionally, individual counties and cities can also set acceptable levels for low VOC compliance. MSC identifies these items with a Low VOC icon and controls the sale of these products to only allow compliant products to be sold in the applicable jurisdiction.
- Lead Free: MSC has an extensive offering of lead-free products that meet the Federal Lead Law requirements for protecting drinking water. This Federal Law mandates that the wetted surface of every pipe, fixture and fitting sold for or installed in potable water applications not contain more than 0.25 percent lead.

  MSC has worked closely with the vendors of these products to confirm they have completed third-party certifications. In addition to lead-free products for drinking water, there are other items that MSC sells that are lead-free (wheel weights, solder, etc.).
- For a full listing of our EPP products, visit <a href="https://www.mscdirect.com/resources/eco-friendly-supplies">https://www.mscdirect.com/resources/eco-friendly-supplies</a> for more details of our program.
  - 6.2.2. Conformance with the terms of this RFP;
  - 6.2.2.1 Return Policy;

MSC conforms with these RFP requirements.

MSC maintains a 30-day return policy (from date of shipment). In order to return merchandise, customers must contact MSC at (800) 645-7270 to obtain a Return Authorization (RA) number. Returns will not be accepted without an RA number.

Returns should be sent back in the original packaging and condition to the original Customer Fulfillment Center with the RA number on the shipping label. An invoice copy or packing slip should also be included.

Any claims for discrepancies in shipment must be made within seven days of receipt of merchandise. C.O.D. returns will not be accepted. Shipping charges for returned items must be prepaid. A restocking charge may apply.

Please note that hazardous materials are not returnable. Customers will be required to inspect all hazardous materials deliveries prior to accepting the delivery. Unaccepted hazardous materials can be returned to MSC through the freight company that delivered the materials by not accepting the delivery. Once hazardous materials are accepted for delivery, MSC is unable to take these items back.

Additionally, altered or etched items cannot be returned. Custom cut-to-length products are considered final sales and may not be returned for credit. Unopened computer software can be returned for a credit, but will only be replaced if considered defective.

In an instance in which a defective item is identified by the customer, a replacement order will be entered immediately. The replacement will be subject to standard lead times if not stocked.

Some manufacturers may provide warranties beyond our 30-day policy. Please see the individual manufacturer for additional warranty information.



#### 6.2.2.2 Distribution points;

MSC conforms with these RFP requirements.

MSC operates five distribution centers located in Atlanta, GA; Columbus, OH; Elkhart, IN; Harrisburg, PA; and Reno, NV. We also maintain over 90 branches. Local contacts, including Branch and Outside Sales Associates, will be provided upon award.

MSC has been successfully partnering with NASPO ValuePoint for the last six years. We will continue to utilize our experienced Government Sales and State Team and Field Sales Resources to support the continued growth and expansion of this program. Our State Account Managers are familiar with the NASPO ValuePoint program and also each Participating State needs. Additionally, MSC will also make available State Business Development Managers to focus on new State and local government opportunities as well as higher education opportunities.

Our Call Centers staff approximately 1,100 dedicated Customer Service Representatives. When calling, NASPO ValuePoint users will reach a live Associate who can place an order, obtain product information, check a shipment, discuss a return, and more. Our Inside Sales Associates are able to inform customers on a real-time basis of the availability of a product, recommend substitute products, verify credit information, and arrange to provide technical assistance. We also maintain a staff of Certified Machine Tools Sales Engineers (CMTSE) who will assist in finding the best solution for each customer.

Additionally, local support will be provided by our Branch offices. Each of our Branch offices is staffed with trained and experienced Inside Sales Associates, Inside Sales Supervisors, Outside Sales Associates, Vendor Managed Inventory Specialists, and Branch Managers. Access to MSC's exceptional customer service is available at all our locations. MSC also has strategically located specialists (Customer Solutions Project Managers, Metalworking Specialists, and Machinery Specialists) to support special requests and best serve our customers' needs.

# 6.2.2.3 Delivery;

MSC conforms with these RFP requirements.

MSC can meet NASPO ValuePoint's 24- to 48-hour guaranteed delivery time for in-stock products within the 48 contiguous United States. Our Same-Day Shipping Guarantee maintains a 99% fill rate. If a qualified, in-stock order is placed by the 8 p.m. EST, national cut-off time, the order is guaranteed to ship the same day. The delivery timeframe is contingent upon the requirements of the MSC Same-Day Shipping Guarantee below.

# Same-Day Shipping Guarantee

MSC will guarantee same-day shipping if: 1) the order is received by MSC at one of our customer fulfillment centers (CFCs) before the applicable cut-off time on an operating business day, 2) the item is a national catalog item, and 3) the exclusions described below do not apply.

# **Next-Day Delivery Upgrade**

MSC will upgrade qualifying orders to Next-Day Air Saver at the customer's request (additional charges may apply). The Next-Day Delivery upgrade only applies to standard UPS Ground shipping orders, and does not apply to orders shipped via Freight Saver shipping method. Qualifying orders will be delivered on



the next regular business day, or on a weekend day for an additional charge. The upgrade will apply if: 1) the order is received by MSC at one of our customer fulfillment centers (CFCs) before the applicable cut-off time on an operating business day, 2) the item is a national catalog item, 3) the order is 20 pounds or less and is not too large to ship by air, 4) the order cannot be delivered to the customer the next day through our Ground Network, and 5) the exclusions described below do not apply.

#### **Exclusions**

Neither the Same-Day Shipping Guarantee nor the Next-Day Air Saver Upgrade cover: 1) orders to non-qualified customers or those outside of the continental U.S.; 2) orders for items that are not in stock; 3) orders for hazardous materials, machinery, or items that require customized lengths, set-up, or special packaging; 4) circumstances beyond MSC's control (for example, computer or electronic interruptions, strikes, natural disasters, severe weather conditions, war, or supplier manufacturing deficiencies); or 5) Freight Saver shipments; and 6) "less-than-truckload" (LTL) shipments, orders shipped by non-scheduled carriers, shipments from branch locations, replacement orders, vendor-managed inventory (VMI) orders, first orders for new accounts, direct ship items, or orders requiring credit review.

Note: Hazardous materials require special handling. Any item containing such materials may be subject to local, state, and federal regulations, which may delay or prohibit shipments. MSC makes no service level guarantees regarding such items.

# 6.2.2.4 Shipping;

MSC conforms with these RFP requirements.

MSC will deliver directly to the purchasing department/division address. All shipments will include Authorized Purchaser; Delivery Address; Purchasing entity and floor; Contact; and Telephone number. In addition, MSC will include a packing slip with the following information in no particular order: Line item description; Date ordered; Quantity ordered; Quantity included in shipment; Any backordered items; Unit Price and extension; Number of parcels; Purchase Order Number; Purchasing entity name; and F.O.B. Destination.

#### 6.2.2.5 Range of commodities offered;

MSC currently carries over 1,000,000 products from about 3,000 vendors. We also have access to thousands of additional industrial suppliers for special orders and sourcing. Our product line includes name-brand, exclusive-brand and generic products, and also represents a broad range of MRO products, such as:

- Safety/janitorial supplies
- Raw materials
- Measuring instruments
- Abrasives
- Tooling components
- Electrical supplies
- Metalworking products
- Machinery hand and power tools



- Power transmission
- Cutting tools
- Fasteners
- Plumbing supplies
- Flat stock
- Materials handling products

As part of our selection of approximately 1,000,000 in-stock products, MSC has an extensive exclusive brand offering in several categories, including: Cutting Tools, Work and Tool Holding, Abrasives, Hand Tools, Material handling, Safety, Janitorial, Fluid Power and several other areas. From high-performance products to serving maintenance level function, our exclusive brands are competitively priced, alternatives to industry-leading brands, and can generate significant cost savings for our customers.

If users request an unavailable product, our knowledgeable Associates will immediately search our 1,000,000 products to suggest a comparable alternative of equal or higher value. If it isn't available from our stock for same-day shipping, our sales team will source the product as quickly as possible, purchasing it when the user places the order. And if MSC is not a distributor for a particular product, we have the capability to procure the product by purchasing through an authorized distributor. We have also cross-referenced many of our products and brands with industry brands we do not offer so that we can provide users alternate choices of equal or higher value.

MSC can also source custom, built-to-specification parts upon request.

6.2.2.6 Scope of geographical coverage offered;

We currently service approximately 360,000 customers in all 50 states through our broad network of five domestic Customer Fulfillment Centers (CFCs) located regionally near Columbus, OH; Harrisburg, Pennsylvania; Atlanta, Georgia; Elkhart, Indiana; and Reno, Nevada and over 90 Branch offices.

6.2.2.7 Accurate and meaningful marking of green products in the on-line catalog when applicable;

MSC conforms with these RFP requirements.

MSC carries a line of certified products that meet standards of the Biodegradable Products Institute (BPI) (e.g., paper products). BPI verifies that certified products meet ASTM D6400 or D6868 testing standards to certify they will biodegrade in a managed compost facility. The green leaf icon is used to identify products that meet the standards of BPI.

MSC carries lamps that provide our customers with products to assist them in meeting energy efficiency standards and requirements. We are also evaluating potential consortiums to participate with to enhance our ability to accelerate the development and availability of products and services for energy efficient lamps. Products that aid in energy conservation are identified with the energy conservation icon.



MSC utilizes an icon to help identify Cradle-to-Cradle-approved products. Cradle-to-Cradle is a holistic economic, industrial and social framework that aims to improve efficiency and reduce waste.





MSC carries a line of certified products (e.g., GE) that meet standards for Design Lights Consortium. We also offer Energy Star certified products with the Energy Star icon. Under 'Lamps and Lighting' in our online catalog, customers may filter specifically for LED lighting products. LED products will display the Energy Star logo when applicable.

MSC carries numerous products that are qualified and / or certified under the EPA's Energy Star program. The icon provided will be visible to our customers for clear identification Energy Star, products. Energy Star-certified product lines may include, but are not limited to appliances, electronics, HVAC and lighting equipment, office equipment, etc.



MSC carries a line of Forest Stewardship Council-approved products. The provided icon ensures the products come from responsibly managed forests that provide environmental, social and economic benefits.



MSC carries a line of products that are certified to Green Seal standards, which contain performance, health, and sustainability criteria. The icon provided identifies products that have been approved and certified to meet Green Seal requirements.



MSC carries a line of paints and coatings certified to green standards. These standards may also be applied towards listings and certifications on MPI's approved list of products. We utilize an icon to identify any MPI products.



MSC carries products certified to NEMA standards. These include lighting, ballast, exit signs, and motor products that have been identified to help reduce energy consumption.. The icon provided identifies products that have been approved and certified to meet NEMA requirements.

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

MSC carries GreenGuard-certified products that aim to protect human health and improve quality of life by enhancing indoor air quality and reducing people's exposure to chemicals and other pollutants. The icon provided identifies products that have been approved and certified to meet GreenGuard requirements.



MSC carries ECOLOGO-certified products designed to reduce environmental impacts. ECOLOGO certified products meet or exceed multiple environmental performance standards. The icon provided identifies products that have been approved and certified to meet ECOLOGO requirements.



MSC carries USDA BioPreferred – Biobased products. These products reduce the nation's reliance on petroleum, increase the use of renewable agricultural resources, and contribute to reducing adverse environmental and health impacts. The icon provided identifies products that have been approved and certified to meet USDA BioPreferred – Biobased requirements.



MSC offers numerous products that meet USDA BioPreferred standards. USDA Organic certified products are not generally within scope of MSC product offerings, as MSC specializes in MRO solutions.

MSC carries EPA Safer Choice-certified products. The Safer Choice label enables our customers to quickly identify and choose products that can help protect the environment and are safer for families. The icon provided identifies products that have been approved and certified to meet EPA Safer Choice requirements.

MSC carries U.S. EPA WaterSense certified products. These products meet or exceed water efficiency and performance standards. The icon provided identifies

products that have been approved and certified to meet WaterSense requirements.

MSC offers products compliant to the RoHS directive, which may be easily identified on our webpage by the icon provided in this section. In addition to the icon, individual product specifications on our website may also note standards met, including RoHS compliance.

MSC's Environmental Compliance & Sustainability

Specs Number of Poles Cor Voltage 120 VAC @ 50 60 Hz 50 @ 440 VAC Amperage Action NOINC Auxiliary Contacts 122 Overall Height (mm) Overall Width (mm) 55 Overall Depth (min) 120 Bureau Veritas, CCC, CSA, CSA, C27,2 No., 14 DNV, EN/IEC 60947-4-1, EN/IEC 60947-5-1, G; GOST, LROS, RINA; ROHS Compliant, UL 500, UL Standards life!

Department (EC&S) maintains an inventory of RoHS compliance certifications obtained from suppliers, and regularly obtains RoHS certifications and additional product stewardship documentation for customers upon request. Our EC&S department may be contacted to verify items that do not have RoHS certification in the standards section or the icon.

MSC carries California SCAQMD-compliant products as designated by the provided icon. New environmental regulations in many states have prompted the development of low VOC paints and finishes that are less harmful to the consumer and the environment.



MSC utilizes a global recycling logo for recycled content and CPG items in our catalog/webpage offerings to assist in identifying items made from post- and pre-consumer Recycled Content. The icon provided identifies products meeting these requirements.

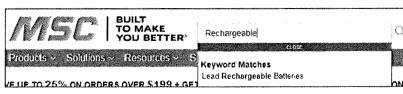


MSC carries many products that utilize rechargeable batteries. Rechargeable batteries are typically listed in the specifications section of all applicable product descriptions. MSC is considering creating a new identifier for batteries that are rechargeable which will improve visibility in our on-line catalog.



Additionally, MSC offers, at no cost, a take-back system for rechargeable batteries in applicable states.

Users can return these batteries at MSC participating branches (e.g., California, New York, Massachusetts, etc.). Drop-off locations can be found at www.call2recycle.org. Enter your



zip code to find the nearest drop off location to you.



MSC carries solar powered equipment (e.g., item numbers 40627127 and 40627119) identified by the Energy Conservation icon provided. Customers may search for solar products on our website by utilizing our keyword search feature available on our website.

In addition to the above outlined certifications, MSC also carries products with the following Environmentally Preferable Certifications:

Carpet and Rug Institute's (CRI's) initiatives help protect air quality and carpet's lifespan, and lead to smarter buying decisions on cleaners and equipment. CRI's Seal of Approval program identifies effective carpet cleaning solutions and equipment. CRI's Green Label or Green Label Plus program tests carpet, cushions and adhesives to help specifiers identify products with very low emissions of VOCs.

In addition to third-party certified products, MSC works with our suppliers to identify products that are environmentally responsible but may not have a formal certification. These products can reduce water and energy consumption, are made from pre- or post-consumer recycled content, contain low VOCs, and more. Descriptions of these other third-party certifications are described below:

- Green Cleaners and Fluids: MSC offers a wide variety of biodegradable cleaners, degreasers, and cutting fluids to help maintain a healthy environment and assist in the prevention of ozone depletion. We have already identified categories of EcoLogo, Safer Choice and Green Seal with 3rd party certifications. We also have products that are LEED certified that are tracked, but not yet displayed on our website. Customers can contact the EC&S department for information on these products. Other items that may not be certified by a third party will the utilized icon pictured here.
- Rechargeable Products: Although some of our items do not carry a third party certification, they do provide a benefit through long-term use, greater power performance and recycling at end of life.

  These products are identified as Rechargeable and include items such as power tools, flashlights, and two-way radios powered by rechargeable batteries.
- Water Conservation: MSC has an extensive offering of plumbing fixtures and products that promote water conservation, such as motion activated faucets and low-flow fixtures.

  These products help reduce water waste, resulting in long-term cost savings. These items are identified with MSC's internal Water Conservation icon and may not have third party certification. However, if third party certification has been verified for the item the Customer will see both the Water Conservation icon and the third-party certification icon.
- Recycled Products: The purchase of recycled products helps to conserve natural resources and raw materials such as trees, water, electricity, and oil. MSC offers many products made from recycled materials, such as can liners, packaging, and various paper and plastic products. These items are identified with MSC's recycling icon shown here and may not have third party certification. However, if third-party certification has been verified for the item the Customer will see both the US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs) icon and the MSC recycling icon.
- Low Volatile Organic Compounds (VOC): Traditional paints and finishes release varying levels of harmful toxins into the air, resulting in possible exposure to VOCs. Environmental regulations in many states have prompted the development of low VOC products that are less harmful to the consumer and the environment. Each state can choose to participate in standards that are set by various organizations (i.e., Ozone Transport Commission (OTC), Lake Michigan Air

Directors Consortium (LADCO) as well as establish their own regulations to limit VOC releases into the air. Additionally, individual counties and cities can also set acceptable levels for low VOC compliance. MSC identifies these items with a Low VOC icon and controls the sale of these products to only allow compliant products to be sold in the applicable jurisdiction.

Lead Free: MSC has an extensive offering of lead-free products that meet the Federal Lead Law requirements for protecting drinking water. This Federal Law mandates that the wetted surface of every pipe, fixture and fitting sold for or installed in potable water applications not contain more than 0.25 percent lead. MSC has worked closely with the vendors of these products to confirm they have completed third-party certifications. In addition to lead-free products for drinking water, there are other items that MSC sells that are lead-free (wheel weights, solder, etc.).

For a full listing of our EPP products, visit <a href="https://www.mscdirect.com/resources/eco-friendly-supplies">https://www.mscdirect.com/resources/eco-friendly-supplies</a> for more details of our program

- 6.2.3 Expertise and availability of key personnel;
- 6.2.3.1 Contract Management Retail Store/Will Call Availability;

MSC conforms with these RFP requirements.

MSC has more than 90 branch locations and five Customer Fulfillment Centers (see Attachment 2 MSC Branch Locations), all of which can provide Will Call service. Customers who wish to pick up from one of our branch locations can call to place an order. Our local associates will inform the purchasers when they can pick up the merchandise. MSC's policy is to have the customer sign packing slips, record their driver's license or company ID, and keep packing slip documents on file.

Our business strategy is to provide an integrated, lower cost solution to the NASPO ValuePoint Participating States. Our business model leverages our five giant Customer Fulfillment Centers and our outstanding logistics network that deliver your order at a 99% fill rate, virtually eliminating back orders. MSC believes that delivering your product directly to your member locations is the most effective way to get the job done. Our goal is to let our procurement system work for your members in order to provide the best overall procurement value.

Each of our five Customer Fulfillment and Call Centers is staffed with a full complement of Customer Service Representatives and Managers who are ready and able to take your orders. Our standard 800 phone number is routed fluidly within our call center network in order to provide seamless customer service support throughout the country.

Each of our branches is staffed with trained and experienced Inside Sales Associates and Inside Sales Supervisors, as well as trained and experienced Outside Sales Associates and Branch Managers. Each of the branches provides support for customers who prefer local support.

6.2.3.2 The favorability of the terms under which the offeror will do business;

MSC has read and understands all terms of the NASPO ValuePoint Master Agreement.

- 6.2.4. Demonstrated Competence;
- 6.2.4.1 Reporting Capabilities Disaster Recovery Plan;



MSC can meet all summary and detailed usage reporting requirements outlined in Section 7 of Attachment B NASPO ValuePoint Master Agreement.

MSC conforms with these RFP requirements.

Disaster Recovery Plan: MSC understands your concern that an emergency could potentially prevent us from providing you with needed products and services. For this reason, we developed a Disaster Contingency Plan that enables the business to continue services in the unlikely event that we experience problems with our computer systems, telecommunication systems, or warehouse/shipping capabilities. These plans have been designed and maintained to ensure timely recovery from a disaster.

- Emergency response orders due to natural disasters or threat of war that are sent to MSC during normal business hours will be shipped and delivered either the same day or the following day as specified. To meet the emergency demand requirements, MSC will maintain a designated point of contact that is available 24 hours a day, seven days a week.
- MSC has developed our own Emergency Preparedness program so we can take the worry out of the storm. From generators to flashlights, tarps to batteries, wet/dry vacuums to pumps, and first aid kits to water, MSC has everything you'll need to prepare for any emergency. MSC can help provide NASPO ValuePoint's Participating Members with free consultative services in order to help them prepare for natural disasters in order to minimize the damage during the storm, as well as to help them recover after the event.
- In the event of a natural disaster, MSC's State Account Managers will work with individual State Emergency Preparedness Offices to support and meet the needs of the states. MSC partners with State Emergency Management Departments before, during, and after emergencies occur.

Emergency Preparedness Corporate Support Task Force: A cross-functional team of corporate support personnel representing 22 departments meets before, during (when feasible), and after a crisis or natural disaster to support our customers, our teams, and our communities. Team members are "decision-makers" for their business units. Their mission is to protect company assets, which include our Associates, customer relationships, buildings, merchandise, data, and our brand. In addition, we also have extensive Emergency Preparedness checklists available in the Resources section of our website which States and Municipalities find valuable before, during, and after and events (e.g., Tornado, Hurricane & Severe Weather).

Telecommunications System Plan: The recovery time required in the event of a telephone system failure varies depending on the type of problem. A Telephone Systems team is responsible for identifying the affected area and re-routing the affected numbers to an alternate location within 30 minutes. The Technology Department is responsible for ensuring that the alternate site has the equipment and software required to properly handle phone calls and orders received from the affected location. We operate multiple Customer Service Centers located in separate geographical areas to ensure complete network diversity. These centers are equipped with state-of-the-art communications equipment and protected by an Uninterruptible Power Supply (UPS) system. The Customer Service Centers are also equipped with generators to power the facility in the event of an extended commercial power failure.

Distribution Contingency Plan: A Distribution Contingency team has been identified at our coheadquarters in Davidson, NC. This team addresses the potential dangers in the event of a catastrophic disaster that could damage a Customer Fulfillment Center to the extent that orders can no longer be shipped. The Distribution Contingency team will make arrangements through our computer system and



Customer Fulfillment Center operations to reroute customer shipments for the affected site to the nearest alternate location.

## 6.2.4.2 Web based ordering System;

MSC conforms with these RFP requirements. Please refer to 6.5.5. E-Commerce and Web Catalog Capabilities.

6.2.4.3 The number of available green environmentally preferable products that meet the solicitations specifications available, showing a robust supply of green products.

MSC conforms with these RFP requirements and has provided details in our response to question 6.5.3.4.

# 6.2.5. Reasonableness of pricing.

While the primary purpose of this solicitation is to select a offeror(s) who can offer the supplies for all Participating States, offerors are permitted to submit a proposal on more limited geographical areas, however, not less than one entire Participating State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all Participating States. However, if a Offeror elects to submit a Proposal for a single State then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the contract or any renewals.

A Participating State may evaluate and select an offeror for award in more limited geographical areas (e.g. A single state) where judged to be in the best interests of the State or States involved. Administration of any such award(s) will be done by the Participating State(s) involved unless the awarded contract includes the Lead State in its geographical area.

Participating States, and Purchasing Entities reserve the right to competitively solicit for additional sources for commodities during the contract term, where deemed to be in the best interests of the State(s) or entities involved. Further, Participating States may have existing awards for commodities within the scope of this solicitation.

Any Participating State reserves the right to award partial commodity categories or not participate in the award if deemed to not be in the best interests of that Participating State.

All pricing listed shall be ceiling prices with the option for Participating States to negotiate more favorable discounts for large orders.

Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

Products may be changed with thirty (30) day notice every six (6) months after initial term.

The Participating States and Purchasing Entities reserve the right to update product specifications based on changes in regulations, in addition to third party certification criteria.

The Participating State may elect to designate the resulting contracts as permissive, or mandatory.

MSC acknowledges and complies with the above requirements.

# 6.3. VOLUME DISCOUNTS

#### 6.3.1. General

Additional volume and other price discount options are encouraged, which can distinguish between individual order minimum quantities, cumulative volume discounts, and other discount terms that may be defined by the offeror. Extensions of additional discounts are not required but may be evaluated if offered.



In addition to the Market Basket and category discounts provide in Attachment D-1, MSC is also providing and another 15% discount off all catalog items. MSC will also tailor discount programs, including:

- Discounts on high-volume orders
- Special pricing agreements for key suppliers
- Additional discounts based on customer assessments

In addition to the standard Participating Addendum administrative fee language, MSC will offer a tiered "E-Commerce rebate incentive" to all states that utilize a statewide E-Commerce platform that is integrated with MSC. This rebate will be tabulated and paid annually after the one-year anniversary of the PA signing. The additional rebates will start at 1% and range up to 3% based on E-Commerce sales volume growth.

MSC is prepared to offer Cumulative Ordering Volume Discounts to NASPO ValuePoint. NASPO ValuePoint end users are encouraged to contact their MSC Representative or State Account Manager to request additional discounts on a quote-by-quote basis.

When dealing with large orders, NASPO ValuePoint end users are always encouraged to reach out to their MSC Representatives in order to discuss additional pricing discounts and incentives on a quote-by-quote basis.

Please refer to our Cost Proposal for discount and pricing language.

# 6.3.2. Cumulative Ordering Volume Discounts

The offeror is invited to identify additional percentage discounts if total cumulative ordering volumes (by all Purchasing Entities) exceed an amount specified by the offeror. If the volume of total orders exceeds that amount in any quarter, the offered discount will apply to future orders during the term of the award(s), as extended through option exercises.

See response to Question 6.3.1.

# 6.3.3. Additional Volume Discount for Minimum Order Quantity

The offeror is also invited to identify additional discounts for minimum order quantities. Purchasing Entities may consolidate purchases in order to take advantage of any volume discount extended by offeror for minimum orders, so long as a single delivery location at the discretion of the Purchasing Entity is specified.

See response to Question 6.3.1.

# 6.3.4. Minimum Orders

No minimum dollar or item count is allowed on orders from Authorized Purchasers. Participating States reserves the right to authorize a minimum via their Participating Addendums.

There are no minimum dollar or item count on orders.

#### 6.4. ESTIMATED PURCHASES

The total purchase of any individual item on the contract is not known. The Purchasing Division has attempted to give an accurate estimate of probable purchases of each item for the contract period. The



Purchasing Division does not guarantee that the Participating States will buy any or all estimated amounts of any specified item or any total amount.

MSC acknowledges the above statement.

# 6.5. SCOPE OF WORK

#### 6.5.1. Ordering Capabilities

Orders resulting from this contract will be placed directly with the Offeror by the individual Purchasing Entity. The offeror must have toll free telephone, fax numbers and email address for use by those entities located outside of the offeror's toll free area. The offeror will ship and bill as requested by the purchasing agency. The purchasing agency will remit payment directly to the offeror. As an example, there are approximately 1,000 possible separate delivery locations within the State of Nevada. The number of locations will vary by Participating States. Please supply your toll free telephone, facsimile number and email address.

In addition to the market basket items, Purchasing Entities will be allowed to order from a successful offeror's catalog(s) and website for delivery anywhere within the Participating States. NASPO ValuePoint requires internet catalogs.

In addition to a dedicated NASPO ValuePoint toII-free number, 888-MSC-9722, users will have access to all the required RFP ordering methods, including the following:

- Online via mscdirect.com
- eProcurement options (Punchout / Hosted Catalogs)
- ▼ Telephone: 800-645-7270
- Facsimile: 800-255-5067
- Email: nvp@mscdirect.com or cust_service@mscdirect.com.

All orders will be shipped and billed as requested by the purchasing agency, with all payments remitted directly to MSC.

NASPO ValuePoint Users from all Participating States will continue to have access to their electronic catalog and the MSC website, mscdirect.com.

MSC is fully capable of not only supplying all the Market Basket Items, but also supporting Purchasing Entities' needs outside of the Market Basket. We maintain approximately 1,000,000 in-stock, ready-to-ship SKUs from approximately 3,000 vendors.

All these items are available to order online through our Virtual Big Book at www.mscdirect.com, and Purchasing Entities will have access to contract pricing.

# 6.5.2. F.O.B. Destination

Prices for all items associated with this contract are to be FOB Destination anywhere within the Participating State or geographic area offered. Any exceptions to this provision must be clearly stated as an exception to this document.

MSC confirms that all contract-associated items will shipped F.O.B. Destination to all Participating States in the contiguous United States.

Please note that hazardous materials require special handling, are not service level guaranteed and may be subject to local, state and federal regulations which may delay or prohibit shipments. Hazardous materials will not be shipped to Alaska or Hawaii or exported outside of the contiguous United States.

# 6.5.3. On-line Ordering

6.5.3.1 Successful offeror shall provide Internet Catalogs for all agencies as described below.

On-line Catalogs available? __Yes __ No

Yes, MSC has online catalogs available. All Purchasing Entities will have access to our Virtual Big Book available online at www.mscdirect.com. Additionally, users will have access to approximately 1,000,000 searchable SKUs.

6.5.3.2 Provide a descriptive narrative for the type of internet catalog offered, and a URL link.

MSC was recently named B2B E-Commerce Player of the Year by *Internet Retailor Magazine*. The Annual Award recognizes 'excellent online purchasing experience' and was presented at the Internet Retailor Conference in June 2016.

Each Participating State will have customized landing pages, which include contract information, pricing and MSC contacts for the territory. Additionally, many States also maintain MSC Punchout Catalogs via various integration partners, including SciQuest, Ariba, Periscope, and more (e.g., Massachusetts and New Jersey). See Figure 1 for sample page.

Our user-friendly and easy-to-navigate website, mscdirect.com, gives NASPO ValuePoint end users full access to every product we have available, and allows NASPO ValuePoint to conveniently manage its entire



Figure 1: NASPO ValuePoint Landing Page

account online. Offering numerous time- and cost-saving tools, our website can help NASPO ValuePoint create an efficient and productive procurement environment. As the website shares the same highly trained sales and support services as our traditional business, NASPO ValuePoint is guaranteed the same level of superior customer service it expects from MSC.

Available 24 hours a day, seven days a week, mscdirect.com includes a wealth of features, such as:

- View of more than 1,000,000 products and information, including images, real-time inventory availability, item number, price, description, attributes, specifications, quantity in stock and/or available for pick-up, manufacturer, unit of measure, manufacturer number, and catalog page.
- Versatile search function search by keyword, part description, vendor part number, competitor part number, or brand. NASPO ValuePoint can also utilize a drill-down navigation for searching with attribute refinement.
- My Account manage your account, track shipments pay invoices, and view history. You can even opt to receive order confirmation and order shipped e-mails, along with invoice and other workflow-related e-mails.
- Big Book® browse our virtual Big Book catalog, along with our other catalogs.
- Customer and Vendor Managed Inventory (CMI/VMI) access your CMI and VMI solutions.
- View NASPO ValuePoint-specific pricing and also provide the ability to restrict what users can browse based on NASPO ValuePoint agreements.
- Workflow processes where NASPO ValuePoint can assign roles and spending limits for users within your company.
- Contact Customer Service Representatives via online chat, e-mail or toll-free telephone number.
- All orders are backed by our Same-Day Shipping Guarantee.

- Supports use of Procurement Cards as a payment mechanism.
- 6.5.3.3 Offerors must designate market basket items in their on-line catalogs for ease of ordering. What symbol or marking will you use to identify market basket items?

All NASPO ValuePoint contract items will be identified with the icon noted in Figure 2.

AValuePoint
Figure 2: Market Basket Identifier

6.5.3.4 Offerors shall designate all environmental preferable products (EPP) in their on-line catalogs. Describe the designation (symbol) that you will use to identify these EPP products.

MSC currently has identified more than 10,000 products considered "green," or as Environmentally Preferable Products (EPP), as well as other products designed to reduce energy consumption, conserve natural resources, and reduce costs. MSC is continually identifying and adding new EPP items to our inventory. Throughout our

in Figure 3.



adding new EPP items to our inventory. Throughout our Figure 3: EPP Icons & Search Functions catalog and website, green product alternatives are clearly identified in the product descriptions, as noted

In addition, when searching product lines on the MSC website, customers have the option to filter their search results for "Eco-Friendly", when applicable, as noted in Figure 3.

6.5.3.5 Offerors shall provide accurate and meaningful labeling of environmentally preferable products offered in the on-line catalog when applicable.

As noted in our response to 6.5.3.4, MSC identifies our EPP products by certification or requirement by icon. Section 6.5.3.6 outlines how we identify EPP products online.

- 6.5.3.6 Offerors shall explain or describe what they do to clearly identify in their online catalogs and on their shelves how they designate all environmentally preferable products (EPP) that have received any of the following appropriate 3d-party designation certifications:
- (1) Biodegradable Products Institute (compostable bags, food service ware);

MSC carries a line of certified products that meet standards of the Biodegradable Products Institute (BPI) (e.g., paper products). BPI verifies that certified products meet ASTM D6400 or D6868 testing standards to certify they will biodegrade in a managed compost facility. The green leaf icon is used to identify products that meet the standards of BPI.



(2) Consortium for Energy Efficiency (lamps);

MSC carries lamps that provide our customers with products to assist them in meeting energy efficiency standards and requirements. We are also evaluating potential consortiums to participate with to enhance our ability to accelerate the development and availability of products and services for energy efficient lamps. Products that aid in energy conservation are identified with the energy conservation icon.



(3) Cradle to Cradle (building materials, construction adhesives, etc.);

MSC utilizes an icon to help identify Cradle-to-Cradle-approved products. Cradle-to-Cradle is a holistic economic, industrial and social framework that aims to improve efficiency and reduce waste.



(4) Design Lights Consortium (LED lighting equipment);

MSC carries a line of certified products (e.g., GE) that meet standards for Design Lights Consortium. We also offer Energy Star certified products with the Energy Star icon. Under 'Lamps and Lighting' in our online catalog, customers may filter specifically for LED lighting products. LED products will display the Energy Star logo when applicable.

(5) ENERGY STAR (HVAC and lighting equipment);

MSC carries numerous products that are qualified and / or certified under the EPA's Energy Star program. The icon provided will be visible to our customers for clear identification Energy Star, products. Energy Star-certified product lines may include, but are not limited to appliances, electronics, HVAC and lighting equipment, office equipment, etc.



(6) Forest Stewardship Council (wood and paper products);

MSC carries a line of Forest Stewardship Council-approved products. The provided icon ensures the products come from responsibly managed forests that provide environmental, social and economic benefits.



(7) Green Seal (cleaners, hand soap, janitorial paper products, paint);

MSC carries a line of products that are certified to Green Seal standards, which contain performance, health, and sustainability criteria. The icon provided identifies products that have been approved and certified to meet Green Seal requirements.



(8) Master Painters Institute (MPI) Green Performance Standard (paints and coatings);

MSC carries a line of paints and coatings certified to green standards. These standards may also be applied towards listings and certifications on MPI's approved list of products. We utilize an icon to identify any MPI products.



(9) NEMA Premium Efficiency (motors, ballasts);

MSC carries products certified to NEMA standards. These include lighting, ballast, exit signs, and motor products that have been identified to help reduce energy consumption. The icon provided identifies products that have been approved and certified to meet NEMA requirements.

(10) Scientific Certification Systems (SCS) Indoor Advantage Gold (building materials, furniture);

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.



(11) Scientific Certification Systems (SCS) FloorScore (carpet, flooring, flooring adhesives, underlayment, etc.);

MSC carries products that are certified by SCS Global Services (SCS). SCS provides third-party environmental and sustainability certification, auditing, testing, and standards development. This multi-attribute certification program labels products that have met environmental, social and quality standards. The SCS certification label recognizes achievements in green building, product manufacturing, food and agriculture, forestry, retail, and more. The icon provided identifies products that have been approved and certified to meet SCS requirements.

(12) UL GREENGUARD (adhesives, flooring, insulation, sealants, etc.);

MSC carries GreenGuard-certified products that aim to protect human health and improve quality of life by enhancing indoor air quality and reducing people's exposure to chemicals and other pollutants. The icon provided identifies products that have been approved and certified to meet GreenGuard requirements.



(13) UL EcoLogo (cleaners, deodorizers, hand soaps and sanitizers, floor polish and strippers, etc.);

MSC carries ECOLOGO-certified products designed to reduce environmental impacts. ECOLOGO certified products meet or exceed multiple environmental performance standards. The icon provided identifies products that have been approved and certified to meet ECOLOGO requirements.



(14) USDA Biobased (lubricants, building materials, etc.);

MSC carries USDA BioPreferred – Biobased products. These products reduce the nation's reliance on petroleum, increase the use of renewable agricultural resources, and contribute to reducing adverse environmental and health impacts. The icon provided identifies products that have been approved and certified to meet USDA BioPreferred – Biobased requirements.



(15) USDA Organic;

MSC offers numerous products that meet USDA BioPreferred standards. USDA Organic certified products are not generally within scope of MSC product offerings, as MSC specializes in MRO solutions.

(16) US EPA Safer Choice (cleaners, hand soaps, deicers, floor maintenance chemicals);

MSC carries EPA Safer Choice-certified products. The Safer Choice label enables our customers to quickly identify and choose products that can help protect the environment and are safer for families. The icon provided identifies products that have been approved and certified to meet EPA Safer Choice requirements.



(17) WaterSense (water efficient fixtures, toilets, etc.); Offerors shall also explain or describe how products meet the following standards are clearly identified:

MSC carries U.S. EPA WaterSense certified products. These products meet or exceed water efficiency and performance standards. The icon provided identifies products that have been approved and certified to meet WaterSense requirements.



# (18) Restriction of Hazardous Substances (RoHS) Directive;

MSC offers products compliant to the RoHS directive, which may be easily identified on our webpage by the icon provided in this section. In addition to the icon, individual product specifications on our website may also note standards met, including RoHS compliance.

MSC's Environmental Compliance & Sustainability

Department (EC&S) maintains an inventory of RoHS compliance certifications obtained from suppliers, and regularly obtains RoHS certifications and additional

Specs Number of Poles Coll Voltage 128 VAC @ 50/60 Hz Amperage 50 @ 440 VAC Action NonReversible NO/NO Auxiliary Contacts Overall Height (mm) 122 55 Overall Width (mm) Overall Depth (mm) 120 Standards Met Bureau Ventas, CCC, CSA, CSA C22 2 No. 14 DNV, ENREC 60947-4-1, ENREC 60947-5-1, GL. GOST, LROS. RINA, ROHS COMPRIANT, UL 505, UL

product stewardship documentation for customers upon request. Our EC&S department may be contacted to verify items that do not have RoHS certification in the standards section or the icon.

(19 ) South Coast Air Quality Management District (SCAQMD) limits on volatile organic compounds (VOCs, which apply to adhesives, sealants, coatings, etc.)

MSC carries California SCAQMD-compliant products as designated by the provided icon. New environmental regulations in many states have prompted the development of low VOC paints and finishes that are less harmful to the consumer and the environment.



(20) US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs);

MSC utilizes a global recycling logo for recycled content and CPG items in our catalog/webpage offerings to assist in identifying items made from post- and pre-consumer Recycled Content. The icon provided identifies products meeting these requirements.



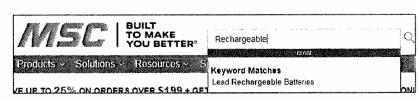
(21) Rechargeable Batteries; and

MSC carries many products that utilize rechargeable batteries. Rechargeable batteries are typically listed in the specifications section of all applicable product descriptions. MSC is considering creating a new identifier for batteries that are rechargeable which will improve visibility in our on-line catalog.



Additionally, MSC offers, at no cost, a take-back system for rechargeable batteries in applicable states.

Users can return these batteries at MSC participating branches (e.g., California, New York, Massachusetts, etc.). Drop-off locations can be found at www.call2recycle.org. Enter your



zip code to find the nearest drop off location to you.

(22) Solar Powered Equipment.

MSC carries solar powered equipment (e.g., item numbers 40627127 and 40627119) identified by the Energy Conservation icon provided. Customers may search for solar products on our website by utilizing our keyword search feature available on our website.



Offerors may suggest other 3rd party certifications as applicable and include a description.

In addition, offer shall describe the designation (symbol) that you will use to identify these EPP products provided, including the certification or standard that it meets, and where a buyer would find clarification on the website about what the designation means.

In addition to the above outlined certifications, MSC also carries products with the following Environmentally Preferable Certifications:

Carpet and Rug Institute's (CRI's) initiatives help protect air quality and carpet's lifespan, and lead to smarter buying decisions on cleaners and equipment. CRI's Seal of Approval program identifies effective carpet cleaning solutions and equipment. CRI's Green Label or Green Label Plus program tests carpet, cushions and adhesives to help specifiers identify products with very low emissions of VOCs.

In addition to third-party certified products, MSC works with our suppliers to identify products that are environmentally responsible but may not have a formal certification. These products can reduce water and energy consumption, are made from pre- or post-consumer recycled content, contain low VOCs, and more. Descriptions of these other third-party certifications are described below:

- Green Cleaners and Fluids: MSC offers a wide variety of biodegradable cleaners, degreasers, and cutting fluids to help maintain a healthy environment and assist in the prevention of ozone depletion. We have already identified categories of EcoLogo, Safer Choice and Green Seal with 3rd party certifications. We also have products that are LEED certified that are tracked, but not yet displayed on our website. Customers can contact the EC&S department for information on these products. Other items that may not be certified by a third party will the utilized icon pictured here.
- Rechargeable Products: Although some of our items do not carry a third party certification, they do provide a benefit through long-term use, greater power performance and recycling at end of life.

  These products are identified as Rechargeable and include items such as power tools, flashlights, and two-way radios powered by rechargeable batteries.
- Water Conservation: MSC has an extensive offering of plumbing fixtures and products that promote water conservation, such as motion activated faucets and low-flow fixtures. These products help reduce water waste, resulting in long-term cost savings. These items are identified with MSC's internal Water Conservation icon and may not have third party certification. However, if third party certification has been verified for the item the Customer will see both the Water Conservation icon and the third-party certification icon.
- Recycled Products: The purchase of recycled products helps to conserve natural resources and raw materials such as trees, water, electricity, and oil. MSC offers many products made from recycled materials, such as can liners, packaging, and various paper and plastic products. These items are identified with MSC's recycling icon shown here and may not have third party certification. However, if third-party certification has been verified for the item the Customer will see both the US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs) icon and the MSC recycling icon.
- Low Volatile Organic Compounds (VOC): Traditional paints and finishes release varying levels of harmful toxins into the air, resulting in possible exposure to VOCs. Environmental regulations in many states have prompted the development of low VOC products that are less harmful to the consumer and the environment. Each state can choose to participate in standards that are set by various organizations (i.e., Ozone Transport Commission (OTC), Lake Michigan Air

Directors Consortium (LADCO) as well as establish their own regulations to limit VOC releases into the air. Additionally, individual counties and cities can also set acceptable levels for low VOC compliance. MSC identifies these items with a Low VOC icon and controls the sale of these products to only allow compliant products to be sold in the applicable jurisdiction.

- Lead Free: MSC has an extensive offering of lead-free products that meet the Federal Lead Law requirements for protecting drinking water. This Federal Law mandates that the wetted surface of every pipe, fixture and fitting sold for or installed in potable water applications not contain more than 0.25 percent lead. MSC has worked closely with the vendors of these products to confirm they have completed third-party certifications. In addition to lead-free products for drinking water, there are other items that MSC sells that are lead-free (wheel weights, solder, etc.).
- For a full listing of our EPP products, visit <a href="https://www.mscdirect.com/resources/eco-friendly-supplies">https://www.mscdirect.com/resources/eco-friendly-supplies</a> for more details of our program.

#### 6.5.4. E-commerce description

The successful offeror shall have a proven record of E Commerce capabilities, with the technology and support personnel to provide content deployment or punch out access to their online catalog, for the purpose of supporting the purchasing web sites of the Participating States. Provide a clear narrative addressing the statement above. Integration of a punch out site is required per Section 9d of the NASPO ValuePoint eMarket Center Section of Attachment B, NASPO ValuePoint Master Agreement Terms and Conditions.

For over six years, MSC has successfully supported NASPO ValuePoint end-users through our extensive ecommerce capabilities. MSC will continue to provide updated landing pages for Participating States which include contract information, pricing and MSC contacts for the territory. Additionally, many States also maintain MSC Punchout Catalogs via various integration partners, including SciQuest, Ariba, Periscope, and more (e.g., Massachusetts and New Jersey). Please see our response to Section 6.5.5 E-Commerce and Web Catalog Capabilities for a full description of our offerings.

# 6.5.5. E- Commerce and Web Catalog Capabilities

(1) Multiple search options from narrow options to specific search criteria;

Accessible from any computer with an Internet connection, www.mscdirect.com features an extremely versatile search function. See Figure 4. Suggestions will appear as user's type in terms, and Purchasing Entities may also search by entering any of the following:

- Keyword
- MSC Part Number
- Manufacturer Part Number

- Customer Part Number
- Competitor Part Number
- NSN Numbers
- UPC Numbers
- Brand

Our web site also offers a 24-month rolling history with the ability to search for past orders by Purchase Order Number, Buyer, Ship-To Location, and Date.

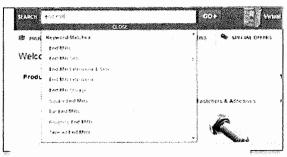


Figure 4: Search Features

# (2) Display contract pricing;

When Purchasing Entities log in utilizing their account credentials, they will have access to all contract pricing and discounts. Additionally, the NASPO ValuePoint icon will appear with all relevant Market Basket items as noted in Figure 5.

# AValuePoin Figure 5: Market Basket Identifier

# (3) Have workflow management controls;

MSC can assist in streamlining NASPO ValuePoint user processes through the utilization of our workflow management tools featured on our website as noted in Figure 6.

Once NASPO ValuePoint users log into their accounts online, they will have access to NASPO ValuePoint-specific pricing and discounts. Additionally, mscdirect.com allows NASPO ValuePoint users to identify cost centers. NASPO ValuePoint users can individually code each item within an order for reporting purposes. Items can be allocated to departments, cost centers, general ledger accounts, people, job names, job numbers, etc.

We can also provide NASPO ValuePoint end users with the functionality to establish roles and spending limits for users. NASPO ValuePoint can create and manage workflow processes, where user roles and spending limits can be assigned on the MSC website so that NASPO ValuePoint's users can be assigned the appropriate purchasing levels according to the agreement.

Our website, mscdirect.com, can support four levels of hierarchy:

- Administrator: The Administrator has the authority to assign and/or reassign other registered users to their applicable roles and set per-order spending limits if so desired. The Administrator has full authority to browse and place orders. Multiple Administrators may exist within each Purchasing Entity.
- Buyer: Buyers have full authority to browse and place orders. Buyers may be assigned multiple Supervisors and/or Requisitioners.
- Supervisor: Supervisors have the authority to receive shopping carts from Requisitioners and forward the approved cart to their Buyer,

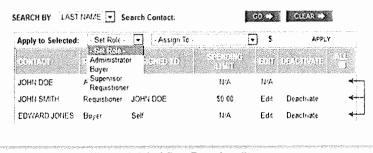


Figure 6: Workflow Functionality

or check out if it is within their authority. The Supervisor role is an optional approval step in the process between the Requisitioner and the Buyer.

Requisitioner: Requisitioners have the authority to browse, fill a shopping cart, and "send" it to their respective Buyer or Supervisor, or place the order if it falls within the spending limit established by the Administrator. The Buyer or Supervisor will then be sent an e-mail stating either that the Requisitioner has placed an order within their authority, or that a shopping cart has been sent to him/her from the Requisitioner.

For instance, NASPO ValuePoint can permit certain users to requisition products, but the final approval by the authorized designee must be provided before the order is finally submitted online. The approver would be notified via e-mail when the order is ready. If the assigned Buyer rejects a pending order, he or she would have an option to select "reject reason." Assigned Buyers can also reassign a pending order using the "Reassign" function. An e-mail notification of a reassigned order would then be sent to the Supervisor, Buyer, or Administrator (selected from the dropdown menu).

## (4) On-line ordering capability;

Our user-friendly and easy-to-navigate website, mscdirect.com, gives NASPO ValuePoint users full access to every product we have available, and allows NASPO ValuePoint users to conveniently manage their entire accounts online.

Available 24 hours a day, seven days a week, mscdirect.com includes a robust suite of features to make the ordering process as easy as possible, and allows for users to have complete self-service control of their accounts. They can access pricing, see real-time availability of approximately 1 million items available online and in our Big Book, place orders, track packages, and obtain technical data, such as SDS sheets. After orders have shipped, users can view copies of the invoice and print them for convenience. MSC also features our Express Check-Out feature for added efficiency and time savings.

Offering numerous time- and cost-saving tools, our website can help NASPO ValuePoint create an efficient and productive procurement environment. And as the website shares the same highly trained sales and support services as our traditional business, NASPO ValuePoint is guaranteed the same level of superior customer service it expects from MSC.

#### (5) Order status and order tracking capabilities;

NASPO ValuePoint users will be able to check order status and track their orders using a variety of methods, including calling the local Branch and/or Sales Associate; contacting a Call Center, or visiting mscdirect.com. We communicate order status, including tracking and back-order information through several methods:

- Order Confirmation: NASPO ValuePoint users can either request an e-mail be sent by MSC confirming the order, or users can view their order status online at mscdirect.com.
- Notice of Back Order: Back order information for online orders is available immediately as a result of real-time inventory information. Orders placed over the phone will also include instantaneous feedback on stock availability from the MSC Associate. Any orders that are faxed or sent via other electronic platforms will receive an e-mail notification or phone call as soon as the back order situation is identified.
- Shipping Notifications / Tracking: Users may call to track any order shipped via UPS or FedEx, or log on to mscdirect.com for real-time UPS package tracking. If delivery of an order is delayed or incomplete, MSC will call each of our affected customers, advising them of the delay and when the shipment will actually arrive.



Substitutions: MSC does not automatically send a customer a substitute item if the original item is unavailable. If we cannot ship the item the customer originally wanted, we would contact the customer and provide alternate item suggestions that would meet his/her needs and then let him/her decide accordingly.

# (6) Order history;

MSC provides order history reports for self-auditing purposes. See Figure 7. These reports are available

by utilizing the My
Account page function
on our website. A
history of recent
orders will appear,
enabling NASPO
ValuePoint users to
quickly find items
previously purchased,
track shipments, or
reprint invoices. Users
can search orders
placed in the past

MY ACCOUNT HOME Order History № 67 00 stit. 1 Sty Profile + 13, Evelerences + Order History (60) Search: · Daving Information Show miders from any Emporthe Types (Lyears • Shinging Addresses MY SHOPPING DETIONS WHE SELECT TO THE 10/14/00 11 e. 6000064.5 • Manage Cart. (CRSSR/basse) wite officer to said \$174.50 12.1400.01 0.4900356 196597 10774 \$100.52 · D. Listait, 12/22/2011 7, 840000 OUR DESCRIPTION OF 19009 b1:160012 IS PRODUCED! 68 0 DROUGH 01 10 10 11 386 86 Fillem History all parks of the MY BUSINESS SOLUTIONS

Figure 7: Order History

year using order number,

purchase order number, or packing slip number.

Additionally, order history may be obtained by calling any of our Call Centers, local Branches, or Outside Sales Associates.

(7) Allow users to develop personal lists and profiles, and a secure means for storing procurement card information:

Once Users login to the secure site, users can streamline the procurement process using Lists for repeat buys. With one central location for all of User Lists, this section makes it very easy to find your frequently purchased items. See Figure 8. Additionally, users may add items to their lists from the item description page. See Figure 9.

"My Profile" and "My Preferences" allow users to modify account information, including phone number, e-mail address, and password. Users may also set change notification preferences to control the e-mail communications received, set up checkout preferences for a more expeditious checkout process, and manage e-mail notifications for orders.

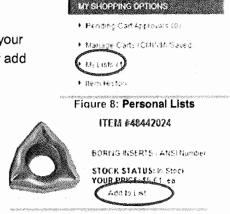


Figure 9: Add to Your Personal Lists

Users can securely store Procurement Card Information under the "Billing Information" section of our website, and set default billing address and card information.

(8) Online help to use site should be available at minimum during normal work hours.

MSC's exceptional customer service will be available to NASPO ValuePoint users in a variety of ways:

- For all web and e-commerce questions, users can call (800) 753-7970. Representatives are available Monday through Friday, 7 a.m. to 10 p.m. EST.
- NASPO ValuePoint users can also utilize the "Chat" function on the web during the above-mentioned business hours.
- For general Customer Service, users can contact the dedicated NASPO ValuePoint team at (888) MSC-9722, or call any of our Call Centers at (800) 645-7270. Our Call Centers are available Monday through Friday, 7 a.m. to 11 p.m. EST, and Saturday, 8 a.m. to 5 p.m. EST.
- Users can email MSC at nvp@mscdirect.com or cust_service@mscdirect.com and receive assistance within 24 hours.
- Additionally, our local branch offices are typically open Monday through Friday, 8 a.m. to 5 p.m. local time, but hours may vary.
- (9) Technical data, illustrations, Material Safety Data Sheets, parts availability, and access to web-based product sourcing is required;

MSC item details support all these requirements. A complete list of technical and manufacturer specifications is featured in an easy-to-read chart format. All item availability is displayed in real time. For items with Safety Data Sheets (SDS), an icon is featured where users can view and print SDS documents. See Figure 10.

If users are unable to find the SDS they are looking for, they may contact the MSC Environmental Safety & Health (ES&H) helpline at 1-800-753-7927, Monday through Friday, 7am-11pm, EST, and Saturday 8am-5pm, EST. Users may also call our 24-hour SDS hotline at 1-866-910-0719 for assistance.



Figure 10: SDS Icon

Additionally, our website also has a quote feature for sourcing needs.

(10) Allow viewers to view on line Offeror's product availability by location;

All inventory on our website is displayed in real-time so users will immediately be aware of stock availability. Orders will ship from the MSC Customer Fulfillment Center with the available product. If a qualified, in-stock order is placed by the 8 p.m., EST, national cut-off time, the order is guaranteed to ship the same day. Our Same Day Shipping Guarantee maintains a 99% fill rate.

(11) Ability to block certain items or categories.

MSC has the capability to block certain items and categories, and for the last six years, has been providing this functionality to Participating States.

(12 ) Ability to accept "P-Card" payments.

MSC currently partners with MasterCard®, Visa®, and American Express®, and we provide Level I, II, and III line item detail reporting for transactions. Please refer to Section 6.5.8.2 for more details regarding our capabilities.

(13) Web-based Catalog available?

X Yes No

(14) Contract pricing available on line?

<u>X</u> Yes No
(15)Online workflow management?
<u>X</u> Yes No
(16)Order Status/Tracking Online?
<u>X</u> Yes No
(17) Order History?
<u>X</u> Yes No
(18) Personal Lists?
<u>X</u> Yes No
(19) Online Availability?
<u>X</u> Yes No

(20) What are you doing to ensure that your EPP products are properly identified and labeled in your Catalogs?

As noted in our response to Section 6.5.3.4, MSC identifies our EPP products by certification or requirement by icon.

MSC's Environmental Compliance and Sustainability (EC&S) department maintains a Green Item Review process, allowing us to enhance our green product offering. We have developed a comprehensive form to collect third-party certifications of green attributes from our suppliers. The supplier completion of the form assists MSC with meeting Sustainability and Environmentally Preferred Purchasing standards that both MSC and our Customers wish to achieve.

Our EC&S department then reviews all supplier information to confirm environmentally preferred attributes and third-party certifications.

These certifications help to identify the categories and icons that a customer can view on the MSC webpage for easy selection of these products.

Section 6.5.3.6 outlines how we identify EPP products online.

(21) Offeror is able to highlight EPP products either through prioritizing the EPP products in the online catalog, or by offering to substitute conventional with greener products?

_X_ Yes __ No

6.5.6. Storage of Electronic Data

6.5.6.1 Describe in detail how the electronic information for each Participating State shall be stored.

MSC encrypts all sensitive data while in transit or at rest. MSC utilizes TLS for in-transit encryption and AES256 for all at-rest encryption.

MSC's ERP system stores all customer and transaction information in a single database. Standard database access techniques are utilized to ensure that the correct information is being processed for the correct customers. At no time does any customer have access to any other customer's information.

Once a user logs in to the MSC website, the same data access techniques are used to restrict the customer specific information to only that information that belongs to the logged-in customer.

6.5.6.2 Do you have a dual system as a backup in the unlikely event that the main information storehouse becomes unusable?

The primary MSC computing environment is located in a third-party Tier 2+ Data Center. This data center has redundant critical power and cooling components to provide select maintenance opportunities and an increased margin of safety against business disruptions that would result from site infrastructure equipment failures. The redundant components include power and cooling equipment such as UPS modules, chillers or pumps, and engine generators. In the unlikely event of a disaster at this facility, MSC also has a redundant data center approximately 1,000 miles away from the primary site that is synchronized in near-real-time, and would be activated to maintain business operations. This redundant solution is tested at least once a year.

6.5.6.3 Provide a general description of security protocol including storage of data, ordering security and data file security.

MSC has implemented many advanced technologies and industry best practices to safeguard our own systems, and the information of our customers and suppliers against a wide variety of cybersecurity threats.

Our cybersecurity processes and capabilities cover threat prevention, detection, response, and remediation. A robust cybersecurity training and awareness campaign, two-factor authentication for external network access, state-of-the-art firewalls, web application firewalls, tokenization, and encryption of sensitive data are just a few of the security measures we have in place.

Authentication to any MSC technology resource requires a unique user ID and complex password. Current policies require passwords to expire and be changed quarterly. The level of access to the systems is reviewed on an annual basis and is governed by the role of the user in the organization. Critical systems such as order entry are audited annually.

The above technologies are architected and configured in a layered security and risk-based manner. Our security posture is constantly monitored both internally and externally by independent third parties. BitSight, a cybersecurity performance benchmarking firm, has assessed MSC with a score of 800, which is near the top of its scale and is higher than our industrial distribution peers' scores. This score is the cybersecurity equivalent of FICO for credit bureaus.

Since the nature of cybersecurity is constantly evolving, we also take proactive measures to improve our security by testing our own technology, processes, and procedures with annual, blind, third-party penetration testing to nation and state attack standards.

Lastly, our entire security program is governed by a senior executive review committee with Board-level oversight.

### 6.5.7. Catalogs

The successful offeror must provide paper and/or computer media catalogs to all agencies upon request for the duration of this contract. Offeror to explain if catalog identifies environmentally preferable products with associated EPP certifications.

Depending upon agency needs, MSC can easily provide a hard copy of our Big Book catalog and / or a link to our Big Book online.

As noted in our response to Section 6.5.3.4, MSC identifies our EPP products by third-party certification or EPP attribute by icon. Section 6.5.3.6 outlines how we identify EPP products online

#### 6.5.8. Procurement Card Policy

6.5.8.1 The successful offeror must offer the capability to accept procurement cards as an acceptable form of payment. Level III reporting is preferred.

**Procurement Cards Accepted?** 

6.5.8.2 Explain in detail your reporting capabilities for procurement card transactions.

MSC currently partners with MasterCard®, Visa®, and American Express®, and we provide Level I, II, and III line item detail reporting for transactions:

- Level I: Standard credit card information similar to a consumer card statement, with date, amount, commodity type, and establishment.
- Level II: In addition to Level I information, Level II adds sales tax amount, accounting cost center or card member reference number, supplier TIN (Tax Identification Number), and 1099 status.
- Level III: Adds item quantities, unit of measure, part numbers and description, and ship-to zip codes.

As a Level III supplier, MSC delivers enhanced data, such as cost center/project coding, item quantity, unit of measure, MSC item number and description, sales taxes paid, and ship-to zip code to customer bank so that the customer organization gets the purchasing reports needed to manage unplanned buys. And, MSC automatically provides a faxed/e-mailed price receipt with every P-card order for month-end credit card statement reconciliation.

### 6.5.9. Forced Substitutions

6.5.9.1 Forced substitutions are not allowed. If an ordered item is out of stock, the Offeror must notify the purchasing entity for prior approval before substituting for the out of stock item. Explain your methodology for items that are discontinued or out of stock. This must include your substitution policy.

Please see our response to 6.5.9.2 below for a detailed explanation of our notification process for discontinued and out-of-stock items.

6.5.9.2 Explain how you will notify customers about out of stock items and how you will provide information about how the substituted product compares with the product that is out of stock.

As a result of real-time inventory information, stock availability and back order information for online orders is immediately available. Orders placed over the phone will also include instantaneous feedback on stock availability from the MSC Associate. Any orders that are faxed or sent via other electronic platforms will receive an e-mail notification or phone call as soon as the back-order situation is determined.

MSC customer service or sales representatives would advise users of a product discontinuation at the time of order. If we discontinue the item from our catalog, but still have a relationship with the manufacturer, we can still get the item for the user. However, the product may not ship from our inventory. We can suggest substitutions of equal or better value that can ship the next day. If the manufacturer discontinues an item, we will do our best to find a replacement product from the vendor or provide an alternative choice.

In the event a supplier is planning to discontinue an item from our catalog, MSC requires that the vendor support our needs until the publishing of the new catalog. We would then remove the item from the catalog and insert a substitution wherever possible. Notes would be entered into our system so that Sales Associates can communicate these changes to our customers when the product is ordered. Sometimes the supplier / manufacturer discontinuing the item is not willing to manufacture the item for the life of MSC's current catalog. In these instances, we would work with them to identify an immediate replacement or a similar item from one of our more than 1 million products.

MSC does not automatically send a customer a substitute item if the original item is unavailable. If we cannot ship the item the customer originally wanted, we will contact the customer and provide an alternate item suggestion that will meet the need and then let them decide accordingly.

### 6.5.10. Customer Service Representatives

6.5.10.1 Offerors shall provide each authorized purchaser with customer service representatives assigned to handle questions and resolve all problems that arise.

MSC will provide a dedicated, toll-free telephone number for NASPO ValuePoint users. Additionally, users will be able to contact our Call Centers or E-commerce representatives. As our knowledgeable Branch Sales Associates and customer service representatives can receive orders, provide real-time inventory status, recommend product alternatives, arrange or provide technical support, cross reference items, source items and much more, a majority of calls are resolved upon first contact. Additionally, we have a technical and metalworking support team available to answer any additional questions that may arise.

6.5.10.2 Service representatives shall be available, at a minimum, from 8:00 am to 5:00 pm in EACH time zone, Monday through Friday. Service representatives shall be available by phone (via local or toll free number), fax, or email during the required times for each participating state.

NASPO ValuePoint users may contact a customer service representative at (888) MSC-9722, or via our general toll-free number at (800) 645-7270. Our Call Centers are available Monday through Friday, 7 a.m. to 11 p.m., EST, and Saturday, 8 a.m. to 5 p.m., EST. Our national branch offices are open Monday through Friday, 8 a.m. to 5 p.m., local time. Our website, mscdirect.com, and our fax number, (800) 255-5067, are also available 24 hours a day, seven days a week.

6.5.10.3 This solicitation is for all States and all time zones. Describe how you will manage the servicing of the contract for each time zone.

Our system allows for calls / faxes to be routed based upon geographical area and time zone.

Call Centers are available Monday through Friday, 7 a.m. to 11 p.m., EST, and Saturday, 8 a.m. to 5 p.m., EST. Our national branch offices are open Monday through Friday, 8 a.m. to 5 p.m., local time. Our website, mscdirect.com, and our fax number, (800) 255-5067, are also available 24 hours a day, seven days a week.



In addition to the NASPO ValuePoint toll-free number, MSC will create dedicated NASPO ValuePoint email which will enable NASPO ValuePoint users to reach out directly to MSC with questions and inquiries.

MSC utilizes a "one call does it all" philosophy when it comes to customer service. With a phone call, users will reach a live Associate at one of our Call Centers who can place orders, obtain product information, check shipments, discuss returns, and more. Our Inside Sales Associates are able to inform customers on a real-time basis of the availability of a product, recommend substitute products, verify credit information, and arrange to provide technical assistance. We also maintain a staff of Certified Machine Tools Sales Engineers (CMTSE) who will assist in finding the best solution for each customer.

This exceptional level of customer service is also available at our local Branch offices.

6.5.10.4 Provide an Emergency number and contact for afterhours use.

Upon award, MSC will provide a list of emergency contacts.

6.5.10.5 All service representatives shall have online access to account information and provide a timely response to inquiries concerning the status of orders (shipped or pending), delivery information, backorder information, contract pricing, category discounts, product availability, product information, account and billing questions, and contract compliance requirements.

MSC's integrated information systems allow for the centralized management of key functions, including communication among our Customer Fulfillment Center, inventory and accounts receivable management, purchasing, pricing, and all other program information. As all NASPO ValuePoint-specific program information will be loaded into our integrated system, all information, including pricing and discounts, will be available enterprise-wide regardless of method or location of order.

When a user places a call to MSC, the Customer Service Associate taking the call has immediate access to the user's program and specific buyer profile, as well as inventory levels by distribution centers on all SKUs offered by MSC. The user's profile includes historical and current billing information, and historical purchasing information.

MSC's Customer Service representatives are able to inform users on a real-time basis of the availability of a product, recommend substitute products, verify credit information, receive special customer or manufacturer direct orders, cross-check inventory items using customer product codes previously entered into our information systems, and arrange technical assistance.

6.5.10.6 Describe in detail the process that shall be used to ensure adequate service representatives will be available.

MSC has been successfully partnering with NASPO ValuePoint for the last six years. We will continue to utilize our experienced Government Sales Team and Field Sales Resources to support the continued growth and expansion of this program.

Currently, MSC employs more than 1,900 field sales representatives and over 1,100 in-bound sales representatives.

Each of our five Customer Fulfillment and Call Centers is more than adequately staffed with both Customer Service Representatives and Managers who are ready and able to take all NASPO ValuePoint user orders. Our standard toll-free phone number and the NASPO ValuePoint dedicated number are routed fluidly within our call center network in order to provide seamless customer service support across the country.



Each of our over 90 Branches is staffed with both trained and experienced Inside Sales Associates and Inside Sales Supervisors, as well as trained and experienced Outside Sales Associates and Branch Managers. Each of the branches provides support for customers who prefer local support.

The NASPO ValuePoint/MSC team will provide training to all MSC service representatives in a phased process based on the execution of participation addendums. The MSC NASPO ValuePoint State Account Managers will engage the salesforce and conduct training with specific sales teams.

The appropriate sales resources will become engaged as Implementation Strategy is deployed by the MSC NASPO ValuePoint Program Manager. At this juncture, our website will immediately begin to leverage NASPO ValuePoint contract pricing, Same Day Shipping, and other cost saving initiatives.

Concurrently, the MSC NASPO ValuePoint State Account Management team will strategically launch the deployment of more than 1,100 geographically appropriate sales associates. This level of engagement by MSC's dedicated NASPO ValuePoint team will ensure the successful launch of the NASPO ValuePoint program. MSC NASPO ValuePoint Program Managers will have direct alignment with State directors supporting execution actions in addition to weekly or monthly feedback.

The MSC NASPO ValuePoint State Account Managers will have quarterly business review meetings with NASPO ValuePoint State participating contract managers to review sales data, engagement activities, and overall best demonstrated practices.

### 6.6. ADMINISTRATION AND MARKETING

# 6.6.1. Return Policy

What is your standard return policy?

MSC maintains a 30-day return policy (from date of shipment). In order to return merchandise, customers must contact MSC at (800) 645-7270 to obtain a Return Authorization (RA) number. Returns will not be accepted without an RA number.

Returns should be sent back in the original packaging and condition to the original Customer Fulfillment Center with the RA number on the shipping label. An invoice copy or packing slip should also be included.

Any claims for discrepancies in shipment must be made within seven days of receipt of merchandise. C.O.D. returns will not be accepted. Shipping charges for returned items must be prepaid. A restocking charge may apply.

Please note that hazardous materials are not returnable. Customers will be required to inspect all hazardous materials deliveries prior to accepting the delivery. Unaccepted hazardous materials can be returned to MSC through the freight company that delivered the materials by not accepting the delivery. Once hazardous materials are accepted for delivery, MSC is unable to take these items back.

Additionally, altered or etched items cannot be returned. Custom cut-to-length products are considered final sales and may not be returned for credit. Unopened computer software can be returned for a credit, but will only be replaced if considered defective.

In an instance in which a defective item is identified by the customer, a replacement order will be entered immediately. The replacement will be subject to standard lead times if not stocked.



Some manufacturers may provide warranties beyond our 30-day policy. Please see the individual manufacturer for additional warranty information.

### 6.6.2. Distribution Points

It is desirable that a successful offeror has inside and outside sales staff and distribution facilities located in all Participating States or geographic area offered. Offerors must provide the locations of their distribution points and information regarding sales staff for each Participating States or geographic area offered.

MSC operates five distribution centers located in Atlanta, GA; Columbus, OH; Elkhart, IN; Harrisburg, PA; and Reno, NV. We also maintain over 90 branches. Local contacts, including Branch and Outside Sales Associates, will be provided upon award.

MSC has been successfully partnering with NASPO ValuePoint for the last six years. We will continue to utilize our experienced Government Sales and State Team and Field Sales Resources to support the continued growth and expansion of this program. Our State Account Managers are familiar with the NASPO ValuePoint program and also each Participating State needs. Additionally, MSC will also make available State Business Development Managers to focus on new State and local government opportunities as well as higher education opportunities.

Our Call Centers staff approximately 1,100 dedicated Customer Service Representatives. When calling, NASPO ValuePoint users will reach a live Associate who can place an order, obtain product information, check a shipment, discuss a return, and more. Our Inside Sales Associates are able to inform customers on a real-time basis of the availability of a product, recommend substitute products, verify credit information, and arrange to provide technical assistance. We also maintain a staff of Certified Machine Tools Sales Engineers (CMTSE) who will assist in finding the best solution for each customer.

Additionally, local support will be provided by our Branch offices. Each of our Branch offices is staffed with trained and experienced Inside Sales Associates, Inside Sales Supervisors, Outside Sales Associates, Vendor Managed Inventory Specialists, and Branch Managers. Access to MSC's exceptional customer service is available at all our locations. MSC also has strategically located specialists (Customer Solutions Project Managers, Metalworking Specialists, and Machinery Specialists) to support special requests and best serve our customers' needs.

We also maintain a high customer satisfaction rate due to the efficient manner in which we receive and fulfill every single order. Additionally, MSC offers our Same-Day Shipping Guarantee with a 99% fill rate. If an order is placed by the 8 p.m. EST, national cut-off time, we will guarantee shipping of NASPO ValuePoint users' products the same day.

#### 6.6.3. Contract Management

6.6.3.1 Describe the Offeror's strategy for contract management and sales support including roles and responsibilities as they relate to each participating state for each of the proposed account teams that will handle contract management issues.

MSC will assign a team of NASPO ValuePoint State Account Managers as main points of contact for the NASPO ValuePoint program for each of their respective territories. These Contract Managers will manage the components of NASPO ValuePoint State programs in their area, including customer support, training, logistics, reporting, and integration.

The MSC NASPO ValuePoint State Account Managers will conduct Quarterly Business Reviews with each of their NASPO ValuePoint States. During these reviews, the State Account Manager will provide



sales reporting, sale trends, best demonstrated practices, and cost-saving documentation, and discuss areas of improvement for the upcoming quarter.

NASPO ValuePoint users will also receive support from our local branches. Local branches and Associates would be assigned upon award. The following are some of the roles who would service participating state sites:

- Branch Sales Manager Would lead the local operations and support team; ensuring contract compliance; and meeting or exceeding expectations.
- Outside Sales Associate (OSA) The OSA's primary focus is sales support and bringing solutions that can help drive cost savings and inventory reduction, as well as the coordination of all sourcing and purchasing needs. The OSA will also serve as project manager for the local account relationship.
- Solutions Services Representative (SSR) The VSR provides vending, VMI, and other inventory management support. The SSR interfaces with end users on the production floor to provide support for our products and to identify continuous improvement activities.
- MSC Branch Support Associates At the branch location, there are additional assets that can augment, replace and substitute the current support team when necessary. Additional available assets include Inside Sales Associates to assist with tactical sourcing and Senior Specialists to support project based sourcing.
- 6.6.3.2 It is desired that offerors have a representative(s) that has the sole responsibility of management of this NASPO ValuePoint contract. Provide a list the name(s) and title(s) of the dedicated representative(s) per region or State.

In addition to the below overall Program and Contract Managers, the MSC State Account Management Team will actively support the promotion and implementation of the NASPO ValuePoint program throughout the United States as our primary segment strategy. MSC's State Account Management team will leverage our complete resources in support of the NASPO ValuePoint program.

The table below notes the contact for the overall ValuePoint contract management and State Account Managers by region.

D)EI	DICATED NASPO VALUEPOINT PROGRAM MANAGERS
NAME;	RON MANNING
TITLE:	SENIOR DIRECTOR, GOVERNMENT SALES PROGRAM
NAME:	ELIZABETH FLORES
TITLE:	NASPO Business Development Manager
NAME:	MIKE GORDON
TITLE:	NASPO STATE ACCOUNT TEAM MANAGER
NAME:	DAMON PEREZ
TITLE:	NASPO STATE ACCOUNT MANAGER (No. CA, OR, WA)
NAME:	Don Nelson
TITLE:	NASPO STATE ACCOUNT MANAGER (NJ, NY)
NAME:	BRICE FARINA
TITLE:	NASPO STATE ACCOUNT MANAGER (So. Cal, AZ, NV)
NAME:	Anna Slattery
TITLE:	NASPO STATE ACCOUNT MANAGER (KY, IN, IL, MO, IA)

Dei	DICATED NASPO VALUEPOINT PROGRAM MANAGERS
NAME:	JOE REBER
TITLE:	NASPO STATE ACCOUNT MANAGER (PA, MD, DE, DC, WV,VA)
NAME:	MATT STUMP
TITLE:	NASPO STATE ACCOUNT MANAGER (TX, OK)
NAME:	MIKE O'CONNOR
TITLE:	NASPO STATE ACCOUNT MANAGER (MA, RI, CT, VT, NH, ME)
NAME:	SCOTT McCAMANT
TITLE:	NASPO STATE ACCOUNT MANAGER (GA, NC, SC, FL)
NAME:	VINCE CONTINI
TITLE:	NASPO STATE ACCOUNT MANAGER (OH, MI, WI, MN)
NAME:	TIM WOODS
TITLE:	NASPO STATE ACCOUNT MANAGER (CO, WY, NE, NM, KS)
NAME:	JOSEPH DAVIS
TITLE;	NASPO STATE ACCOUNT MANAGER (LA, AR, TN, AL, MS)

6.6.3.3 Does your contract management include customer training? Please provide a detailed narrative including, at a minimum, the following:

All training for all aspects of the NASPO ValuePoint program will be provided at no cost to Participating States.

MSC will implement a variety of training programs to ensure ordering entities have a thorough understanding of the MSC ordering processes. The following options will be offered.

Centralized Workshops – Based on the participating state requirements and goals, MSC will schedule centralized custom workshops to ensure NASPO ValuePoint participants have a comprehensive understanding of the MSC offering. Workshop topics are as follows:

- Overview of the NASPO ValuePoint program and pricing
- Overview of the MSC website and registration process
- Overview of MSC ordering options and customer service processes
- Introduction to product training resources
- Introduction to Safety, Emergency, and Green resources
- Customized topics

Adobe Online Training – For agencies unable to attend a workshop, MSC will set up online training that includes:

- Overview of the NASPO ValuePoint program and pricing
- Overview of the MSC website and registration process
- Overview of MSC ordering options and customer service processes
- Introduction to product training resources
- Introduction to Safety, Emergency, and Green resources
- How to contact your dedicated NASPO ValuePoint team



Additionally, MSC's program also includes extensive opportunities for customer training. As many of our suppliers represented in the MSC catalog are part of our program, they offer additional technical support. Many of these suppliers have MSC-dedicated resources that work specifically with MSC field personnel to support our customers. Additionally, MSC has more than 200 in-house product experts to work directly with our customers.

Leveraging our supplier relationships and their Subject Matter Expertise, we offer free product training in conjunction with our suppliers for products such as power tools, as well as safety training.

MSC will meet with NASPO ValuePoint sites to determine need and then arrange for the appropriate training courses. Some examples of other free training programs and/or services are: Fall Protection Training, Lock Out/Tag Out Inspections, Harness Inspections, Ladder Safety Training, General Safety Training, Product Use Training, Hand Tool Safety Training, Power Tool Safety Training, Lifting Safety Training, Chemical Storage Safety Training and Inspections, Plant Signage Inspections, Confined Spaces Breathing Training, and Arc Flash Training.

6.6.3.4 Sustainable Products (e.g., energy efficient, water efficient, low toxicity, recycled content, etc.);

MSC has partnered with the following suppliers for customer training needs, including on-site lighting surveys.

LIGHTING AND ELECTRICAL			
PHILIPS	COOPER LIGHTING	HUBBELL	
ADVANCE	FLUKE	FERRAZ SHAUMUT	

Based upon customer-specific needs, we can leverage our supplier relationships to offer training for green products. Examples may include training from the some of the below suppliers.

	OTHER		
SIMPLE GREEN	CRC	PHILLIPS	
Stockhausen	Natures Solution	Rubbermaid	

6.6.3.5 Review of environmentally preferable products with third party certifications (see section 6.5.3.6 above for a list of some of the 3rd party certifications).

To enhance MSC's green product offerings, MSC developed a comprehensive form to collect third-party certifications of green attributes from our suppliers. Suppliers completion of this form assists MSC with meeting Sustainability and Environmentally Preferred Purchasing standards that both MSC and our Customers wish to achieve. MSC's Environmental Compliance & Sustainability Department in conjunction with the Product Teams, reviews all supplier information to confirm environmentally preferred attributes and third-party certifications. The certifications help to identify the categories and icons that a customer can view on the MSC webpage for easy selection of these products. Item reviews for green attributes are conducted for selected product lines, specific customer requests, or contract requirements. MSC continues to proactively identify EPP attributes from our product line. MSC is currently revising our Eco-Resource page on our website to further highlight green products.

6.6.3.6 New products;

Depending upon site-specific requirements, we can arrange for the necessary training on the requested products. Additionally, suppliers are always introducing new products, and we will communicate this to customers and offer training.

Supplier training may include instruction from the following vendors.

	MSC Supplier Training	and the second s
Motors	CRC	Collhose
METALWORKING KENNAMETAL	Norton	Everite
3M – Application and Safety Training	Standard	Werner
RUBBERMAID	KIMBERLY CLARK	Go-Jo

# 6.6.3.7 Equipment and operation- Manufacturer/certified set up and training;

As many of our suppliers represented in the MSC catalog are part of our program, they offer additional technical support. Many of these suppliers have MSC dedicated resources that work specifically with MSC field personnel to support our customers. Additionally, MSC has over 200 in-house product experts to work directly with our customers.

When one of our ControlPoint vending systems is chosen for a site, our Associates will walk the customer through the entire installation and operation process. Our Associates will work to customize the unit according to the customer's needs, and have it assembled on location. Most importantly, we will provide hands-on training to the dispensing unit's operators and managers so that the system can be up and running in as little time as possible, and work to create a more efficient, cost-effective environment.

#### 6.6.3.8 Seminars and other learning opportunities;

Based upon customer-specific needs, we can leverage our supplier relationships to offer training seminars. MSC will meet with NASPO ValuePoint sites to determine need and then arrange for the appropriate training courses. Some examples of other free training programs and/or services are: Fall Protection Training, Lock Out/Tag Out Inspections, Harness Inspections, Ladder Safety Training, General Safety Training, Product Use Training, Hand Tool Safety Training, Power Tool Safety Training, Lifting Safety Training, Chemical Storage Safety Training and Inspections, Plant Signage Inspections, Confined Spaces Breathing Training, and Arc Flash Training.

For more information, please refer to Attachment 3 MSC Key Supplier Program.

### 6.6.4. Delivery

6.6.4.1 Delivery time for in-stock items should not exceed 24-48 hours for all points within in the Participating States. Non-stocked items must be delivered within 10 working days. The Participating States reserve the right to impose restrictions. Explain in detail your delivery policy.

See below responses to questions 6.6.4.2 and 6.6.4.3.

6.6.4.2 Specify Guaranteed Delivery Time for In-Stock Items.

MSC can meet NASPO ValuePoint's 24- to 48-hour guaranteed delivery time for in-stock products within the 48 contiguous United States. Our Same-Day Shipping Guarantee maintains a 99% fill rate. If a qualified, in-stock order is placed by the 8 p.m. EST, national cut-off time, the order is guaranteed to ship the same day. The delivery timeframe is contingent upon the requirements of the MSC Same-Day Shipping Guarantee below.

### Same-Day Shipping Guarantee

MSC will guarantee same-day shipping if: 1) the order is received by MSC at one of our customer fulfillment centers (CFCs) before the applicable cut-off time on an operating business day, 2) the item is a national catalog item, and 3) the exclusions described below do not apply.

# **Next-Day Delivery Upgrade**

MSC will upgrade qualifying orders to Next-Day Air Saver at the customer's request (additional charges may apply). The Next-Day Delivery upgrade only applies to standard UPS Ground shipping orders, and does not apply to orders shipped via Freight Saver shipping method. Qualifying orders will be delivered on the next regular business day, or on a weekend day for an additional charge. The upgrade will apply if: 1) the order is received by MSC at one of our customer fulfillment centers (CFCs) before the applicable cutoff time on an operating business day, 2) the item is a national catalog item, 3) the order is 20 pounds or less and is not too large to ship by air, 4) the order cannot be delivered to the customer the next day through our Ground Network, and 5) the exclusions described below do not apply.

#### **Exclusions**

Neither the Same-Day Shipping Guarantee nor the Next-Day Air Saver Upgrade cover: 1) orders to non-qualified customers or those outside of the continental U.S.; 2) orders for items that are not in stock; 3) orders for hazardous materials, machinery, or items that require customized lengths, set-up, or special packaging; 4) circumstances beyond MSC's control (for example, computer or electronic interruptions, strikes, natural disasters, severe weather conditions, war, or supplier manufacturing deficiencies); or 5) Freight Saver shipments; and 6) "less-than-truckload" (LTL) shipments, orders shipped by non-scheduled carriers, shipments from branch locations, replacement orders, vendor-managed inventory (VMI) orders, first orders for new accounts, direct ship items, or orders requiring credit review.

Note: Hazardous materials require special handling. Any item containing such materials may be subject to local, state, and federal regulations, which may delay or prohibit shipments. MSC makes no service level guarantees regarding such items.

6.6.4.3 Specify Guaranteed Delivery Time for Non-Stock Items.

As noted, our Same-Day Shipping Guarantee maintains a 99% fill rate. MSC will make all reasonable efforts to deliver all out-of-stock items within 10 business days. In the event delivery cannot be made within 10 days due to unplanned circumstances, MSC will immediately notify the buyer and provide an estimated delivery time.

MSC defines non-stock items as items not immediately available from our CFCs or items that would ship directly from a supplier.

6.6.4.4 SDS must accompany all orders at the time of delivery (where applicable).

MSC includes Safety Data Sheets (SDS), formerly Material Safety Data Sheets (MSDS), for applicable items the first time the item is ordered each year. Users may also obtain an SDS by clicking on the SDS featured in the product description.

If users are unable to find the SDS they are looking for, they may contact the MSC Environmental Compliance and Sustainability (EC&S) helpline at 1-800-753-7927, Monday through Friday, 7am-11pm,



EST, and Saturday 8am-5pm, EST. Users may also call our 24-hour SDS hotline at 1-866-910-0719 for assistance.

6.6.4.5 The Participating States expect high delivery standards from all contractors. Penalties may be imposed on contractors that have continual late deliveries. These penalties may include but are not limited to cancellation of orders, request for discounted pricing, non-use of an offending contractor or cancellation of the contractor's participating addendum(s).

MSC acknowledges.

### 6.6.5. Shipping

6.6.5.1 All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package:

Authorized Purchaser;

Delivery Address;

Purchasing entity and floor;

Contact; and

Telephone number.

MSC confirms we can include all the above required information on our packing labels. Please note that for Purchasing Entity and Floor to be included, the information must be included with the address.

- 6.6.5.2 A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order:
- Line item description;
- Date ordered;
- Quantity ordered;
- Quantity included in shipment;
- Any backordered items;
- Unit Price and extension;
- Number of parcels;
- Purchase Order Number;
- Purchasing entity name; and
- F.O.B. Destination.

MSC confirms we can include all the above required information on our packing labels.

- 6.6.5.3 Describe in detail how your company has implemented environmentally sound shipping and transportation practices. For example:
- Is your company a US EPA SmartWay Partner?

MSC utilizes transporters that are US EPA SmartWay Partners. As a Smart Way Partner there are many potential strategies for minimizing the production of Greenhouse gases as well as improving operating efficiencies to reduce fuel consumption. For example, enhanced aerodynamics, low-rolling-resistance tires, improved powertrain efficiency and waste-heat recovery systems are among the technologies that transporters can request from the suppliers of their trucks to achieve better fuel economy. MSC is

encouraging all of our transport partners to participate in the SmartWay Partner Program. The following transporters that MSC utilizes that are in the program today are listed in the table below:

MSC SMART WAY PARTNERS DROP CARRIERS		LTL CARRIERS		T/LOAD (BROKERS)	
COMPANY NAME	SCAC	COMPANY NAME	SCAC	COMPANY NAME	SCAC
HAZEN EXECUTIVE DYNAMEX	DYXE	Рітт Оніо	PITD	LEONARDS EXPRESS	LEQO
Total Transportation of Mississippi	TTMS	Southeastern	SEFL	Schneider	SCNN
Star Freight	SFGK	UPS FREIGHT	UPSF	SUMMITT	SMMT
ITS LOGISTICS	ITSB	USF HOLLAND	HMES	de de la seculo (1) de seculo de como esta esta esta esta esta esta esta esta	
and the second control of the control of the second control of the		YRC	RDWY	у от водительно водительного под постоя в водительной от	

Does your company use alternative fuel vehicles (e.g., electric, battery hybrid electric, bio-based diesel, etc.?

We ship a majority of orders via UPS, and we also utilize a network of other carriers, including FedEx and various LTL carriers. UPS uses bio-diesel fuel. We encourage all of our transportation business partners to utilize alternate fuel sources when possible for their transportation needs.

■ Does your company reduce energy usage or other environmental impacts during shipping?

MSC has selected shipping business partners that have sustainability programs. We ship a majority of orders via UPS, and we also utilize a network of other carriers, including FedEx and various LTL carriers.

UPS and FedEx have their own environmental and sustainability programs. More information regarding their program can be found at:

https://sustainability.ups.com/

http://csr.fedex.com

### 6.6.6. Implementation

- 6.6.6.1 Implementation of this contract is vital to the Participating States. Describe in detail your implementation program including an estimated time line to include at minimum the following points.
- 6.6.6.2 Describe in detail the Offeror's implementation plan, including all process steps.

MSC will implement a 4-pronged implementation plan

- Upon award MSC will meet with each participating State and will seamlessly transition the 30+ current MSC PA States over to the new NASPO ValuePoint program.
- MSC will utilize our BDM Team to meet with all other participating states that have not previously partnered with MSC
- MSC will meet with all other unenrolled States and see if they would like to transition their current programs over to NASPO ValuePoint
- MSC's Higher Education Business Development Managers will target, meet with and sign additional Higher Educational Institutions

MSC will continue to successfully manage the implementation and marketing for the NASPO ValuePoint program as we have for the previous WSCA contract. The transition process will be smooth and seamless for States currently enrolled as they are already familiar with our process. The following is an outline of our methodology, which will be used for new Participating Entities:



MSC's immediate action plan will consist of meeting with the NASPO ValuePoint team to develop a national marketing plan focused on promoting the value of the new partnership. Upon award, MSC will mobilize the MSC NASPO ValuePoint State Account Management team to initiate the following actions:

#### MSC / NASPO ValuePoint Conference Calls

Immediately after award, MSC will host conference calls inviting all NASPO ValuePoint participating States' purchasing directors. The purpose will be to introduce the MSC NASPO ValuePoint State Account Management team and to highlight the new MSC partnership. The MSC team will contact each NASPO ValuePoint procurement official to immediately execute the participating addendum. In conjunction with these actions, the MSC NASPO ValuePoint State Account Management team will execute a nationwide training program educating the MSC branch networks, call center specialists, telesales team, branch sales associates, solution program managers, and the MSC NASPO ValuePoint administration team.

### **MSC Strategic Meetings**

MSC will schedule appointments with participating states in order to conduct strategy meetings to clearly define each State's objectives and vision. Our goal is to develop true partnerships while understanding each State's challenge toward immediate cost saving goals.

### Marketing

MSC understands that alignment to participating NASPO ValuePoint States' objectives and visions will be essential to effectively executing State website marketing communications. The MSC NASPO ValuePoint State Account Management team will work closely with participating State contract managers and IT departments to expedite web marketing messages in addition to requirements for any e-commerce platforms.

### **Direct Mail Marketing**

Upon approval of the MSC direct mail package, MSC will coordinate a mailer program to all NASPO ValuePoint participating States and targeted local government entities (with permission from Participating States) to promote contract awareness and contract benefits. Contract specifics, contact information, customization solutions, and cost-saving awareness will be included in the communication.

### Web-Based Marketing

MSC's website has been repeatedly voted "Best in Class." Immediately after award, MSC will dedicate resources to implement the following:

- Announcement for the newly awarded NASPO ValuePoint contract and where to call for more information (with approval by NASPO ValuePoint team).
- Design and activation of a NASPO ValuePoint/MSC Splash page with contract information and MSC/NASPO ValuePoint contact links (with approval by NASPO ValuePoint team).
- Creation of a NASPO ValuePoint newsletter to be marketed on the MSC/NASPO ValuePoint State splash page (with approval by NASPO ValuePoint team).
- Various hyperlinks (connection links) to home pages for NASPO ValuePoint/MSC/State websites.
- Dedicated NASPO ValuePoint e-mail address allows users access to the MSC NASPO ValuePoint Dedicated Customer Service Team.



Customers will have the option to sign up for e-mail marketing to receive contract updates, product alerts, and much more to be housed on the splash page.

### Sales Marketing

Concurrently, the MSC NASPO ValuePoint State Account Management team will strategically and geographically launch the deployment of MSC's more than 1,100 sales associates. This level of engagement by MSC's dedicated NASPO ValuePoint team will ensure the successful launch of the NASPO ValuePoint program. MSC NASPO ValuePoint program managers will have direct alignment to State directors supporting execution actions in addition to weekly or monthly feedback.

The MSC NASPO ValuePoint State Account Manager will have quarterly meetings with NASPO ValuePoint participating state contract managers to review sales data, engagement activities, and overall best demonstrated practices.

### Training

Strong partnership begins with understanding the basics. MSC successfully utilizes many tools that have effectively and rapidly provided end users an understanding of how to leverage MSC values and efficient ordering processes. Upon conclusion of the strategic meetings, the MSC NASPO ValuePoint program management team will immediately coordinate the following:

- State Department Meetings MSC will coordinate meetings with key State department procurement officials (examples: DOT, DOC, Facilities) in order to develop specific objectives.
- Road Shows / Workshops MSC will partner with State and local government to initiate centralized training workshops.
- E-Learning MSC will customize our e-learning platform for a basic tutorial on the MSC value, the MSC NASPO ValuePoint program, how to navigate, and various contact information.

MSC represents more than 3,000 suppliers. Our field support alignment with those suppliers allows MSC to offer a variety of product training and technical support. The MSC NASPO ValuePoint State Account Managers will coordinate and customize quarterly product training upon request. See our Training Section response for more details.

#### **Trade Shows**

MSC participates in many national, regional, market-segmented, and local tradeshows throughout the year supporting many different organizations. The MSC NASPO ValuePoint State Account Managers will immediately secure the necessary resources and vendor buy-in to support State-specific shows where procurement officials are the primary attendees.

6.6.6.3 Detail the specific information, resources, and assistance the offeror will require from each Participating State to implement the contract.

MSC will continue to successfully manage the implementation and marketing for the NASPO ValuePoint program as we have for the previous contract. The transition process will be smooth and seamless for States currently enrolled as they are already familiar with our process. We will offer additional training on program enhancements. Additionally, we will utilize the following methodology for new Participating Entities.



The MSC NASPO ValuePoint State Account Manager's goal with each Participating State is to clearly understand the State's procurement objectives, vision, and challenges. The key resources and assistance include:

- A kick-off conference call with each NASPO ValuePoint participating state
- A regular, scheduled time slot on the NASPO ValuePoint director call
- Expeditious execution of participating addendums by each participating state
- Meeting with the Participating State's directors to review State objectives, vision, and challenges
- Coordinated meeting of the major State departments at a central location that will be used to develop specific department objectives
- State Marketing support State website/announcements
- Support of the MSC / NASPO ValuePoint monthly newsletter
- A designated State contact for ongoing contract management and quarterly reviews
- Featured participation in State Procurement trade show
- Quarterly update meetings to review contract performance.
- 6.6.6.4 Describe how soon from execution of the Participating Addendum the online ordering system will be available to each Participating State. If a phased implementation is planned in terms of limited functionality vs. complete functionality, please specify.

Upon award, MSC will begin internal processes that will make our standard website, www.mscdirect.com, available within 21 days for all Participating States. Our e-commerce team will create individual splash pages with contract information and contact links. In addition, our team will work with NASPO ValuePoint to create hyperlinks (connection links) to further market the benefits of our new partnership.

All pricing and program information for current Participating States will be seamlessly uploaded upon execution of each State's Participating Addendum.

6.6.6.5 Describe in detail the Offeror's experience when implementing customer relationships of equivalent size and complexity.

MSC has successfully managed the NASPO ValuePoint (WSCA) program, which included more than 30 States, for the past six years. Additionally, MSC has been awarded and implemented many State contracts including New York, Georgia, Virginia, Texas, and more over the past 15 years.

Our implementation capabilities encompass many different actions. Examples include the following:

- Conference calls
- E-commerce integrations
- Training workshops
- Strategic road shows
- Hyperlinks
- Direct mailing marketing
- How-to guides
- Telesales Program Specialist
- Program Manager Specialist

- Webinars
- Centralized meetings with department heads
- Splash pages
- Partnership rollouts
- E-learning
- Deployment of 1, 100 experienced sales associates

Telesales marketing

Mapping tools

Additionally, MSC has extensive experience in implementing programs on a national scale. Our customer base encompasses a wide range of purchasers from individual machine shops to Fortune 1,000 companies, including Alcoa, International Paper, General Electric, Coca-Cola and Disney.

We also partner with many government agencies, including the General Services Administration (GSA) and the Department of Defense. We also partner with many other federal, state, and local government agencies across the United States, including military bases, the United States Postal Service, state entities, universities, municipalities, school districts, and counties.

We currently hold a GSA Schedule Contract (# GS-06F-0010N) and USPS MRO Contract #2CMRO-11-B-1024. As part of our 4PL ServMart award (GS-06F-8999), we have implemented and opened Base Stores at Camp Lejeune USMC MCB, Albany USMC MCLB and Quantico USMC HQ. We've also successfully secured and implemented additional 4PL contract stores at Red River Army Depot in Texas and Warner Robins Air Logistics Center in Georgia. MSC has also been awarded and implemented many State contracts, including New York, Texas, Virginia, Georgia, and Alabama.

6.6.6.6 Describe any customization abilities for different States or political subdivisions within a Participating State.

MSC's more than 75 years of experience in the industry enable us to create many customized programs for our diversified customer base. We have a proven ability to customize programs that allow customers to accelerate their goals and visions.

Some examples of MSC customization capabilities include the following:

- Customized service enhancements
- Workflow controls
- Specialized training
- E CMI
- Quote to punch out
- Motor audits

- E-commerce efficiency
- Procurement innovation
- Pricing programs
- **™** VMI
- Vending
- Lamp and energy audits

Some examples of State Customized Programs:

- Customer-requested Catalog and Non-Catalog Restrictions
  - State of Missouri
  - State of Kentucky
  - City of San Francisco
- eProcurement Platform integration
  - State of Kentucky
  - State of Missouri
  - Purdue University
  - University of California, Los Angeles
  - State of New Jersey
  - Commonwealth of Massachusetts

- Information Sessions for State Agency-specific Program Training, e.g., Supplier fairs, strategic vendor presentations, etc.
  - State of Colorado
  - State of California
- Safety Glasses Program for Colorado Department of Transportation.

#### 6.6.7. Reporting Capabilities

6.6.7.1 The offeror shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. If there are other reports available at additional pricing, information on these reports is also required. Please note the reporting requirement in the NASPO ValuePoint terms and conditions; in addition states may have additional reporting requirements.

MSC can meet all the reporting requirements noted in the NASPO ValuePoint terms and conditions at the requested frequencies and at no additional cost.

MSC's program also includes our extensive reporting capabilities with results typically being delivered at our joint Business Reviews. Using data collection, standardized templates, and approved methods, we will be able to identify key business metrics so that we can provide the most current and accurate information. We can generate reports detailing purchasing history at individual facilities, along with other numerous spend and savings reports. Reports can also be customized and delivered at a frequency (monthly, quarterly, etc.) that best suits NASPO ValuePoint's needs. Sample reporting includes:

- Freight Report by Location
- Freight Report by Ship via Summary
- Order Source Detail
- Order Source Summary
- Procurement Card Report Detail
- Procurement Card Report Summary
- Performance Ratings
- Spend and Savings by Product Line
- Spend and Savings by Location

Additional data points include the following:

	DATA POINTS	100 PM
CUSTOMER ACCOUNT	INVOICE DATE	MSC Base Item Number
Order Number	Item Order Number	Contact Name
CUSTOMER AKA NUMBER	CATALOG PAGE	CATALOG PRICE
Customer P.O.	EXTENDED ITEM PRICE	ITEM DESCRIPTION
Brand Name	EXTENDED CATALOG PRICE	Customer Name
LINE ITEM QUANTITY	LINE ITEM CATEGORY	NET PRICE
LINE ITEM DESCRIPTION	Order Date	ORDER SOURCE
PAYMENT METHOD	HAZMAT ITEM	Unit of Measure
INVOICE NUMBER	ORDER QUANTITY	PACKING SLIP NUMBER
PRODUCT LINE	Sales Representatives	SHIP TO ADDRESS

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DATA POINTS				
SHIP TO NUMBER	NSN Number	Merchandise Total		
FREIGHT AMOUNT	SALES TAX	Merchandise + Freight + Tax		
Invoice Number	Contact Name	Invoice Date		

6.6.7.2 Explain your company auditing policy to ensure that pricing and services are in compliance with the contract. Explain your policy for revenue recovery in the event that any auditing reveals incorrect pricing.

MSC adheres and complies with all contractual provisions in its entirety. MSC has put in place critical processes to ensure our contractual obligation. This includes the following:

# **Contract Implementation Process**

Dedicated NASPO operation team, State Account Manager, and NASPO Business Development Manager works to meet the following:

- On-boarding a Participating Agreement (PA)
  - Internal forms to be filled out by State Dedicated Manager to include
    - Customer contact information
    - Rebate information
    - Contract Pricing and any additional enhancements negotiated.
  - Meeting with operations to ensure proper discounts in the system, and customer contact information
  - Announcement detailing program information to all internal associates when the PA goes live
  - Rollout Webex meeting with all sales associates that will have direct contact with the signed PA to discuss program details

### **Pricing Process**

Dedicated operation team reviews onboarding checklist and sets the pricing specifically for the signed PA and designates that PA with its own code. This code ensures that every customer buying from that particular PA will have the negotiated set pricing.

MSC system automatically locks the pricing for the specific PA code, and further has the ability to set pricing for individual customers within that code. The system is hardcoded, not allowing for pricing to override higher than contracted price. However, MSC system does have the ability to enter lower prices than negotiated. This is especially beneficial for unplanned volume discounts.

#### Revenue Recovery

In the event that MSC's monthly auditing reveals incorrect pricing, the State Account manager will immediately discuss with customer and set up a meeting with dedicated NASPO operation team and NASPO Business Development Manager. MSC will comply with customer wishes, whether it be in a credit form, replacement, or issue a check. Additionally, NASPO Business Development Manager will be discussing that particular situation with the lead state to ensure transparency and resolution.

6.6.7.3 Does your company provide a green product spend report? Please describe how your company reports environmentally preferable product purchases.



MSC currently provides reports to several large customers regarding the amounts and purchases of green products. The green item purchases are provided as a separate report where the green category that the items fit into are provided in the report with the dollar amount purchased.

# 6.6.8. Sustainability / Environmental Practices

Sustainability and sound environmental practices are important to many of the Participating States.

Thoroughly describe your sustainability and environmental practices that you currently have in place. This description should include the following:

### (1) Sustainability Program

a. Does your company have a corporate-wide sustainability policy? If yes, attach or provide a link to your sustainability policy as well as any related policy initiatives such as a Climate Action Plan, a Zero Waste Policy, a Toxics Reduction Strategy, or a Green Fleet Policy. Also, please summarize what your corporate sustainability policy directs your company to do.

MSC's Environmental Compliance and Sustainability Department has been collecting data on MSC Energy Use, Water Use and Waste Streams for the past three years and reporting this information to Sr. Management. At this time, there is no formal Sustainability program on our website. However, numerous actions are described in 6.6.8 (1) b. of the efforts that are being taken to advance our Sustainability programs. Provided below is the Environmental section of MSC's Code of Conduct which is available on the MSC website.

### **Environmental Standards**

Environmental responsibility is an integral part of our business mission. Associates at all levels are required to follow Company procedures designed to meet the standards set by applicable environmental regulations. We will strive to minimize environmental impacts from our operations to the communities in which we operate as well as natural resources. We will actively work to continuously improve our environmental protection programs. Our environmental standards are:

- Environmental Permits and Reporting: We will obtain, maintain and keep current all required environmental permits and registrations necessary to conduct our business and will follow their operations and reporting requirements.
- Pollution Prevention and Resource Reduction: We will strive to reduce or eliminate waste(s) at their source by means of process modifications, maintenance and facility processes, material substitution, conservation, and the recycling and re-use of materials.
- Hazardous Substances: Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.
- Product Content Restrictions: We will not knowingly sell non-compliant products to our customers. We will maintain an Environmental Health and Safety department to review products and evaluate their compliance with all applicable environmental laws and regulations regarding prohibition or restriction of specific substances, including labeling laws and regulations for recycling and disposal.
- Promote the Development and Sale of Environmentally Friendly Products: We will strive to identify and provide items to our customers that will help protect the environment through the use of less toxic or harmful ingredients and/or items that will help to reduce consumption of natural resources. These may include, but will not be limited to, products that help to reduce energy consumption, provide water conservation, have been made with or from recyclable materials, or can be recycled after use.



b. Describe the key elements of your company's sustainability program including sustainability staff positions, qualifications and training.

We have a department of full-time associates dedicated to Environmental Compliance and Sustainability (EC&S) at MSC. There are currently 15 associates that work with our suppliers to collect green data attributes for the products that we sell. The EC&S department works closely with the Sales, Product, Information Technology and Web teams to review items for regulatory compliance and make recommendations regarding vendors who sell products that meet with third party certifications for Environmentally Preferred Products. Environmental responsibility is an integral part of MSC's business mission and is incorporated in our Code of Conduct (as described above). MSC strives to minimize environmental impacts from our operations and improve our efforts to protect the environment and promote sustainable consumption. In addition, EC&S is continuing to work cross-functionally with other departments to apply environmental criteria when making purchasing decisions.

EC&S continually works with customers and suppliers to obtain Certificates of Compliance (COCs) for products that conform to international product stewardship regulations, such as RoHS and the EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). EC&S will also evaluate products for other attributes with concern to human health and the environment, such as hexavalent chromium, animal tissue, lead, phthalates, etc.

In addition to Product Regulatory Compliance, the department coordinates Waste Minimization and Recycling Programs and tracks energy reduction initiatives for the company. Projects have included switching from fluorescent lamps to LED lighting products, replacing older printers, copiers and fax machines with energy efficient centralized machines that use less energy, less paper and promote storage of pdf documents rather than paper. Providing conference rooms and warehouses with lighting that automatically turns off when no one is in the rooms or areas but will activate when motion is detected. Many of our office areas and conference rooms also have lighting dimmer capabilities which helps to reduce energy costs. EC&S has been obtaining and reviewing energy and water utility data for several facilities to evaluate opportunities for reducing our energy footprint.

EC&S is also involved in corporate sustainability engagement efforts at headquarters locations, and helps initiate environmental stewardship and sustainability-oriented service opportunities. For example, MSC's headquarters offices in Davidson, NC and Melville, NY participated in a TerraCycle recycling program, which allowed MSC associates to collect hard-to-recycle products at the office. The EC&S department strives to spread associate awareness about 'green' behaviors by hosting Earth Day activities that promote sustainability in both the workplace and home. MSC's Community Relations team regularly partners with local organizations to facilitate environmental and sustainability-related service opportunities for associates. Examples include lake cleanup efforts, repairing enclosures at wildlife conservation facilities, removal of invasive species, and charity runs for organizations such as the Davidson Lands Conservancy.

EC&S continues to promote MSC Sustainability efforts by encouraging and supporting additional training and education in this regard. The department has several associates pursuing Sustainability-related certifications and degrees, and they regularly attend conferences in this regard. Members of the EC&S Department lead an internal corporate sustainability team, which works cross-functionally with other departments to improve and direct sustainability project efforts. EC&S has associates with diverse backgrounds in sustainability and environmental affairs. For example, some of the EC&S associates have Leadership in Environmental and Energy Design (LEED) experience and credentials. Some EC&S



associates at our Davidson, NC headquarters participate in the greater Charlotte-area Regional Green Council, facilitated by Earth-Share North Carolina.

c. Describe Proposer's environmental practices that are applicable to items that Proposer markets. Provide links to your published statements, policies and reports and summarize key accomplishments.

MSC's Code of Conduct provides information on MSC's Environmental Policies and Objectives. The Code of Conduct was described in Section 6.6.8 and is published on MSC's webpage. The company continues to provide EPP product offerings which are identified on our webpage and in our catalogs. Future efforts will be focused on providing a Customer facing summary of MSC's Sustainability programs and accomplishments in this regard.

- (2) Product Take Back/End of Life:
- a. Provide a list of products for which you provide end of life take-back and recycling (e.g. fluorescent lamps, batteries, solvents, metals, etc.). List subcontractors if any you use for these services. List any fees or conditions for these services. Certificates of Disposal must be provided for hazardous waste. This is an EPA requirement.

MSC offers products that assist with customers' end-of-life and recycling needs. Provided below is a sampling of products MSC offers to promote and assist customer with their recycling programs.

MSC ITEM NUMBER	PRODUCT DESCRIPTION
86043874	2-FOOT BOX FOR MIXED LAMPS
86043825	4-FOOT BOX FOR LINEAR FLUORESCENT LAMPS
86043841	4-FOOT LARGE BOX FOR LINEAR FLUORESCENT LAMPS
86043890	3.5-GALLON PAIL FOR BATTERY RECYCLING
86043858	5-GALLON PAIL FOR MIXED LAMP RECYCLING
86043882	5-GALLON PAIL FOR BALLAST RECYCLING

The recycling packs are prepaid recycling packages that include recycling containers, poly liners, instructions, terms and conditions, prepaid shipping label and a certificate of recycling.

b. Proposers are to minimize or eliminate the use of disposable containers; is made from recycled content or other bio-based fibers; is easily recyclable, contains a minimum of 25% by weight of post-consumer materials; and/or meets or exceeds the minimum post-consumer content level for respective packaging in the U.S. Environmental Protection Agency Comprehensive Procurement Guidelines.

The cardboard boxes MSC utilizes to ship orders are made from recycled content which contains a minimum of 25% by weight of post-consumer materials. However, we cannot guarantee our suppliers original packaging will adhere to the above requirements. We will inform our suppliers of our desires to receive packaging for the products they provide to us that minimizes the use of disposable containers and contains a minimum of 25% by weight of post-consumer materials.

c. Proposers are to provide packaging that does not contain inks, dyes, pigments, adhesives, stabilizers, or any other additives to which any lead, cadmium, mercury or hexavalent chromium has been included as an element during manufacture or distribution in such a way that the sum of the concentrations levels of such lead, cadmium, mercury or hexavalent chromium exceed the following concentration level: 100 parts per million by weight (0.01%).

MSC works with packaging companies that provide cardboard that is made from recycled material and meets with the Coalition of Northeast Governors requirements to reduce toxic substances in packaging. The Toxics in Packaging Clearinghouse (TPCH) was formed in 1992 to promote the Model Toxics in Packaging Legislation. This model legislation was originally drafted by the Source Reduction Council of

CONEG in 1989. It was developed in an effort to reduce the amount of heavy metals in packaging and packaging components that are sold or distributed throughout the United States.

d. All drums shall remain the property of the supplier. Empty drums shall not become the property of the affected state entity under any circumstance or condition. All empty drums, including their respective caps, plugs, or bungs, shall be collected by the supplier within a reasonable time frame specified by the affected state entity for reuse or recycling via the most reasonable transport method.

MSC will work internally with our ES&H and Product Management Teams to support the pick-up of all 30and 55-gallon drums sold by MSC to NASPO ValuePoint end-users.

- (3) Product Choice:
- a. Proposers green claims are consistent with the Federal Trade Commission's Green Guides. (for more information visit: https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides)

Yes	Х	No	
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(4) Other Sustainability Practices: a. Offerors may provide additional information their company's sustainability policies, practices and/or achievements. Attach appropriate documentation to substantiate claim.

Sustainability practices are detailed in section 6.6.8 (1)(b).

- 6.6.9. Emerging Small Business, Minority Business Enterprise, Women Business Enterprise, And Disabled Veteran Owned Business.
- 6.6.9.1 Some Participating States, may desire to purchase products and services from ESB/MBE/WBE/DV & DBE companies. Some Participating States may or may not have an ESB/MBE/WBE/DV & DBE program and therefore each state will integrate this desirable into its Participating Addendum, if applicable. In some Participating States, to qualify as an ESB/MBE/WBE/DV& DBE supplier the listed companies must be registered with either the government or a recognized certifying entity and provide a certification type and number. Registered ESB/MBE/WBE/DV & DBE companies must be operating from a legitimate commercial site, carry all applicable insurance policies, required business licenses, and have operated continuously for at least two years. Please explain how the Offeror will provide opportunity for, ESB/MBE/WBE/DV & DBE companies.
- 6.6.9.2 At a minimum, the following policies and practices must be described in detail:
- 6.6.9.2.1 Describe in detail how the Offeror will work with the registered companies to determine what products can be a part of the contract.

MSC has a proven track record of teaming with certified small businesses and/or diverse business partners. We have worked with customers to tailor plans in which we can channel business to the appropriate ESB/MBE/WBE/DV & DBE groups to best meet our customers' socioeconomic goals.

MSC is committed to building partnerships with Small Business Programs as part of our State and Federal Government Programs. We have close to 50 Small Business Partners that we partner with to support Federal "set aside" Contracts and State Programs that work to advance a Small Business Socio-Economic Advantage. We are actively looking for additional partners who can be sustainable partners with MSC and strongly support Government Contract Programs that strive to promote Small Business Program initiatives.

For example, we have successful partnerships with ESB/MBE/WBE/DV & DBE groups in California, Texas, New York, and Ohio.

6.6.9.2.2 Describe in detail how the Offeror will track all ESB/MBE/WBE/DV & DBE Products and services, including ordering, delivery, and invoicing.

MSC currently has a process in place that earmarks and tracks all ESB/MBE/WBE/DV & DBE products and services. This report is available upon request.

6.6.9.2.3 Provide a list of Products that may be available to be purchased from ESB/MBE/WBE/DV & DBE companies under the proposed Contract.

MSC currently has many products available for purchase from ESB/MBE/WBE companies/ manufacturers. MSC can provide a list of these products upon request. MSC currently purchases thousands of products from a multitude of minority suppliers.

6.6.9.2.4 Describe how Offeror will make best efforts to increase the number of Products available to Authorized Purchasers under the Contract acquired from ESB/MBE/WBE/DV & DBE businesses.

MSC continues to build our ESB/MBE/WBE partnership program as evidenced by our website. As we continue to build our program, the number of products will continue to grow over time. MSC strives to cultivate key ESB/MBE/WBE relationships with our suppliers and vendors. Our goal is to grow our supplier diversity base while developing new business opportunities for ESB/MBE/WBE companies to partner with MSC.

6.6.9.2.5 Describe what other products or services the Offeror can offer within a category that supports ESB/MBE/WBE/DV & DBE suppliers.

The goal of MSC's diversity program is to increase our relationships with ESB/MBE/WBE businesses by developing additional business opportunities for our suppliers, vendors, and customers.

Examples include sales support, sourcing, depth of product, and more.

6.6.9.3 Community Rehabilitation Program (CRP) / Qualified Rehabilitative Facilities (QRF):

Describe how the Offeror supports the use of products and/or services sourced from QRF and the CRP programs.

MSC is an authorized Ability One (formerly JWOD) distributor and supports its participating agencies as a component of our GSA Schedule Contract. Our Ability One product offering is available at mscdirect.com.

- 6.6.10. Retail Store Purchases/Will Call:
- 6.6.10.1 Describe the availability of contracted items through Offeror's branch locations. Please provide a list of branch locations that provide a will call service in each of the Participating States.

MSC has more than 90 branch locations and five Customer Fulfillment Centers (see Attachment 2 MSC Branch Locations), all of which can provide Will Call service. Customers who wish to pick up from one of our branch locations can call to place an order. Our local associates will inform the purchasers when they can pick up the merchandise. MSC's policy is to have the customer sign packing slips, record their driver's license or company ID, and keep packing slip documents on file.

Our business strategy is to provide an integrated, lower cost solution to the NASPO ValuePoint Participating States. Our business model leverages our five giant Customer Fulfillment Centers and our outstanding logistics network that deliver your order at a 99% fill rate, virtually eliminating back orders. MSC believes that delivering your product directly to your member locations is the most effective way to



get the job done. Our goal is to let our procurement system work for your members in order to provide the best overall procurement value.

Each of our five Customer Fulfillment and Call Centers is staffed with a full complement of Customer Service Representatives and Managers who are ready and able to take your orders. Our standard 800 phone number is routed fluidly within our call center network in order to provide seamless customer service support throughout the country.

Each of our branches is staffed with trained and experienced Inside Sales Associates and Inside Sales Supervisors, as well as trained and experienced Outside Sales Associates and Branch Managers. Each of the branches provides support for customers who prefer local support.

6.6.10.2 Provide a narrative that explains how authorized purchasers will be able to make purchases at will call branch locations, make payment for those items and have those items included in the reporting.

As we stock our approximately 1 million products and \$300 million in inventory at our five strategically located Customer Fulfillment Centers, we do not typically have inventory at our branches.

However, Users can place orders at their Branch. The Branch Sales Associate would have access to all NASPO-specific pricing and program information. Additionally, our Same-Day Shipping Guarantee with a 99% fill rate allows our customers to conveniently place orders over the phone, online, or by fax without having to leave their locations. All qualified, in-stock orders placed by the 8 p.m. EST, national cut-off time will ship the same day.

As our integrated information systems store all program-specific information, including pricing, users are guaranteed access to all products and contracted pricing whether they are ordering via web, phone, or at a branch. Additionally, our system allows our branch associates to enter orders under the proper account, ensuring those items are captured in the desired reporting requested.

#### 6.6.11. Growth Incentives:

6.6.11.1 Describe in detail any contract growth incentives, e.g. larger revenue, different levels of discounts for large orders that may be offered to the Participating States/purchasing agency.

In addition to the standard Participating Addendum administrative fee language, MSC will offer a tiered "E-Commerce rebate incentive" to all states that utilize a statewide E-Commerce platform that is integrated with MSC. This rebate will be tabulated and paid annually after the one-year anniversary of the PA signing. The additional rebates will start at 1% and range up to 3% based on E-Commerce sales volume growth.

MSC is prepared to offer Cumulative Ordering Volume Discounts to NASPO ValuePoint. NASPO ValuePoint end users are encouraged to contact their MSC Representative or State Account Manager to request additional discounts on a quote-by-quote basis.

When dealing with large orders, NASPO ValuePoint end users are always encouraged to reach out to their MSC Representatives in order to discuss additional pricing discounts and incentives on a quote-by-quote basis.

Please refer to our Cost Proposal for discount and pricing language.

6.6.11.2 Describe in detail any incremental pricing incentives for on-line ordering verses fax or call in ordering.



MSC has the ability to offer discount incentives for online ordering as part of our E-Commerce program. This can be negotiated within each state's participating addendum. MSC will offer a tiered "E-Commerce rebate incentive" to all states that utilize a statewide E-Commerce platform that is integrated with MSC. This rebate will be tabulated and paid annually after the one-year anniversary of the PA signing. The additional rebates will start at 1% and range up to 3% based on E-Commerce sales volume growth.

#### 6.7. ADDITIONAL SERVICES

### 6.7.1. Training

6.7.1.1. Offeror shall provide all training as necessary at no additional pricing to all Participating States on all aspects of ordering, online ordering, product delivery, product returns, EPP's, and customer service processes.

All training for all aspects of the NASPO ValuePoint program will be provided at no cost to Participating States.

6.7.1.2 Describe in detail the Offeror's ability to offer training that may be required to ensure purchasing entities have a thorough understanding of all ordering processes including any online systems. No pricing for product training, safety training, or travel and per Diem.

MSC will implement a variety of training programs to ensure ordering entities have a thorough understanding of the MSC ordering processes. The following options will be offered.

Centralized Workshops – Based on the participating state requirements and goals, MSC will schedule centralized custom workshops to ensure NASPO ValuePoint participants have a comprehensive understanding of the MSC offering. Workshop topics are as follows:

- Overview of the NASPO ValuePoint program and pricing
- Overview of the MSC website and registration process
- Overview of MSC ordering options and customer service processes
- Introduction to product training resources
- Introduction to Safety, Emergency, and Green resources
- Customized topics

Adobe Online Training – For agencies unable to attend a workshop, MSC will set up online training that includes:

- Overview of the NASPO ValuePoint program and pricing
- Overview of the MSC website and registration process
- Overview of MSC ordering options and customer service processes
- Introduction to product training resources
- Introduction to Safety, Emergency, and Green resources
- How to contact your dedicated NASPO ValuePoint team

#### 6.7.2. Disaster Recovery

Please describe your emergency management plan to aid States during an emergency or disaster recovery. Be specific as to response time, supplies availability and other goods and services that you offer.



Disaster Recovery Plan: MSC understands your concern that an emergency could potentially prevent us from providing you with needed products and services. For this reason, we developed a Disaster Contingency Plan that enables the business to continue services in the unlikely event that we experience problems with our computer systems, telecommunication systems, or warehouse/shipping capabilities. These plans have been designed and maintained to ensure timely recovery from a disaster.

- Emergency response orders due to natural disasters or threat of war that are sent to MSC during normal business hours will be shipped and delivered either the same day or the following day as specified. To meet the emergency demand requirements, MSC will maintain a designated point of contact that is available 24 hours a day, seven days a week.
- MSC has developed our own Emergency Preparedness program so we can take the worry out of the storm. From generators to flashlights, tarps to batteries, wet/dry vacuums to pumps, and first aid kits to water, MSC has everything you'll need to prepare for any emergency. MSC can help provide NASPO ValuePoint's Participating Members with free consultative services in order to help them prepare for natural disasters in order to minimize the damage during the storm, as well as to help them recover after the event.
- In the event of a natural disaster, MSC's State Account Managers will work with individual State Emergency Preparedness Offices to support and meet the needs of the states. MSC partners with State Emergency Management Departments before, during, and after emergencies occur.

Emergency Preparedness Corporate Support Task Force: A cross-functional team of corporate support personnel representing 22 departments meets before, during (when feasible), and after a crisis or natural disaster to support our customers, our teams, and our communities. Team members are "decision-makers" for their business units. Their mission is to protect company assets, which include our Associates, customer relationships, buildings, merchandise, data, and our brand. In addition, we also have extensive Emergency Preparedness checklists available in the Resources section of our website which States and Municipalities find valuable before, during, and after and events (e.g., Tornado, Hurricane & Severe Weather).

Telecommunications System Plan: The recovery time required in the event of a telephone system failure varies depending on the type of problem. A Telephone Systems team is responsible for identifying the affected area and re-routing the affected numbers to an alternate location within 30 minutes. The Technology Department is responsible for ensuring that the alternate site has the equipment and software required to properly handle phone calls and orders received from the affected location. We operate multiple Customer Service Centers located in separate geographical areas to ensure complete network diversity. These centers are equipped with state-of-the-art communications equipment and protected by an Uninterruptible Power Supply (UPS) system. The Customer Service Centers are also equipped with generators to power the facility in the event of an extended commercial power failure.

Distribution Contingency Plan: A Distribution Contingency team has been identified at our coheadquarters in Davidson, NC. This team addresses the potential dangers in the event of a catastrophic disaster that could damage a Customer Fulfillment Center to the extent that orders can no longer be shipped. The Distribution Contingency team will make arrangements through our computer system and Customer Fulfillment Center operations to reroute customer shipments for the affected site to the nearest alternate location.

### 6.7.3. Installation, if applicable

Please describe Offeror's ability to provide installation services of products or equipment that Participating States may chose, if applicable to their States rules.

We are fully committed to providing a seamless transition to MSC's services. When NASPO ValuePoint users chooses to implement one of MSC's vending solutions, we will execute an extensive, in-depth process beginning with site analysis all the way through to monitoring the continuing performance of our solutions after installation so that we can ensure complete customer satisfaction. Our process includes:

- Discovery and Assessment MSC's supply chain experts will partner with your local teams to thoroughly analyze their existing environment, and identify any individual location challenges.
   Upon completion of the site analysis, our experts will determine the appropriate solution for your unique needs and review recommendations with you.
- Finalize an Agreement MSC and NASPO ValuePoint users will work together to document our understanding of the project and create the final agreement, which includes a detailed Item Plan outlining all the products to be included in the units.
- 3. Installation and Training Every step of the implementation process will be closely monitored by our expert implementation team to ensure that each individual location program is properly installed and fully functional. MSC's highly qualified team will provide hands-on training to the dispensing unit's operators and managers so that the system can be up and running in as little time as possible and working to create a more efficient, cost-effective environment. Prior to implementation closure, a Customer Sign-Off Form will be presented and reviewed to ensure full satisfaction.
- 4. Monitoring and Support Once a customer's vending solutions are fully functional; MSC provides ongoing support by our Vending Service Center, which functions very similarly to local Branch support. Along with phone-in customer service support, customers will have access to Product and Technology Teams and Vending Equipment inventory monitoring. It is MSC's mission to fully support our programs from their inception and installment and through the provision of ongoing assistance. We will monitor the products in our Inventory Management Vending Solutions Programs.

To ensure NASPO ValuePoint users gets the maximum benefit from our programs, our Vending team will monitor the inventory and will work with NASPO ValuePoint users to identify areas of opportunity to decrease and/or add inventory based on usage patterns.

We will also assist in any necessary equipment reconfiguration. However, we can maximize the program's flexibility through the training of NASPO ValuePoint users associates during the implementation process. We will train NASPO ValuePoint users associates on the necessary reconfiguration process so that changes can be made as expeditiously as possible.

All of MSC's Implementations Specialists and Technicians are factory-trained, and maintain a high working knowledge of all MSC equipment. Additionally, MSC's local Branch support teams receive the same training. Our units have a proven track record in their performance; however if a challenge does arise, MSC will respond with professional knowledgeable service technicians in order to make any necessary repairs with minimal disruption. Our specialists will devote as much time as necessary to ensure successful implementation.

MSC's structured support team begins with our Vending Service Center. With a single call or email to our Vending Service Center NASPO ValuePoint users receive assistance with assorted questions and challenges. Our experienced Vending Service Center team can troubleshoot issues, add items to the machine, price review and more. If the issue cannot be solved from our Vending Service Center support



team, it would be escalated to the local Branch level where an on-site visit will be arranged to aid with additional troubleshooting and repair expertise. If a challenge extends beyond our vast resources, our equipment manufacturer is available to assist in any capacity required.

#### 6.7.4. Value added solutions

Offerors are encouraged to suggest value added solutions that may improve the States use of the contracts and products offered. One such value-add is product sourcing.

#### 6.7.4.1 Sourced Products

(1) Supplier sourced products is a product which is not currently listed in the suppliers contract catalog or online ordering system at the time of order receipt but is capable of being supplied through the offeror.

If an unavailable product is requested, our knowledgeable Associates will immediately search our 1 million products to suggest a comparable alternative of equal or higher value. If it isn't available from our stock for same-day shipping, our sales team will source the product as quickly as possible, purchasing it when the customer places the order. And if MSC is not a distributor for a particular product, we have the capability to procure the product by purchasing through an authorized distributor. We have also cross-referenced many of our products and brands with industry brands we do not offer so that we can provide our customers alternate choices of equal or higher value.

As part of our vast sourcing capabilities, MSC can also source custom, built-to-specification parts upon request.

(2) If the offeror is capable of supplying sourced products they must be direct line extension products which have a similar item to an established product category and the offeror must already have a publically recognized business partnership with the "brand".

MSC confirms.

(3) The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge.

There is no up-charge for sourced items.

## 6.7.4.2 Vending Machines

(1) Vending style machines that can dispense singular or multiple products with control type methods.

One of the key differentiators elevating MSC above our competitors is our ControlPoint Inventory Management Vending Solutions. For customers searching for innovative technology to help streamline processes and improve cost savings, industrial vending is an ideal solution. MSC's vending programs are proven to solve the numerous inefficiencies inherent to the management of indirect spend items on a shop floor, such as too little or too much inventory, and the management of multiple purchase orders.

(2) Offerors are encouraged to list their vending solutions.

MSC believes the variety of units within our vending systems, along with the power of the software driving the program, is the most suitable for the mixture of NASPO ValuePoint users applications. MSC's Inventory Management (IM) vending solutions are modular, configurable, and flexible, and offer a webbased dashboard view of your production inventory. This solution-set is built on the latest technology — touch-screen and cloud-computing, and powered by robust software that includes comprehensive reporting.

All units within our vending program can be used on a stand-alone basis or as an auxiliary to another unit providing endless equipment configuration possibilities. All vending units utilize the same intuitive software. Innovative Touch-Screen technology simplifies the user interface. An easy-to-read screen features customer-specific product data and images. A variety of sized drawers, lockers and bins make repackaging items unnecessary and eliminates the "hang-up" issues inherent with coil-units. Additional special features include: Check-In/Check-Out functionality for limited quantity items or for items that may be shared by other users, User Restriction Settings and a Return feature so that incorrectly dispensed items can be quickly and easily returned to its appropriate system location ensuring accurate inventory readings and product availability. The program can also manage items not suitable for vending programs, such as caustic chemicals, motors, janitorial supplies, and more.

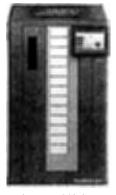
MSC vending equipment systems include:

- ControlPoint Drawer: Our Drawer System is the workhorse of MSC's line of vending solutions. The Drawer unit can operate as a stand-alone machine or combine with other units to provide the best vending solution for your specific needs. The Drawer provides unsurpassed floor space efficiency up to 180 different SKUs can be independently managed in a 30" x 20" footprint. This solution's multi-drawer, configurable design features progressively opening drawers, set up in pods that can be configured in a variety of formats for managing all item types anything from small carbide inserts to welding gloves. Progressive drawer technology opens a drawer only just enough to dispense the needed quantity, so items can be released in less-than-package quantities without the need for repackaging and without dropping tools all while providing absolute security over the items. The base unit's minimal footprint and high storage capacity make this unit ideal for just about any space. Based on a modular design, the unit can be easily reconfigured; and is expandable by implementing additional units and/or lockers as needed. Dimensions: 30.25" W x 20.5" D x 78.75" H.
- ControlPoint Carousel Vending: Our versatile Carousel System is a heavy-duty drum unit designed to securely manage a large number of different items within a limited space. Featuring an intuitive, touch-screen with modern, tablet-like functionality, the unit can be utilized on its own or linked to another unit. Its 468 compartments can accommodate items up to 11.5" in length and dispense single or multiple items. Additionally, every other divider may be removed to increase space and double the compartment size from a 3" x 3" compartment to a larger 6" x 3" size. Dimensions: 44" W x 40" D x 80" H.
- ControlPoint Locker Vending: MSC's Locker System is a secure way to store a variety of items, particularly large or heavy products. Our auxiliary Locker may be linked to our Drawer or Carousel unit and would be accessed through the main unit's intuitive, touch-screen, tablet-like interface. Consisting of three vertical stacks of electronically controlled lockers featuring see-through, plexi windows and LED lighting, it is ideal for large item and/or bulk vending or managing expensive tools and shared items through the Check-Out/Check-In functionality. The unit is available in three configurations: all small lockers; all medium lockers; or a combination of nine small, six medium and three large lockers. Each locker can hold up to 165 lbs. Dimensions: 43" W x 20" D x 78.75" H.
- ControlPoint Cabinet Vending: Electronically controlled, MSC's Cabinet unit is an ideal inventory management system for housing a large variety of objects from metalworking to MRO products in a limited space. Available in a 10-, 11- or 15-drawer configuration, auxiliary Cabinet may be linked to our Drawer or Carousel unit and would be accessed through the main unit's intuitive, touch-screen, tablet-like interface. The industry-standard cabinets feature full extension drawers and are capable of holding up to 440 lb. weight. Additionally, a locking system allows for one drawer to open at a time in order to ensure safe operation and avoid tipping. Multiple drawer configurations are available and can



be sized to meet your item plan requirements. Dimensions: 10-Drawer Model – 28.25" W x 28.5" D x 41.75" H; 11- and 15-Drawer height - 59.5" H.









**Drawer Unit** 

Carousel Unit

**Cabinet Unit** 

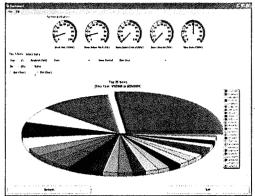
# Driven by Innovative Intelligent Software

MSC's web-based software is a powerful and cost-effective solution for inventory control and management which maximizes automation, streamlines your purchasing process, and reduces operating costs.

Housed on a web-based platform, NASPO ValuePoint users may access their vending machine

databases from a secured Internet connection anywhere, anytime. Configuration changes, reporting and ordering can be done anywhere, anytime and will be reflected in just minutes at the vending machine.

Our software features an easy-to-use "Reporting Dashboard" where information can be quickly accessed. The system dashboard can be accessed via our userfriendly web portal and is capable of tracking issues, returns, stock moves, and more. It also provides a complete audit trail of all item activity. Consolidated or

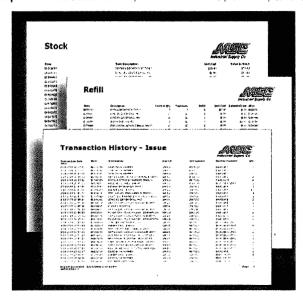


individual POU replenishment orders can be automatically or manually generated, and then electronically transmitted. Customers can select Standard or Advanced reports. All the reports are built around six topics: EDI/Purchasing, Inventory Performance, Shop Floor Information, Transactions, Users, and a

variety of Miscellaneous reports. MSC also offers customers the flexibility to design, save and autoschedule the delivery of requested reports. These reports include and are not limited to tool / inventory usage, restock and inventory adjustments.

Examples of available on-demand reports are:

- Transaction History by item, User, Job and Machine
- Purchasing Reorder, Recent Usage Data
- Inventory Item Details, Active, Never Withdrawn reports
- Lists User, Group, Machine, Job, etc.



These reports are available upon request at any time to provide:

- Consistent reports to monitor report spend by area, group or employee.
- Transparency as to usage of materials by department.
- Materials being taken from one area to another with accountability from User.
- Materials not being delivered to departments in a timely manner.
- Drastically reduce hoarding and pilferage.

Designated System Administrators can be appointed, and will have the ability to make necessary changes, which will be quickly updated through our Inventory Management software. Information can be entered manually, or for larger changes, revisions can be imported from a spreadsheet. MSC trains all designated users on all administrative features and functionality during the implementation process.

# World-Class Implementation Team and Support

We are fully committed to providing a seamless transition to MSC's services. When NASPO ValuePoint users chooses to implement one of MSC's vending solutions, we will execute an extensive, in-depth process beginning with site analysis all the way through to monitoring the continuing performance of our solutions after installation so that we can ensure complete customer satisfaction. Our process includes:

- Discovery and Assessment MSC's supply chain experts will partner with your local teams to thoroughly analyze their existing environment, and identify any individual location challenges.

  Upon completion of the site analysis, our experts will determine the appropriate solution for your unique needs and review recommendations with you.
- Finalize an Agreement MSC and NASPO ValuePoint users will work together to document our understanding of the project and create the final agreement, which includes a detailed Item Plan outlining all the products to be included in the units.
- Installation and Training Every step of the implementation process will be closely monitored by our expert implementation team to ensure that each individual location program is properly installed and fully functional. MSC's highly qualified team will provide hands-on training to the dispensing unit's operators and managers so that the system can be up and running in as little time as possible and working to create a more efficient, cost-effective environment. Prior to implementation closure, a Customer Sign-Off Form will be presented and reviewed to ensure full satisfaction.
- Monitoring and Support Once a customer's vending solutions are fully functional; MSC provides ongoing support by our Vending Service Center, which functions very similarly to local Branch support. Along with phone-in customer service support, customers will have access to Product and Technology Teams and Vending Equipment inventory monitoring. It is MSC's mission to fully support our programs from their inception and installment and through the provision of ongoing assistance. We will monitor the products in our Inventory Management Vending Solutions Programs.

To ensure NASPO ValuePoint users gets the maximum benefit from our programs, our Vending team will monitor the inventory and will work with NASPO ValuePoint users to identify areas of opportunity to decrease and/or add inventory based on usage patterns.

We will also assist in any necessary equipment reconfiguration. However, we can maximize the program's flexibility through the training of NASPO ValuePoint users associates during the implementation process. We will train NASPO ValuePoint users associates on the necessary reconfiguration process so that changes can be made as expeditiously as possible.



All of MSC's Implementations Specialists and Technicians are factory-trained, and maintain a high working knowledge of all MSC equipment. Additionally, MSC's local Branch support teams receive the same training. Our units have a proven track record in their performance; however if a challenge does arise, MSC will respond with professional knowledgeable service technicians in order to make any necessary repairs with minimal disruption. Our specialists will devote as much time as necessary to ensure successful implementation.

MSC's structured support team begins with our Vending Service Center. With a single call or email to our Vending Service Center NASPO ValuePoint users receive assistance with assorted questions and challenges. Our experienced Vending Service Center team can troubleshoot issues, add items to the machine, price review and more. If the issue cannot be solved from our Vending Service Center support team, it would be escalated to the local Branch level where an on-site visit will be arranged to aid with additional troubleshooting and repair expertise. If a challenge extends beyond our vast resources, our equipment manufacturer is available to assist in any capacity required.

Page 77 + NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies RFP No. DASPS-2183-17 July 12, 2018

# **Table of Attachments**

Attachment 1: MSC References

Attachment 2: MSC Locations

Attachment 3: Key Supplier Program

Attachment 4: Required Forms

Attachment 5: Signed Addenda

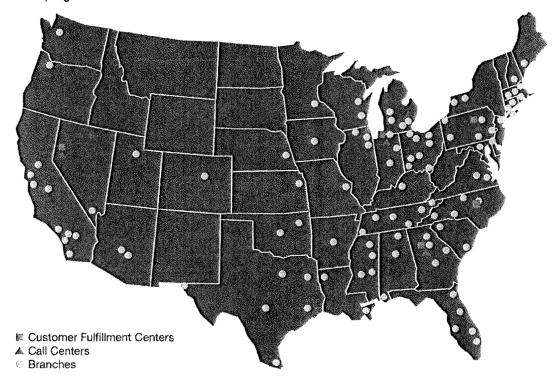
Company Name:		EFERENCE #1  4PL BPA – Vendor Direct Delivery Stores
		and Website – USMC ServMart
		project (Check appropriate role below):
X	PROPOS	!
Project Name:		6FLS-A6-08999-MAS-I
Primary Contact Inforn	nation	
Name:		Jim Lettinhand
Street Address:	and a second control of the second control o	300 Marine Corps Pentagon, Rm 2E211
City, State, Zip:		Washington, DC 20350-3000
Phone, including area co	ode:	571-256-7134
Facsimile, including area	a code:	N/A
Email address:		Edmund.lettinhand@usmc.mil
Alternate Contact Infor	rmation	
Name:		N/A
Street Address:		N/A
City, State, Zip:		N/A
Phone, including area co	ode:	N/A
Facsimile, including area	a code:	N/A
Email address:		N/A
		The state of the s
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		<b>B</b>	USINE	ess Reference #2	
Company Name: United States Postal Service					
Identify role company will have for this RFP project (Check appropriate role below):					
X	PRO	POSER	SUBCONTRACTOR		
Project Name:		Contract # 2C	MROS	S-11-B-1024	
Primary Contr	act in	formation			
Name:		Rasi	honda Williams		
Street Address	•		7800	0 Stemmons Freeway, Suite 700	
City, State, Zip	:		Dalla	as, TX 75247	
Phone, includir	ng area	a code:	(214	I) 819-7103	
Facsimile, inclu	uding a	irea code:	(214	l) 435-9842	
Email address:	And the second s		Rasi	honda.C.Williams@usps.gov	
Alternate Cont	act Inf	ormation			
Name: N/		N/A			
Street Address	treet Address: N/A				
City, State, Zip	Zip: N/A				
Phone, including area code: N/A		N/A			
Facsimile, inclu	e, including area code: N/A				
Email address:	il address: N/A		N/A		
			Pro	oject information	
Brief description of the project/contract and description of services performed, including technical environment (i.e., software applications, data communications, etc.) if applicable:					
Four-category Industrial	awan	d-winner: MRO	Contra	act Custodial, Electrical, Building & Equipment,	
Original Project/Contract Start Date:			May 2011		
Original Project/Contract End Date:			May 2020		
Original Project/Contract Value:			\$110,000,000 (Annually)		
Final Project/Contract Date:					
Was project/co	ntract	completed in time	e origin	nally allotted, and if not, why not?	
Yes					
Was project/co	ntract	completed within	or und	der the original budget/cost proposal, and if not, why not?	
Yes					
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Business Reference #3						
Company Name: State of Missouri MRO						
Identify role company will have for this RFP project (Check appropriate role below):						
X	PROPOSER		SUBCONTRACTOR			
Project Name:	State of Miss	souri MI	RO Contract			
Primary Contra	ct Information					
Name:		Kris	tina Cramer			
Street Address:	and the reference and the state of the the control of the state of the	301 V	Nest High Street Room 630			
City, State, Zip:		Jeffe	rson City, MO 65101			
Phone, including	g area code:	573-	751-1695			
Facsimile, includ	ding area code:	N/A				
Email address:		N/A				
Alternate Conta	ct Information	Contact Contac				
Name: N/A		N/A				
Street Address: N/A		N/A				
City, State, Zip: N/A		N/A				
Phone, including area code: N/A		N/A				
Facsimile, includ	ding area code:	N/A				
Email address:		N/A				
Project information						
			lescription of services performed, including technical a communications, etc.) if applicable:			
This is the State of Missouri's contract for Maintenance, Repair & Operating Supplies. This contract can be used by all governmental entities in the State of Alabama.						
Original Project/Contract Start Date: 5/1/2011			5/1/2011			
Original Project/Contract End Date:		. Photos menter at accounted	2/28/2017			
Original Project/Contract Value:		e marketine and analysis at larger	\$1,000,000			
Final Project/Contract Date:		The state of the s				
Was project/con	tract completed in tin	ne origir	nally allotted, and if not, why not?			
Yes	en angel kom en	***				
Was project/con	tract completed withi	n or und	der the original budget/cost proposal, and if not, why not?			
Yes	and the second	rrau na cura virante e dinable e ni Greddede				

# MSC Customer Fulfillment Centers and Branch Locations

From our five regional Customer Fulfillment Centers (CFCs) and 90 local Branch offices to our in-stock selection of over 1,000,000 products and \$350 million in inventory, MSC is fully positioned and capable of servicing and supporting all of our State and Federal Account customers, including servicing the NASPO ValuePoint program.



# **Customer Fulfillment Center Locations**

# CUSTOMER FULFILLMENT CENTERS (CFC)

Atlanta, GA
Customer Fulfillment Center
Call Center
6700 Discovery Blvd.
Mableton, GA 30126
Phone: (800) 645-7270
Fax: (800) 255-5067
cust_service@mscdirect.com

Columbus, OH Customer Fulfillment Center 1568 Georgesville Rd. Columbus, OH 43228 Elkhart, IN Customer Fulfillment Center Call Center 28551 Laura Ct. Elkhart, IN 46517 Phone: (800) 645-7270 Fax: (800) 255-5067

Figure (800) 045-7270

Fax: (800) 255-5067

<u>cust_service@mscdirect.com</u>

Harrishurg

Reno, NV
Customer Fulfillment Center
Call Center
2300 Newlands Dr. E
Fernley, NV 89408
Phone: (800) 645-7270
Fax: (800) 255-5067
cust_service@mscdirect.com

Harrisburg, PA Call Center / CFC 100 MSC Dr. Phone: (800) 645-7270 Fax: (800) 255-5067

cust service@mscdirect.com

Jonestown, PA 17038 Phone: (800) 645-7270 Fax: (717) 861-5810

cust service@mscdirect.com

# Branch Locations

# BRANCH LISTINGS

# **ALABAMA**

Birmingham, AL 2194 Parkway Lake Dr., Suite C Hoover, Al 35244 Local: (205) 591-9565 Fax: (205) 591-9669

branchbir@mscdirect.com

Madison, AL 114 Celtic Rd. Madison, AL 35758 Local: (256) 772-0601 Fax: (256) 772-8385 branchmad@mscdirect.com

Mobile, AL 4345 Halls Mill Rd., Suite D Mobile, Alabama 36693 Local: (251) 342-5030 Fax: (251) 342-3004 branchmob@mscdirect.com

#### ARIZONA

Phoenix, AZ Fiesta Tech Center 1383 N. Tech Blvd., Suite 106 Gilbert, Arizona 85233 Local: (480) 755-0415 Fax: (480) 755-4209 branchphx@mscdirect.com

#### ARKANSAS

CALIFORNIA

Little Rock, AR 10600 Colonel Glenn Rd., Suite 400 Little Rock, AR 72204 Local: (501) 569-9191 Fax: (501) 569-9922

# branchltr@mscdirect.com

Chatsworth, CA Showroom/Will Call 9324 Corbin Ave. Northridge, CA 91324 Local: (818) 718-7696 Toll Free: (800) 645-7270 Fax: (818) 718-7697 branchchw@mscdirect.com

Orange County, CA 11450 Markon Dr., Suite A Garden Grove, CA 92841 Local: (714) 379-6556 Fax: (714) 379-6694 Para Español: 800-753-7922 branchlos@mscdirect.com

San Francisco, CA 3848 Bay Center Place Hayward, CA 94545 Local: (510) 576-4080 Fax: (510) 785-9110 branchsfo@mscdirect.com Los Angeles, CA 11450 Markon Dr., Suite A Garden Grove, CA 92841 Local: (714) 379-6556 Fax: (714) 379-6694 Para Español: 800-753-7922 branchlos@mscdirect.com

Sacramento, CA 2688 Del Monte St. West Sacramento, CA 95691 Local: (916) 617-2002 Fax: (916) 617-2228 branchsac@mscdirect.com

Ontario, CA 7740 Edison Ave., Suite 102 Fontana, California 92336 Local: (909) 854-0087 Fax: (909) 854-4733 branchont@mscdirect.com

San Diego, CA 5715 Kearny Villa Rd., Suite 112 San Diego, CA 92123 Local: (858) 505-8608 Fax: (858) 505-0214 branchsdg@mscdirect.com

COLORADO Denver, CO 6100 Stapleton Dr. South, Suite A Denver, CO 80216 Local: (303) 935-2022 Fax: (303) 937-1228 branchden@mscdirect.com CONNECTICUT Berlin & ATS Cromwell, CT 50 Inwood Rd. Inwood Business Park Rocky Hill, CT 06067 Local: (860) 721-1947 Fax: (860) 721-1994 branchber@mscdirect.com DELAWARE New Castle, DE 401 East Marsh Ln., Unit 2 Newport, Delaware 19804 Local: (302) 322-5441 Fax: (302) 328-7024 branchnwc@mscdirect.com Map and Directions FLORIDA Miami, FL Orlando, FL Jacksonville, FL 8936 Western Way, Suite 8 2810 NW 79th Ave. 6830 Shadowridge Dr., Suite 203 Miami, FL 33122 Jacksonville, FL 32256 Orlando, Florida 32812 Local: (904) 519-6002 Local: (305) 406-2556 Local: (407) 851-8089 Fax: (407) 855-3676 Fax: (904) 519-9003 Fax: (305) 477-6123 branchorl@mscdirect.com branchjax@mscdirect.com branchmia@mscdirect.com Tampa, FL 2186 Drew St. Clearwater, FL 33765 Local: (727) 442-4131 Fax: (727) 441-9214 branchtam@mscdirect.com **GEORGIA** Augusta, GA Norcross, GA 4809 Technology Dr. 8601 Dunwoody Pl., Suite 610 Sandy Spring, Georgia 30350 Martinez, GA 30907 Local: (706) 860-8220 Local: (770) 248-9944 Fax: (770) 248-9212 Fax: (706) 860-3644 branchnor@mscdirect.com branchaug@mscdirect.com ILLINOIS

Chicago, IL
1020 Wood Dale Road.
Wood Dale, IL 60191
Local: (630) 787-9904
Fax: (630) 787-1250
branchchi@mscdirect.com
Chicago, IL
MSC Metalworking Call Center
1020 Wood Dale Road.
Wood Dale, IL 60191
Toll-Free (800) 521-9520
Fax: (630) 274-3975
mscmwtechteam@mscdirect.com

Rockford II

 Chicago, IL
 Rockford, IL

 MSC Metalworking Showroom
 9934 N. Alpine Rd., Suite 100

 1020 Wood Dale Road.
 Machesney Park, IL 61115

 Wood Dale, IL 60191
 Local: (815) 877-5779

 Local: (630) 238-8920
 Fax: (815) 877-7675

 Fax: (630) 350-2097
 branchrck@mscdirect.com

#### INDIANA

Elkhart, IN Store 28551 Laura Ct. Elkhart, IN 46517 Local: (574) 295-5708 Fax: (574) 295-5809 branchelk@mscdirect.com Indianapolis, IN 1445 Brookville Way, Suite C Indianapolis, IN 46239 Local: (317) 541-3764

Fax: (317) 541-0149 branchind@mscdirect.com

### Iowa

Des Moines, IA 11207 Aurora Ave., Building 6 Urbandale, IA 50322 Local: (515) 334-0707 Fax: (515) 334-0808 branchdes@mscdirect.com

#### **KANSAS**

Kansas City, KS 13313 West 98th St. Lenexa, KS 66215 Local: (913) 438-6300 Fax: (913) 438-6309 branchkan@mscdirect.com

#### KENTUCKY

Louisville, KY 11391 Decimal Dr. Louisville, KY 40299 Local: (502)267-8484 Fax: (502) 267-8634 branchlou@mscdirect.com

### LOUISIANA

New Orleans, LA Jefferson Business Center 524 Elmwood Park Blvd., Suite 160 Harahan, LA 70123 Local: (504) 733-4744 Fax: (504) 733-2075 branchhar@mscdirect.com

Shreveport, LA 668 Bert Kouns Industrial Loop Shreveport, LA 71118 Local: (318) 222-4800 Fax: (318) 222-4882 branchshv@mscdirect.com

#### MAINE

Portland, ME 60 Gray Rd., Unit 20 Portland North Business Park Falmouth, ME 04105 Local: (207) 797-9212 Fax: (207) 797-9230 branchplt@mscdirect.com

# MARYLAND

Baltimore, MD 1550 Caton Center Dr., Suites F - G Baltimore, MD 21227 Local: (410) 644-1313 Fax: (410) 368-3888 branchbal@mscdirect.com

#### MASSACHUSETTS

Chicopee, MA 850 Sheridan St. Chicopee, MA 01022 Local: (413) 593-5216 Fax: (413) 593-5874 branchchp@mscdirect.com

Woburn, MA 20 Blanchard Rd., Suite 9 Burlington, MA 01803 Local: (781) 272-4884 Fax: (781) 272-8551 branchwob@mscdirect.com

Worcester, MA 30 Glennie St. Worcester, MA 01605 Local: (508) 797-3131 Fax: (508) 797-5656 branchwor@mscdirect.com

#### MICHIGAN

Detroit, MI

31557 Schoolcraft Rd., Suite 100

Livonia, MI 48150 Local: (734) 953-8864 Fax: (734) 953-0774

branchdetroit@mscdirect.com

Grand Rapids/Kalamazoo, MI

4171 40th St., SE Kentwood, MI 49512 Local: (616) 245-6812 Fax: (616) 245-8067 branchgpd@mscdirect.com

Southfield, MI

Detroit, MI

MSC Metalworking Call Center

MSC Metalworking Showroom

Customer Service: (800) 521-9520

20921 Lahser Rd.

13599 Merriman Rd.

Fax: (800) 525-6817

Livonia, MI 48150

Southfield, MI 48033-4432

Customer Service: (800) 521-9520

Offices: (248) 200-4200

mscmwtechteam@mscdirect.com

# MINNESOTA

Minneapolis, MN

7672 Golden Triangle Dr. Eden Prairie, MN 55344 Local: (952) 995-0102 Fax: (952) 995-0876

branchmnp@mscdirect.com

MISSISSIPPI

Columbus, MS 125 Hemlock St. Columbus, MS 39702 Local: (662) 328-0971 Fax: (662) 328-0993

branchcom@mscdirect.com

Jackson, MS 164 Concourse Dr. Pearl, MS 39208 Local: (601) 922-2212 Fax: (601) 922-8945 branchjac@mscdirect.com

115 Godfrey Rd., Verona, MS 38879 Local: (662) 566-1125 Fax: (662) 566-2154 branchtup@mscdirect.com

Tupelo, MS

#### MISSOURI

St. Louis, MO 921 Fee Fee Rd.

Maryland Heights, MO 63043 Local: (314) 205-0266 Fax: (314) 205-2234 branchstl@mscdirect.com

NEBRASKA

Omaha, NE

7010 South 108th St. La Vista, NE 68128 Local: (402) 331-5540 Fax: (402) 331-0783

branchomh@mscdirect.com

**NEW HAMPSHIRE** 

Manchester, NH 1 Perimeter Rd.

Manchester, NH 03103 Local: (603) 666-4045 Fax: (603) 666-4841

branchman@mscdirect.com

**NEW JERSEY** 

Edison, NJ

105 Newfield Ave. Edison, NJ 08837 Local: (732) 512-9555

Fax: (732) 512-9595 branchken@mscdirect.com

#### **NEW YORK**

Long Island Sales Office 75 Maxess Rd. Melville, NY 11747-3151 Local: (631) 586-5600 Fax: (631) 586-5606 branchdpk@mscdirect.com Melville, NY Corporate Headquarters 75 Maxess Rd. Melville, NY 11747-3151 Local: (516) 812-2000 Fax: (516) 812-1703 Map and Directions

Rochester, NY 52 Marway Cir., Suite 3 Rochester, NY 14624 Local: (585) 426-5550 Fax: (585) 426-4116 branchroc@mscdirect.com

#### NORTH CAROLINA

Charlotte, NC 8848 Red Oak Blvd., Suite D Charlotte, NC 28217 Local: (704) 521-8400 Fax: (704) 521-8414 branchcha@mscdirect.com

Greensboro, NC 8203H Piedmont Triad Pkwy. Greensboro, NC 27409 Local: (336) 664-1040 Fax: (336) 664-0039 branchgbo@mscdirect.com Davidson, NC Corporate Headquarters 525 Harbour Place Dr. Davidson, NC 28036 Local: (704) 987-5200 Fax: (800) 255-5067 Raleigh, NC

2300 Westinghouse Blvd., Suite 101 Raleigh, NC 27604 Local: (919) 755-9802 Fax: (919) 755-0689 branchral@mscdirect.com

### OHIO

Cleveland, OH 9177 Dutton Dr. Twinsburg, OH 44087 Local: (330) 405-3200 Fax: (330) 405-3263 branchcle@mscdirect.com

Local: (330) 405-3200
Fax: (330) 405-3263
branchcle@mscdirect.com
Toledo, OH

1650 Indian Wood Cir., Suite 800 Maumee, OH 43537 Local: (419) 891-0561 Fax: (419) 891-1188 branchtol@mscdirect.com Dayton/Cincinnati, OH 1233 Byers Rd. Miamisburg, OH 45342 Local: (937) 274-3750 Fax: (937) 274-3775 branchday@mscdirect.com

Poca, WV 25159
Local: (304) 529-4171
Fax: (304) 529-4193
com
dolinhnt@mscdirect.com
fin, OH
uthland Park

South Point, OH

12 Craddock Way

Tiffin, OH
Southland Park
County Rd. 54
Tiffin, OH 44883
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### **OKLAHOMA**

Oklahoma City, OK 4325 SW 21st Street Oklahoma City, OK 73108 Local: (405) 946-9090 Fax: (405) 946-9114 branchokc@mscdirect.com Tulsa, OK 11022 East 51st Street Tulsa, OK 74146 Local: (918) 712-4340 Fax: (918) 712-4347 branchtul@mscdirect.com

#### **OREGON**

Portland, OR 12207 NE Marx Street, Building 7 Portland, OR 97230 Local: (503) 535-2822 Fax: (503) 535-2850 branchpor@mscdirect.com

#### PENNSYLVANIA

Erie, PA 2730 W 21st St., Suite A Erie, PA 16506 Local: (814) 833-8006 Fax: (814) 833-7411 brancheri@mscdirect.com Harrisburg, PA Store 100 MSC Dr. Jonestown, PA 17038 Local: (717) 861-5830 Fax: (717) 861-5829 branchhbu@mscdirect.com

Pittsburgh, PA 20 Parkway View Dr. Pittsburgh, PA 15205 Local: (412) 494-4770 Fax: (412) 494-4780 branchpit@mscdirect.com Warminster, PA 1 Ivybrook Blvd., Suite 120 Ivyland, PA 18974 Local: (215) 956-9650 Fax: (215) 956-9654 branchwar@mscdirect.com York, PA 2135 Industrial Hwy. York, PA 17402 Local: (717) 755-1500 Fax: (717) 757-0665 branchyrk@mscdirect.com

### RHODE ISLAND

Pawtucket, RI 977 Waterman Ave. East Providence, RI 02861 Local: (401) 725-4340 Fax: (401) 725-4413 branchpaw@mscdirect.com

### **SOUTH CAROLINA**

Charleston, SC 3820 Faber Place Dr., Suite 700 N. Charleston, SC 29405 Local: (843) 856-0426 or (866) 315-6686 Fax: (843) 884-8757 branchchs@mscdirect.com

Greenville, SC 34 Boland Ct. Greenville, SC 29615 Local: (864) 281-9330 Fax: (864) 627-7922 branchgrv@mscdirect.com

#### **TENNESSEE**

Chattanooga, TN
4295 Cromwell Rd., Suite 307
Chattanooga, TN 37421
Local: (423) 893-7131
Fax: (423) 893-7303
branchcht@mscdirect.com

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Eastpointe Business Center
3955 Vantech Drive
Suite 7 Memphis, TN 38115
Local: (901) 565-9880
Fax: (901) 565-0966
branchmem@mscdirect.com

Kingsport, TN 11 Worth Circle Johnson City, TN 37601 Local: (423) 349-4410 Fax: (423) 349-4525 Branchits@mscdirect.com

Nashville, TN 501 Ligon Dr. Nashville, TN 37204 Local: (615) 242-3825 Fax: (615) 242-7026 branchnas@mscdirect.com Knoxville, TN 10301 Cogdill Rd., Suite 310 Knoxville, TN 37932 Local: (865) 777-9840 Fax: (865) 777-9847 branchknx@mscdirect.com

Paris, TN 1420 Industrial Park Rd. Paris, TN 38242 Local: (731) 642-7847 Fax: (731) 642-5816 branchpar@mscdirect.com

# TEXAS

Arlington, TX
MSC Metalworking Call Center
15600 Trinity Blvd., Suite 104
Fort Worth, TX 76155
Toll-Free (800) 521-9520
mscmwtechteam@mscdirect.com

Fort Worth, TX 15600 Trinity Boulevard Suite 104 Fort Worth, TX 76155 Local: (817) 590-2637 Fax: (817) 590-0296 branchfwo@mscdirect.com

San Antonio, TX 121 Interpark Blvd. Suite 1203 San Antonio, TX 78216 Local: (210) 930-2912 Fax: (210) 930-3686 branchsat@mscdirect.com Dallas, TX 15600 Trinity Blvd., Suite 104 Fort Worth, TX 76155 Local: (817) 590-2637 Fax: (817) 590-0296 branchfwo@mscdirect.com

Harlingen, TX 402 N Expressway 77 Harlingen, TX 78552 Local: (956) 412-6500 Fax: (956) 412-8131 branchhrl@mscdirect.com El Paso, TX 10737 Gateway Blvd. West Suite 102 El Paso, TX 79935 Local: (915) 629-8233 Fax: (915) 629-8235 branchelp@mscdirect.com Houston, TX 4540 Kendrick Plaza Drive Suite 190 Houston, Texas 77032 Local: (713) 862-8665 Fax: (713) 864-5646 branchhou@mscdirect.com

#### UTAH

Salt Lake City, UT 2355 S. 1070 W., Suite B Salt Lake City, UT 84119 Local: (801) 904-1921 Fax: (801) 904-1919 branchslc@mscdirect.com

# **VIRGINIA**

Newport News, VA 11828 Fishing Point Dr., Suite 118 Newport News, VA 23606 Local: (757) 249-8989 Fax: (757) 249-0477 Richmond, VA 7425 Whitepine Rd. Richmond, VA 23237 Local: (804) 714-2405 Fax: (804) 714-2431 branchrcm@mscdirect.com

### WASHINGTON

Seattle, WA 3415 S 116th St., Suite 125 Tukwila, WA 98168 Local: (206) 268-7475 Fax: (206) 268-7474 branchsea@mscdirect.com

branchnew@mscdirect.com

# WISCONSIN

Appleton, WI N677 Communication Dr. Appleton, WI 54915 Local: (920) 734-9146 Fax: (920) 734-3586 branchapl@mscdirect.com Milwaukee, WI W237 N2889 Woodgate Rd., Unit C Pewaukee, WI 53072 Local: (262) 347-0639 Fax: (262) 347-0847 branchmwk@mscdirect.com

# MSC Key Supplier Program

# Key Supplier Strategy

MSC Industrial Supply partners with over 3,000 suppliers to bring our vast (over 1,000,000) products and specialty services to the NASPO ValuePoint Customers. As part of the NASPO ValuePoint Program, MSC has teamed up with a selected group of valued Key and Strategic Suppliers. The MSC State Government Team has targeted these suppliers based on their ability to offer exceptional products, services, and resources that can support the NASPO ValuePoint Customers. The Key Suppliers that we have selected include:

- Stanley Black & Decker
- Newell Rubbermaid
- Kimberly-Clark

- DETCO Floor Care Systems
- Philips Lighting / Advance Ballast
- National Marker

Each of these selected Key Suppliers has crafted a special message about the unique products and services that they can offer to the NASPO ValuePoint Customers. We believe that this will be a key differentiator for your end users by providing the partnership of a Best in Class Distributor with a Best in Class Manufacturer to the NASPO ValuePoint Program. This Key Supplier Program is intended to offer innovation through product enhancements, specialty capabilities that our suppliers can offer to support the end user customers, and the additional resources that can be committed by our Key Suppliers to support and complement MSC's Sales and Support Teams.

# Strategic Suppliers

MSC has also partnered with a number of additional suppliers in a similar way to offer SPA (Special Pricing Agreements) Pricing as a way to bring additional savings to the NASPO ValuePoint Program. Our Strategic Suppliers include:

- Duracell
- GoJo
- Georgia Pacific
- Filtration Group
- Natures Solution
- Stockhausen
- Simple Green

- Glide Max
- **Emerson Motors**
- Gibraltar
- CRC
- Sloan
- Milwaukee
- Square D

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# Attachment E revised OFFEROR INFORMATION AND CERTIFICATION SHEET

This form must be completed and returned with the Proposal in response to Section 2.21 of this RFP. Failure to submit this form with the Proposal may result in disqualification for non-responsiveness.

1. Offeror Information:
Offeror/Firm Name (Printed): MSC Industrial Supply Co., Inc.
Address: 75 Maxess Road
Melville, NY 11747
Citizenship, if applicable: Non-resident alien
Business Designation (Check One):
☑ Professional Corporation       ☐ Partnership       ☐ Ltd. Partnership Ltd.         ☐ Liability Company       ☐ Ltd. Liability Partnership       ☐ Sole Proprietorship         ☐ Other
Federal Tax ID #:13-5526506
State Tax #:13-5526506
Secretary of State Corporations Division Registration #:59732
2. Identify individual with Authority to Obligate the Offeror Contractually:
Name/Title:Greg Levy, Vice President, National Accounts & Government Sales
Telephone Number:(714) 379-6556
Fax Number:(714) 379-6694
E-mail Address:florese@mscdirect.com
3. Identify Person Authorized to Negotiate the Master Agreement on Behalf of Offeror:
Name/Title: Greg Levy, Vice President, National Accounts & Government Sales
Telephone Number: <u>(714)</u> 379-6556 Fax Number: <u>(714)</u> 379-6694
E-mail Address: florese@mscdirect.com

4. Identify Person Authorized to be Contacted for Clarification of Proposal:

Name/Title:	Elizabeth Flores, State Busi	ness Development	Manager	
Telephone Numb	er: <u>(714) 379-6556</u>	Fax Number:	(714) 379-6694	
E-mail Address:	florese@mscdirect.com			

#### 5. CONTRACTOR CERTIFICATION CLAUSES IN RESPONSE TO RFP

- a. Offeror understands and accepts the requirements of this RFP. By Proposal submission, the Successful Offeror(s) agree(s) to be bound by the Master Agreement attached hereto as (Attachment B), as modified by Addendum, except for those terms and conditions that DAS PS has reserved for negotiation in the RFP.
- b. Offeror acknowledges receipt of any and all Addendum to this RFP.
- c. Proposal is FIRM for 180 days following the Closing.
- d. If awarded a Master Agreement, Offeror agrees to perform the scope of work and meet the performance standards set forth in the final negotiated scope of work of the Contract.
- e. Offeror does not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation or national origin. Nor has Offeror or will Offeror discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.
- f. Offeror certifies that, to the best of its knowledge, there exists no actual or potential conflict between the business or economic interests of Offeror, its employees, or its agents, on the one hand, and the business or economic interests of the State, on the other hand, arising out of, or relating in any way to, the subject matter of the RFP. Offeror shall provide prompt written notification to the State of any change occurring with respect to Offeror's business or interests which is reasonably likely to result in (or has resulted in) an actual or potential conflict between the business or economic interests of the Offeror and those of the State, arising out of, or relating in any way to, the subject matter of the RFP. In its notice, Offeror will describe the nature of such actual or potential conflict of interest or remuneration in question in reasonable detail.

Offeror and Offeror's employees and agents are not included on the list titled "Specially Designated Nationals and Blocked Persons" maintained by the Office of Foreign Assets Control of the United States Department of the Treasury and currently found at http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf.

- g. Offeror certifies that all contents of the Proposal (including any other forms or documentation, if required under this RFP) and this Proposal Certification Sheet, are truthful and accurate and have been prepared independently from all other Offerors, and without collusion, fraud, or other dishonesty. Offeror acknowledges these certifications are in addition to any certifications required in the Master Agreement (Attachment B) at the time of Master Agreement execution.
- h. Participating Entity Only: While the primary purpose of this RFP is to select one or more contractor(s) who can offer the Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies for all Participating States, Offerors are permitted to submit a Proposal for one or more State(s). However, if a Offeror elects to submit a Proposal for one or more State(s), then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) resulting from this RFP, including all optional renewals. Offerors must propose to all RFP Mandatory Requirements.

I, the undersigned, certify that I am duly authorized to legally bind the Offeror to the provisions of the RFP and the Master Agreement.

Authorized Signature

Date

Greg Levy, Vice President, National Accounts & Government Sales

Typed or Printed Name and Title of Signatory

# RFP DASPS-2183-17 - (MRO), Industrial Supplies

# Attachment F AFFIDAVIT OF TRADE SECRET

State of	y ss:
County of Support	
Greg Levy	(Affiant), being first duly sworn under oath, and representing MSC Industrial
Supply Co (hereafter	"Offeror"), hereby deposes and swears or affirms under penalty of perjury that:

- 1. I am an employee of the Offeror, I have knowledge of the Request for Proposals referenced herein, and I have full authority from the Offeror to submit this affidavit and accept the responsibilities stated herein.
- 2. I am aware that the Offeror has submitted a Proposal, dated on or about [insert date] (the "Proposal"), to the State of Oregon (State) in response to Request for Proposals [insert number], for [insert brief description of the goods and/or services sought in the RFP] and I am familiar with the contents of the RFP and Proposal.
- 3. I have read and am familiar with the provisions of Oregon's Public Records Law, Oregon Revised Statutes ("ORS") 192.410 through 192.505, and the Uniform Trade Secrets Act as adopted by the State of Oregon, which is set forth in ORS 646.461 through ORS 646.475. I understand that the Proposal is a public record held by a public body and is subject to disclosure under the Oregon Public Records Law unless specifically exempt from disclosure under that law.
- 4. I have reviewed the information contained in the Proposal. The Offeror believes the information listed in Exhibit A is exempt from public disclosure (collectively, the "Exempt Information"), which is incorporated herein by this reference. It is my opinion that the Exempt Information constitutes "Trade Secrets" under either the Oregon Public Records Law or the Uniform Trade Secrets Act as adopted in Oregon because that information is either:
  - A. A formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information that:
    - i. is not patented,
    - ii. is known only to certain individuals within the Offeror's organization and that is used in a business the Offeror conducts,
    - iii. has actual or potential commercial value, and
    - iv. gives its user an opportunity to obtain a business advantage over competitors who do not know or use it.

or

- B. Information, including a drawing, cost data, customer list, formula, pattern, compilation, program, device, method, technique or process that:
  - i. Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and
  - ii. Is the subject of efforts by the Offeror that are reasonable under the circumstances to maintain its secrecy.

# RFP DASPS-2183-17 - (MRO), Industrial Supplies

5. I understand that disclosure of the information r judicial determinations made in accordance with the Public	referenced in Exhibit A may depend on official or Records Law.
, Le E_	
Affiant's Signature	
Signed and sworn to before me on (date) by name).	Greg Levy (Affiant's
Notary Public for the State of <u>N い</u> りん My Commission Expires: <u>Mx い</u> ん	
Notary Pr Correct May 1 May 14	

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Question 15: Page 39 there appears to be a numbering or sequencing error starting with 6.6.9.2. It looks like the next six points should be sub set of 6.6.9.2 and would be numbered 6.6.9.2.1 (starting with Describe in detail how the Offeror will work with the registered companies...) ... through 6.6.9.2.6 (Community Rehabilitation program). This would make Retail Store Purchases/Will Call would be 6.6.10. Would this be correct?

Answer 15: Yes numbering error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 16: Page 78 Attachment E: Offer information-

- a. Is the State tax#; is it the sales tax payment number?
- b. Is the Secretary of State Corporations Division Registration #; is it the number assigned when we registered with our state of Incorporation?

Answer 16: (a) Yes, if applicable. (b) Yes.

Question 17: Should exceptions to the FOB Destination terms for non-stocked items delivered to Alaska, Hawaii and Puerto Rico be stated as exceptions within section 6.5.2 of the technical proposal as instructed or should exceptions to freight terms be submitted as a Protest to the RFP?

Answer 17: See section 2.18 of RFP regarding exceptions.

Proposers must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on **December 11**, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum.
Authorized Signature: P Elizabeth & Wils -
Print name of signer: N. Elizabeth Flores
Date: 12/8/17
Company Name of proposer:
Sid Tool Co. Inc DBA MSC Inclustrial Supply (Please Print)
(Please Print)

*I hereby acknowledge having received this Addendum.
Authorized Signature: 12 Elizabeth Flour
Print name of signer: N. Elizabeth Flores
Date: 12 21 17
Company Name of proposer:
Sid Tool Co Inc DBA MSC Industrial Supply
(Please Print)

Skin Cleanser, 1 gal. Bottle Bostitch 105577 (not a skin cleanser number).

Answer 46: See Addendum No. 2, Attachment D-1 revised 12-2017.

Proposer/Offerors must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer/Offeror who feels it has been adversely affected by these modifications must submit a written protest of this Addendum No. 3 to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 29, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum No. 3

Authorized Signature: Y-Elizabeth Flores-

Print name of signer: N. Flizabeth Flores

Date: 12/28/17

Company Name of Proposer/Offeror:

Sid Tool Co. Inc DBA MSC Industrial Supply (Please Print)

Commission Order # 399-2018

Replaced w/4/1-2018 on

ENT FOR

# PURCHASE AGREEMENT FOR 9-1/- // FACILITIES MAINTENANCE, REPAIR, AND OPERATING (MRO) AND INDUSTRIAL SUPPLIES

THIS AGREEMENT dated the day of August 2018 is made between Boone County, Missouri, a political subdivision of the State of Missouri through the Boone County Commission, herein "County" and W.W. Grainger, Inc. herein "Vendor."

**IN CONSIDERATION** of the parties performance of the respective obligations contained herein, the parties agree as follows:

- 1. Contract Documents This agreement shall consist of this Purchase Agreement for a Term and Supply contract for Facilities Maintenance, Repair and Operating (MRO) and Industrial Supplies in compliance with all bid specifications and any addendums issued for the State of Missouri contract number CC182584001, and Boone County's Standard Terms and Conditions. All such documents shall constitute the contract documents which are incorporated herein by reference. Service or product data, specification and literature submitted with the bid response may be permanently maintained in the County Purchasing Office and/or State of Missouri bid file for this bid if not attached. In the event of conflict between any of the foregoing documents, this Purchase Agreement, the State of Missouri contract number CC182584001, and Boone County's Standard Terms and Conditions shall prevail and control over the vendor's bid response.
- 2. Contract Duration This agreement shall commence on the Date of Award referenced above through June 30, 2019 subject to the provisions for termination specified below. The contract may be renewed for five (5) additional one-year periods.
- 3. *Purchase* The County agrees to purchase from the Vendor and the Vendor agrees to supply the County with Facilities Maintenance, Repair and Operating (MRO) and Industrial Supplies on an as needed basis. Items shall be priced at current published catalog list pricing, including the Vendor's online catalog (whichever is less), minus the applicable firm, fixed discount specific to the product category as shown in **Attachment One** of this document. The exception to discounted pricing is "Sourced" items that are items that are available for purchase under the contract but are not found in the contract catalog including the on-line catalog, and otherwise comply with the definition in paragraph 3.15 of the contract. Pricing for "Sourced" items shall be determined at the time of purchase.
- 4. **Delivery** The contractor agrees to deliver the items as specified in the bid specifications. Delivery for in-stock items shall occur within 24-48 hours of order. Delivery for non-stock items shall occur within 3-10 days of order. All deliveries shall be made FOB Destination, Freight Prepaid and Allowed, with the exception of "Sourced" items which may be FOB Origin with freight and handling charges added.
- 5. *Warranty* The County shall be provided the manufacturer standard warranty consistent with terms of the contract.

- 6. Billing and Payment All billing shall be invoiced to the ordering Boone County

  Department and billings may only include the content of the ordering Boone County Office/Department and billings may only include the prices listed in the vendor's bid response. No additional fees for paper work processing, labor, or taxes shall be included as additional charges in excess of the charges in the Vendor's bid response to the specifications. The County agrees to pay all invoices within thirty days of receipt. In the event of a billing dispute, the County reserves the right to withhold payment on the disputed amount; in the event the billing dispute is resolved in favor of the Vendor, the County agrees to pay interest at a rate of 9% per annum on disputed amounts withheld commencing from the last date that payment was due.
- 7. Binding Effect This agreement shall be binding upon the parties hereto and their successors and assigns for so long as this agreement remains in full force and effect. This Agreement shall be governed under the laws of the State of Missouri and any action relating hereto shall be brought in the Circuit Court of Boone County, Missouri.
- 8. Termination This agreement may be terminated by the County upon thirty days advance written notice for any of the following reasons or under any of the following circumstances:
  - a. County may terminate this agreement due to material breach of any term or condition of this agreement, or
  - b. County may terminate this agreement if in the opinion of the Boone County Commission if delivery of products are delayed or products delivered are not in conformity with bidding specifications or variances authorized by County, or
  - c. If appropriations are not made available and budgeted for any calendar year.

IN WITNESS WHEREOF the parties through their duly authorized representatives have executed this agreement on the day and year first above written.

W. W. GRAINGER, INC.	BOONE COUNTY, MISSOURI
by Law	by: Boone County Commission
title Gaif Account Manager	Daniel K. Atwill, Presiding Commissioner
APPROVED AS TO FORM:	ATTEST:
County Counselor	Taylor W. Burks, County Clerk

**AUDITOR CERTIFICATION:** 

In accordance with RSMo 50.660, I hereby certify that a sufficient unencumbered appropriation balance exists and is available to satisfy the obligation(s) arising from this contract. (Note: Certification of this contract is not required if the terms of this contract do not create a measurable county obligation at this time.)

No Encursary Required

Appropriation Account

Commission Order #399-2018Preplaced  $\omega/411-2018$  on ATTACHMENT ONE FOR CONTRACT CC182854001 – DISCOUNTS PAGE 9-11-18

Facilities MRO and Industrial Supply Product Categories	Firm, Fixed Discount off Grainger Published List Price
1. HVAC	17%
2. Lighting, Lamps, and Ballasts	22%
3. Sanitation Cleaning Chemicals & Supplies	22%
4. Material Handing	11%
5. Security	17%
6. Electrical	23%
7. Fasteners	35%
8. Outdoor Garden	13%
9. Paint	13%
10. Plumbing	20%
11. Power Tools and Accessories – excludes automotive related tools and products	11%
12. Safety – excludes public safety equipment	19%
13. Hand Tools	14%
14. Janitorial Equipment and Supplies – does not include Sanitation Cleaning Chemicals	17%
15. Power Source	19%

Commission Order # 399-20

Preplaced w/4/1-2018 on 9-1/
STANDARD CONTRACT TERMS AND CONDITIONS - BOONE COUNTY, MISSOURI

- 1... Contractor shall comply with all applicable federal, state, and local laws and failure to do so, in County's sole discretion, shall give County the right to terminate this Contract.
- 2. Prices shall include all charges for packing, delivery, installation, etc., (unless otherwise specified) to the Boone County Department.
- 3. The Boone County Commission has the right to accept or reject any part or parts of all bids. to waive technicalities, and to accept the offer the County Commission considers the most advantageous to the County. Boone County reserves the right to award this bid on an itemby-item basis, or an "all or none" basis, whichever is in the best interest of the County. The Purchasing Director reserves the right, when only one bid has been received by the bid closing date, to delay the opening of bids to another date and time in order to revise specifications and/or establish further competition for the commodity or service required. The one (1) bid received will be retained unopened until the new Closing date, or at request of bidder, returned unopened for re-submittal at the new date and time of bid closing.
- 4. When products or materials of any particular producer or manufacturer are mentioned in our contracts, such products or materials are intended to be descriptive of type or quality and not restricted to those mentioned.
- 5. Do not include Federal Excise Tax or Sales and Use Taxes in billing, as law exempts the County from them.
- 6. The delivery date shall be stated in definite terms.
- 7. The County Commission reserves the right to cancel all or any part of orders if delivery is not made or work is not started as guaranteed. In case of delay, the Contractor must notify the Purchasing Department.
- 8. In case of default by the Contractor, the County of Boone will procure the articles or services from other sources and hold the Contractor responsible for any excess cost occasioned thereby.
- 9. Failure to deliver as guaranteed may disqualify Contractor from future bidding.
- 10. Prices must be as stated in units of quantity specified, and must be firm.
- 11: The County of Boone, Missouri expressly denies responsibility for, or ownership of any item purchased until same is delivered to the County and is accepted by the County.
- 12. The County reserves the right to award to one or multiple respondents. The County also reserves the right to not award any item or group of items if the services can be obtained from a state or other governmental entities contract under more favorable terms. The resulting contract will be considered "Non-Exclusive". The County reserves the right to purchase advertising from other vendors.

Commission Order #399-2018
Replaced w/411-2018 on 9-11-18

- 13. The County, from time to time, uses federal grant funds for the procurement of goods and services. Accordingly, the provider of goods and/or services shall comply with federal laws, rules and regulations applicable to the funds used by the County for said procurement, and contract clauses required by the federal government in such circumstances are incorporated herein by reference. These clauses can generally be found in the Federal Transit Administration's Best Practices Procurement Manual Appendix A. Any questions regarding the applicability of federal clauses to a particular bid should be directed to the Purchasing Department prior to bid opening.
- In the event of a discrepancy between a unit price and an extended line item price, the unit price shall govern.
- Should an audit of Contractor's invoices during the term of the Agreement, and any renewals thereof, indicate that the County has remitted payment on invoices that constitute an over-charging to the County above the pricing terms agreed to herein, the Contractor shall issue a refund check to the County for any over-charges within 30-days of being notified of the same.
- 16. For all titled vehicles and equipment the dealer must use the actual delivery date to the County on all transfer documents including the Certificate of Origin (COO,) Manufacturer's Statement of Origin (MSO,) Bill of Sale (BOS,) and Application for Title.
- 17. **Equipment and serial and model numbers -** The contractor is strongly encouraged to include equipment serial and model numbers for all amounts invoiced to the County. If equipment serial and model numbers are not provided on the face of the invoice, such information may be required by the County before issuing payment.



# **NOTICE OF AWARD**

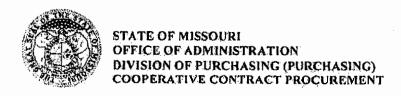
State Of Missouri Office Of Administration **Division Of Purchasing** PO Box 809 Jefferson City, MO 65102-0809 http://oa.mo.gov/purchasing

CONTRACT NUMBER	CONTRACT TITLE
CC182584001	Facilities MRO and Industrial Supplies
AMENDMENT NUMBER	CONTRACT PERIOD
N/A	July 1, 2018 through June 30, 2019
REQUISITION/REQUEST NUMBER	SAM II VENDOR NUMBER/MissouriBUYS SYSTEM ID
N/A	3611502801L/MB00022736
CONTRACTOR NAME AND ADDRESS	STATE AGENCY'S NAME AND ADDRESS
W. W. Grainger	State of Missouri
2300 E. 18th Street	Various Agency Locations
Kansas City, MO 64127	

# ACCEPTED BY THE STATE OF MISSOURI AS FOLLOWS:

In accordance with section 34.046, RSMo, contract CC182584001 between the State of Missouri and W. W. Grainger is hereby awarded by the State of Missouri consisting of the attached documentation as specified on page 2 of the attached Cooperative Contract Procurement document.

BUYER	BUYER CONTACT INFORMATION
John C. Stegmann	Email: john.stegmann@oa.mo.gov Phone: (573) 751-2497 Fax: (573) 526-9816
SIGNATURE OF BUYER	DATE
John C. Stegmann	6/27/18
DIRECTOR OF PURCHASING	
Karen S. Boeger	



CONTRACT NO.: CC182584001

REQ NO.: N/A

TITLE: Facilities MRO and Industrial Supplies

BUYER: John Stegmann PHONE NO.: (573) 751-2497

E-MAIL: john.stegmann@oa.mo.gov

TO: W.W. Grainger, Inc. 100 Grainger Parkway Lake Forest, IL 60045

RETURN DOCUMENT TO THE DIVISION OF PURCHASING (PURCHASING) BY E-MAIL, FAX, OR MAIL/COURIER:

SCAN AND E-MAIL TO:	iohnistegmanna oa.mo.gov
FAX TO:	(573) 751-2497
MAIL TO:	PURCHASING, P.O. Box 809, Jefferson City, Mo. 65102-0809
COURIER/DELIVER TO:	PURCHASING, 301 West High Street, Room 630, Jefferson City, Mo 65101-
L	1517

# DELIVER SUPPLIES/SERVICES FOB (Free On Board) DESTINATION TO THE FOLLOWING ADDRESS:

State of Missouri Various Agency Locations		1 + 849 L
Various Agency Locations	1.1.400, NY Agree	P
NASCO.	Master	

The Contractor hereby agrees to provide the services and/or supplies described in the attached state of Missouri subject to the conditions stated on page 2. The Contractor further agrees that whom a Notice of Award is signed and issued by an authorized official of the State of Missouri, a binding contract shall exist between the Contractor and the State of Missouri. The Contractor must be registered in MissouriBUYS. If not registered in MissouriBUYS, the Contractor must register in MissouriBUYS immediately upon request by the state.

# SIGNATURE REQUIRED

ARWANAME	himorhbuts system id (see vendor profilik-main information screen)
W.W. Grainger Inc.	3611502801L / MB00023986
MAILING ADDRESS	,
2300 East 18th Street	
CITY, STATE, ZIP, CODE	
Kansas City, MO 64127	
CONTACT PERSON	EMAIL ADDRESS
Bryun P. Westhaus	Bryan, Westhaus@Grainger.com
PRIONE NUMBER	YAN NUMBER
312.257.0483	N/A
VENUOR TAX FILING TYPE WITH IRS (CHECK ONE)	
_X_CorporationIndividualState/Local Government	PartnershipSole ProprietorIRS Tax-Exempt
AUTHORIZED SIGNATURE	DATE
0	6.06.2018
PRINTED, NAME	TITLE
Bryan P. Westhaus	Government Sales Manager

Contract CC182584001 Page 2

CONTRACT TITLE:

Facilities Maintenance, Repair and Operations (MRO) and Industrial Supplies

CONTRACT PERIOD:

Date of Award through June 30, 2019

Contract CC182584001 is awarded by the State of Missouri consisting of the following:

The attached Contract #8496, signed by the State of Oregon on April 25, 2018 and subsequent Amendments.

- The attached RFP #DASPS-2183-17 issued by the State of Oregon on November 15, 2017 consisting of 109 pages.
- The attached Participating Addendum.

The contractor shall provide Facilities Maintenance, Repair and Operations (MRO) and Industrial Supplies specified by the State of Missouri, at the prices specified in the attached documentation. All references to the State of Oregon, in the attached documentation shall be deemed to refer to the State of Missouri with the exception of information specific to the State of Oregon such as background information, statistical/factual information, etc.

The contractor shall submit invoices for any and all above-mentioned products and services provided for the State of Missouri to the address shown on the Purchase Order.

# Catalog Requirements for MissouriBUYS:

The contractor should provide, manage, and support a roundtrip (often referred to as punchout) catalog site(s) that must be fully operational and compatible with the MissouriBUYS implementation using the OCI 2.0 or newer (Open Catalog Interface) standard. If the contractor does not have the ability to provide, manage, and support a roundtrip catalog site at time of contract award, the contractor shall, within thirty (30) calendar days after notice to proceed with award, submit accurate product and price files in an Excel spreadsheet in the format required by the state for uploading into a state-hosted catalog into MissouriBUYS from which the state agency end user will place orders.

The contractor must assist the state on an as needed, if needed, basis at the sole option of the state to either provide data or enter data into Microsoft Excel spreadsheets necessary to create state-hosted catalogs. The data necessary to create the state-hosted catalogs is related to the line items identified in the contract and includes, but is not necessarily limited to the following:

Product Description;

Quantity:

Unit of Measure;

Unit Price (value, 6 decimal places, no rounding);

Part Number:

Commodity Code (8 digit UNSPSC code which is valid for the Item);

Contract Number, and

Manufacturer Name.

The contractor shall update data for hosted catalogs as necessary to address pricing changes, product additions, product deletions, etc.

The contractor shall not charge the state for services required to provide or enter data necessary to create or update state-hosted catalogs.

# Federal Funds Requirement:

The contractor shall understand and agree that this procurement may involve the expenditure of federal funds. Therefore, in accordance with the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, Public Law 101-166, Section 511, "Steven's Amendment", the contractor shall not issue any statements, press releases, and other documents describing projects or programs funded in whole or in part with Federal funds unless the prior approval of the state agency is obtained and unless they clearly state the following as provided by the state agency:

- the percentage of the total costs of the program or project which will be financed with Federal funds;
- the dollar amount of Federal funds for the project or program; and
- percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.

# Debarment Certification:

The contractor certifies by signing the signature page of this original document and any addendum signature page(s) that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, voluntarily excluded from participation, or otherwise excluded from or ineligible for participation under federal assistance programs. The contractor should complete and return the attached certification regarding debarment, etc., Exhibit A with their proposal. This document must be satisfactorily completed prior to award of the contract.

# Cooperative Procurement Program:

The contractor shall participate in the State of Missouri's Cooperative Program. The contractor shall provide Facilities Maintenance, Repair and Operations (MRO) and Industrial Supplies as described herein under the terms and conditions, requirements and specifications of the contract, including prices, to other government entities in accordance with the Technical Services Act (section 67.360, RSMo, which is available on the internet at: <a href="http://www.moga.mo.gov/mostatutes/stathtml/06700003601.html">http://www.moga.mo.gov/mostatutes/stathtml/06700003601.html</a>). The contractor shall further understand and agree that participation by other governmental entities is discretionary on the part of that governmental entity and the State of Missouri bears no financial responsibility for any payments due to the contractor by such governmental entities.

### Contractor's Personnel:

The contractor shall only employ personnel authorized to work in the United States in accordance with applicable federal and state laws. This includes but is not limited to the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) and INA Section 274A.

If the contractor is found to be in violation of this requirement or the applicable state, federal and local laws and regulations, and if the State of Missouri has reasonable cause to believe that the contractor has knowingly employed individuals who are not eligible to work in the United States, the state shall have the right to cancel the contract immediately without penalty or recourse and suspend or debar the contractor from doing business with the state. The state may also withhold up to twenty-five percent of the total amount due to the contractor.

The contractor shall agree to fully cooperate with any audit or investigation from federal, state, or local law enforcement agencies.

Contract CC182584001 Page 4

# Missouri Statewide Contract Quarterly Administrative Fee:

The contractor shall pay a one percent (1%) administrative fee to the State of Missouri which shall apply to all payments received by the contractor for all products provided under the contract. Payment of the one percent administrative fee shall be non-negotiable.

The contractor shall pay the administrative fee at the end of each calendar quarter (i.e. March 31, June 30, September 30, December 31). The total administrative fee for a given quarter must equal one percent (1%) of the total payments (minus returns and credits) received by the contractor during the calendar quarter as reported on the contractor's Missouri Statewide Contract Quarterly Administrative Fee Report specified below. The administrative fee must be received by the Division of Purchasing (Purchasing) no later than the 15th calendar day of the month immediately following the end of the calendar quarter, unless the logist pot a business day in which case the next business day thereafter shall be considered the administrative fee deadline.

Payments shall be made using one of the following acceptable payment methods:

- Check: Personal check, company check, cashier's check, or money order made payable to the "Missouri Revolving Information Technology Trust Fund" and sent to the following mailing address: Division of Purchasing, P.O. Box 809, Jefferson City, MO 65102-0809 OR Division of Purchasing, 301 West High Street, Room 630, Jefferson City, MO 65101-1517. The contractor's payment by check shall authorize the State of Missouri to process the check electronically. The contractor understands and agrees that any returned check from the contractor may be presented again electronically and may be subject to additional actions and/or handling fees.
- <u>Electronic Payment</u>: Instructions on how to submit payments electronically by automated clearing house (ACH) will be provided upon request by contacting the Division of Purchasing at (573) 751-2387.

All payments of the administrative fee shall include the contract number on any check or transmittal document. However, only one contract number must be entered on a check or transmittal document. If submitting an administrative fee payment for more than one contract, then a separate check or electronic payment and associated transmittal document must be submitted by the contractor for each contract.

# Missouri Statewide Contract Quarterly Administrative Fee Report:

The contractor shall submit a Missouri Statewide Contract Quarterly Administrative Fee Report to the Division of Purchasing which shall identify the total payments (minus returns and credits) received by the contractor from state agencies, political subdivisions, universities, and governmental entities in other states that were made pursuant to the contract.

The contractor shall prepare and submit the Missouri Statewide Contract Quarterly Administrative Fee Report at the end of each calendar quarter (i.e. March 31, June 30, September 30, December 31) for total payments (minus returns and credits) received by the contractor during the calendar quarter. The Missouri Statewide Contract Quarterly Administrative Fee Report must be received by the Division of Purchasing (Purchasing) no later than the 15th calendar day of the month following the reporting quarter entered on the report, unless the 15th is not a business day in which case the next business day thereafter shall be considered the reporting deadline. Even if there has been no usage of the contract during the reporting quarter, the contractor must still submit a report and indicate no payments were received by marking the appropriate box on the report form.

The Missouri Statewide Contract Quarterly Administrative Fee Report form may be downloaded from the following Purchasing website: <a href="http://oa.mo.gov/purchasing/yendor-information">http://oa.mo.gov/purchasing/yendor-information</a>. The Missouri Statewide Contract Quarterly Administrative Fee Report is also included herein as Attachment 1. The Missouri Statewide Contract Quarterly Administrative Fee Report must be submitted using one of the following methods:

Mail: Division of Purchasing,

P.O. Box 809, Jefferson City MO 65102-0809

OR

Division of Purchasing.

301 West High Street, Room 630, Jefferson City, MO 65101-1517

• <u>Fax</u>: (573) 526-9815

• Email: ereports@oa.mo.gov

The contractor shall agree that the Division of Purchasing reserves the right to modify the requested format and content of the Missouri Statewide Contract Quarterly Administrative Fee Report by providing thirty (30) calendar days written notice to the contractor. The contractor shall also agree the Division of Purchasing may unilaterally amend the contract, with thirty (30) calendar days notice to the contractor to change the method of payment of the administrative fee, the timing for submission of the Missouri Statewide Contract Quarterly Administrative Fee Report, and/or timing for payment of the administrative fee. The contractor shall understand and agree that if such an amendment is issued by the Division of Purchasing, the contractor shall comply with all contractual terms, as amended.

# Missouri Statewide Contract Quarterly Usage Report:

The contractor shall submit a Missouri Statewide Contract Quarterly Usage Report to the Division of Purchasing (Purchasing) which shall provide the Data Element information listed below:

Data Element	Description
Contractor Name	Contractor name as it appears on the contract.
Statewide Contract Number	Statewide contract number as listed on the cover page of your contract with the State of Missouri.
Report Contact Name	Name of the person completing the report on behalf of the contractor.
Contact Phone Number	Phone number for the person completing the report.
Contact Email Address	Email address for the person completing the report.
Date Report Submitted	Date the Missouri Statewide Contract Quarterly Usage Report is submitted to Purchasing.
Reporting Quarter	Quarter for which the contractor is reporting purchases on the contract.
Entity Type	Indicate the type of entity by entering "S" for Missouri state agency, "P" for Missouri political subdivision, "U" for Missouri university, or "O" for political subdivision or state entity from another state.
Customer Name	Customer's name. If the customer has multiple locations, please only use the main entity name.
Product or Service Description	Description of product or service purchased.
Purchase Authorization Number/Identifier	Purchase Authorization Number/Identifier supplied by customer to contractor. Enter PO or other authorization number/identifier. If procurement card used, enter "P-Card".
Contract Line Item Number	Line item number on the contract.
Quantity Delivered	Quantity (i.e. excluding returns) of products delivered. Enter a quantity of "1" for a service/project.

Data Element	Description
Unit Price Charged	Unit Price Charged (i.e. excluding credits) for the product or service
	purchased.
Extended Price	Quantity Delivered X Unit Price Charged.

The contractor shall prepare and submit the Missouri Statewide Contract Quarterly Usage Report at the end of each calendar quarter (i.e. March 31, June 30, September 30, December 31) for the purchases made under the contract during the calendar quarter. The Missouri Statewide Contract Quarterly Usage Report must be received by the Division of Purchasing no later than the 15th calendar day of the month following the reporting quarter entered on the Missouri Statewide Contract Quarterly Usage Report, unless the 15th is not a business day in which case the next business day thereafter shall be considered the reporting deadline. Even if there has been no usage of the contract during the reporting quarter, the contractor must still submit a report and indicate no purchases were made.

The contractor must submit a Missouri Statewide Contract Quarterly Usage Report electronically either utilizing the "Missouri Statewide Contract Quarterly Usage Report" worksheet included herein in Attachment 2 which is downloadable from <a href="http://oa.mo.gov/purchasing/vendor-information">http://oa.mo.gov/purchasing/vendor-information</a> or utilizing another format which is Excelexportable. The contractor must submit the Missouri Statewide Contract Quarterly Usage Report to the following email address: <a href="https://examo.gov">ereports@oa.mo.gov</a>,

The contractor shall agree that the Division of Purchasing reserves the right to modify the requested format and content of the Missouri Statewide Contract Quarterly Usage Report by providing thirty (30) calendar days written notice to the contractor. The contractor shall also agree the Division of Purchasing may unilaterally amend the contract, with thirty (30) calendar days' notice to the contractor to change the timing for submission of the Missouri Statewide Contract Quarterly Usage Report. The contractor shall understand and agree that if such an amendment is issued by the Division of Purchasing, the contractor shall comply with all contractual terms, as amended.

#### **EXHIBIT A**

# Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98 Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

#### (BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS FOR CERTIFICATION)

- (1) The prospective recipient of Federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Lu. Lu. Geringer Inc.	
Company Name	DUNS # (if known)
Bayer P. WESTELLS	GOVERNOT SOLER HANGER
Authorized Representative's Printed Name	Authorized Representative's Title
9-=	OF DF 2018
Anthorized Representative's Signature	Date

#### Instructions for Certification

- 1. By signing and submitting this proposal, the prospective recipient of Federal assistance funds is providing the certification as set out below.
- The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
- The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this proposal is submitted if at
  any time the prospective recipient of Federal assistance funds learns that its certification was erroneous when submitted or has become erroneous
  by reason of changed circumstances.
- 4. The terms "covered transaction," 'debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
- 5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
- 6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions," without modification, In all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower fier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to check the <u>List of Parties Excluded from Procurement or Nonprocurement Programs</u>.
- Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- Except for transactions authorized under paragraph 5 of these instructions; if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntary excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.

#### **MASTER AGREEMENT #8496** FORM PARTICIPATING ADDENDUM

NASPO ValuePoint PARTICIPATING ADDENDUM

Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #: 8496

Contractor: W.W. Grainger, Inc. (Contractor)

Participating Entity: State of Missouri

The following Goods or services are included in this Addendum:

 All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

Master Agreement Terms and Conditions:

- 1. Scope: This addendum covers the Facilities Maintenance and Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.
- 2. Participation: This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of Missouri. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.
- 3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

#### Contractor

Name:

Bryan P. Westhaus, Government Sales Manager

Address:

100 Grainger Parkway, Lake Forest, IL 60045

Fax:

Telephone: 312-257-0483 314-231-6506

Email:

Bryan.westhaus@grainger.com

Participating Entity

Name:

John Stegmann

Address:

301 West High Street, Jefferson City, MO 65102

And the second second

Fax:

Telephone: 573-751-2497 573-526-9816

Email:

john.stegmann@oa.mo.gov

Participating Entity Modifications Or Additions To The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

[X] No changes to the terms and conditions of the Master Agreement are required.

[__] The following changes are modifying or supplementing the Master Agreement terms and conditions.

- 5. Lease Agreements: Reserved.
- 6. Subcontractors: All contractors, dealers, and resellers authorized in the State of Missouri, as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
- 7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor; W.W. Grainger Inc.
Signature:	Signature:
KAREN BOERGER	J
Name: A BOOK	Name: Bryan P. Westhaus
TIHE OR PORCHASING	Title: Government Sales Manager
Date: 6-2078	Date: 6.6.2018

[Additional signatures may be added if required by the Participating Entity] For questions on executing a participating addendum, please contact:

#### NASPO ValuePoint

Cooperative Development Coordinator.

Telephone:

Email:

Shannon Berry 775-720-3404

sberrry@naspovaluepoint.org

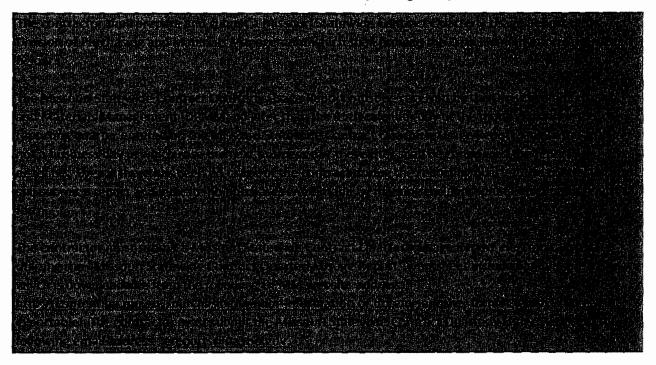
[Please email fully executed PDF copy of this document to PA@naspovaluepoint.org

to support documentation of participation and posting in appropriate data bases.]

## CC182584001 Attachment #1 - Missouri Statewide Contract Quarterly Administrative Fee Report

Contractor Name:		Report Contact Name:	
Statewide Contract Number:		Contact Phone Number:	
Date Report Submitted:		Contact Email Address:	
			va (Anak Ana
Total Payments Received (minus returns & credits) from Missouri State Agencies during the Reporting Quarter:		[ ] January 1 - March 31	[ ] April 1 - June 30
Total Payments Received (minus returns & credits) from Missouri Political Subdivisions (cities, counties, etc.) during the Reporting Quarter:		[ ] July 1 - September 30	[ ] October 1 - December 31
Total Payments Received (minus returns & credits) from Missouri <u>Universities</u> during the Reporting Quarter:			urchine (ne ene Vellerte Menagement
Total Payments Received (minus returns & credits) from <u>Governmental</u> <u>Entitles in Other States</u> during the Reporting Quarter:		<ol> <li>Mail: Division of Purchasing and Mat P.O. Box 809, Jefferson City MO 651 301 West High Street, Room 630, Jef 2) Fax: (573) 526-9815</li> <li>Email: ereports@oa.mo.gov</li> </ol>	102 - 0809 OR fferson City MO 65101 - 1517
Overall Total Payments Received (minus returns & credits) during the Reporting Quarter :	\$0.00		Lusid for submitting the Total sporting duarter and tase of payment
1% Administrative Fee (Multiply Overall Total Payments by 1% to determine Total Administrative Fee Payment)	1.00%		] Money Order ] ACH (Electronic Payment)
Total Administrative Fee Payment for the Reporting Quarter:	\$0.00	Date of Payment Submission:/_/ (mr	20 n/dd/yyyy)
		Simulato Resamble az lova est	
[ ] No payments were received this cale on the contract identified above.	ndar quarter for any purchases	Signature:	Date:

## CC182584001 Attachment #2 Missouri Statewide Contract Quarterly Usage Report Instructions



State (ORO) : page a page (C. C. C
Contractor name as it appears on the contract.
Statewide contract number as listed on the cover page of your contract with the State of Missouri.
Name of the person completing the report on behalf of the contractor.
Phone number for the person completing the report.
Email address for the person completing the report.
Date the Missouri Statewide Contract Quarterly Usage Report is submitted to DPMM.
Quarter for which the contractor is reporting purchases on the contract.
Indicate the type of entity by entering "S" for Missouri state agency, "P" for Missouri political subdivision, "U" for Missouri university, or "O" for political subdivision or state entity from another state.
Customer's name. If the customer has multiple locations, please only use the main entity name.
Description of product or service purchased.
Purchase Authorization Number/Identifier supplied by customer to contractor.  Enter PO or other authorization number/identifier. If procurement card used, enter "P-Card".
Line item number on the contract.
Quantity (i.e. excluding returns) of products delivered. Enter a quantity of "1" for a service/project.
Unit Price Charged (i.e. excluding credits) for the product or service purchased.
Quantity Delivered X Unit Price Charged.

#### CC182584001 Attachment #2 - Missouri Statewide Contract Quarterly Usage Report

	Surgera Supple			CONTRACTOR	7, 37, 34 2, 1, 1, 2, 3 3, 10, 1, 2, 3 3, 10, 1, 2		
	If no purchases were made during the reporting	quarter, chack the box below:	Problem 197	[ ] January 1	- March 31	[ ] April 1	- June 30
I	] No purchases were made during this quarter of	on the contract identified above.	prints (re	[]July 1 - Se	otember 30	[ ] October 1 -	December 31
Entity Type*	Customer Name	Product or Service Description	Purchase Authorization Number/Identifier	Contract Line Item Number	Quantity Delivered	Unit Price Charged	Extended Price
15-5							\$0.00
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<u> </u>	1				Overa	i Total of Purchases	1

Entity Type: "S" = Missouri state agency; "P" = Missouri political subdivision; "U" = Missouri university; "O" = political subdivision or atate entity from other state



## NASPO ValuePoint Master Agreement #8496 for Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies

This NASPO ValuePoint Master Agreement ("Master Agreement") is between the State of Oregon, acting by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("DAS PS"), as the Lead State, on behalf of the member states of the NASPO ValuePoint Cooperative Purchasing Program and other Participating Entities and W.W. Grainger, Inc. ("Contractor"). This Master Agreement is effective on the date that it has been signed by the parties and has been approved as required by applicable law ("Effective Date").

### 1. Master Agreement Order of Precedence

- a. Any Order placed under this Master Agreement shall consist of the following documents:
  - (1) A Participating Entity's Participating Addendum ("PA"), substantially in the form attached hereto as Exhibit A:
  - (2) NASPO ValuePoint Master Agreement and its exhibits:
    Terms and conditions of the Master Agreement, then its exhibits, to be

interpreted in the following order:

- · Exhibit C Provisions Required by Federal Law
- Exhibit B Description of Products, Price, and Services
- Exhibit B-1 Percentage Off Discounts
- Exhibit E Contractor Branch and Distribution Center Listings
- eMarket Center Addendum
- Exhibit D NASPO ValuePoint Detailed Sales Data Report Form
- Exhibit A Sample Participating Addendum
- Exhibit F Sustainability and Environmental Policy
- (3) A Purchase Order issued against the Master Agreement;
- (4) Any terms and conditions provided electronically or online or as part of Product materials or descriptions or guidelines; and
- (5) Any Contractor's online or third party terms and conditions.

b. These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above.

#### 2. Definitions

Acceptance means a written notice from a Purchasing Entity to Contractor advising Contractor that the Product has passed its Acceptance Testing. Acceptance of a Product for which acceptance testing is not required shall occur following the completion of delivery, installation, if required, and a reasonable time for inspection of the Product, unless the Purchasing Entity provides a written notice of rejection to Contractor.

Acceptance Testing means the process for ascertaining that the Product meets the standards set forth in the section titled Standard of Performance and Acceptance, prior to Acceptance by the Purchasing Entity.

Contract means any Order or Purchase Order or other agreed upon ordering instrument issued by a Purchasing Entity under this Master Agreement, together with the terms and conditions of this Master Agreement.

**Contractor** means the person or entity delivering Products or performing services under the terms and conditions set forth in this Master Agreement.

Embedded Software means one or more software applications which permanently reside on a computing device.

**Environmentally Preferable Product** means products and services that have a lesser or reduced effect on human health and the environment when compared to competing products or services that serve the same purpose.

Intellectual Property means any and all patents, copyrights, service marks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.

Lead State means the State centrally administering any resulting Master Agreement(s).

Master Agreement means the underlying agreement executed by and between the Lead State, acting on behalf of the members of the NASPO ValuePoint Cooperative Purchasing Program, and the Contractor, as now or hereafter amended.

NASPO ValuePoint is the NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, a 501(c)(3) limited liability company that is a subsidiary organization the National Association of State Procurement Officials (NASPO), the sole member of NASPO ValuePoint, NASPO ValuePoint facilitates administration of the NASPO cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. NASPO ValuePoint is Identified in the Master Agreement as the recipient of reports and may perform contract

administration functions relating to collecting and receiving reports as well as other contract administration functions as assigned by the Lead State.

Order or Purchase Order means any purchase order, sales order, contract or other document used by a Purchasing Entity to order the Products.

Participating Addendum means a bilateral agreement executed by a Contractor and a Participating Entity incorporating this Master Agreement and any other additional Participating Entity specific language or other requirements, e.g. ordering procedures specific to the Participating Entity, other terms and conditions.

**Participating Entity** means a state, or other legal entity, properly authorized to enter into a Participating Addendum.

Participating State means a state, the District of Columbia, or one of the territories of the United States that is listed in the Request for Proposal as intending to participate. Upon execution of the Participating Addendum, a Participating State becomes a Participating Entity; however, a Participating State listed in the Request for Proposals is not required to later participate in the Master Agreement.

**Product** means any equipment, software (including embedded software), supplies, materials, commodities, goods, documentation or other deliverable supplied, offered, or created by the Contractor pursuant to this Master Agreement as described on Exhibits B and B-1. The term Products, supplies, and products are used interchangeably in this Master Agreement.

Purchasing Entity or Customer means a state (as well as the District of Columbia and U.S territories), city, county, district, other political subdivision of a State, and a nonprofit organization under the laws of some states if authorized by a Participating Addendum, who issues a Purchase Order against the Master Agreement and becomes financially committed to the purchase.

Services means installation and additional services as defined in the Master Agreement.

#### 3. Term of the Master Agreement; Non-exclusivity

- a. The initial term of this Master Agreement is for one (1) year. This Master Agreement may be extended beyond the original contract period for four (4) additional years at the Lead State's discretion and by mutual agreement and upon review of requirements of Participating Entities, current market conditions, and Contractor performance.
- b. This Master Agreement is not exclusive. Purchasing Entities retain the right to contract for Products or Services or both through any selection process authorized by law, or to perform the Services themselves. Neither NASPO ValuePoint nor the Lead State guarantees that any specific number of Contracts will be issued or that any specific amount of Products or Services will be required.

#### 4. Amendments

The terms of this Master Agreement shall not be waived, altered, modified, supplemented or NASPO ValuePoint Master Agreement 3

amended in any manner whatsoever without prior written approval of the Lead State and Contractor.

#### 5. Participants and Scope

- a. Contractor may not deliver Products and Services under this Master Agreement until a Participating Addendum, in a form substantially similar to Exhibit A attached hereto and acceptable to the Participating Entity and Contractor is executed. The NASPO ValuePoint Master Agreement Terms and Conditions are applicable to any Order by a Participating Entity (and other Purchasing Entities covered by their Participating Addendum), except to the extent altered, modified, supplemented or amended by a Participating Addendum. By way of illustration and not limitation, this authority may apply to unique delivery and invoicing requirements, confidentiality requirements, defaults on Orders, governing law and venue relating to Orders by a Participating Entity, indemnification, and insurance requirements. Statutory or constitutional requirements relating to availability of funds may require specific language in some Participating Addenda in order to comply with applicable law. The expectation is that these alterations, modifications, supplements, or amendments will be addressed in the Participating Addendum or, with the consent of the Purchasing Entity and Contractor, may be included in the ordering document (e.g. purchase order or contract) used by the Purchasing Entity to place the Order.
- b. Use of specific NASPO ValuePoint cooperative Master Agreements by state agencies, political subdivisions and other Participating Entities (including cooperatives) authorized by individual state's statutes to use state contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the respective State Chief Procurement Official.
- c. Obligations under this Master Agreement are limited to those Participating Entities who have signed a Participating Addendum and Purchasing Entities within the scope of those Participating Addenda. States or other entities permitted to participate may use an informal competitive process to determine which Master Agreements to participate in through execution of a Participating Addendum. Financial obligations of Participating Entities who are states are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating Entities who are states incur no financial obligations on behalf of other Purchasing Entities. Contractor shall email a fully executed PDF copy of each Participating Addendum to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.
- d. NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, is not a party to the Master Agreement. It is a nonprofit cooperative purchasing organization assisting states in administering the NASPO cooperative purchasing program for state government departments, institutions, agencies and political subdivisions (e.g., colleges, school districts, counties, cities, etc.) for all 50 states, the District of Columbia and the territories of the United States.
- e. Participating Addenda shall not be construed to amend the following provisions in this Master Agreement between the Lead State and Contractor that prescribe NASPO ValuePoint Program requirements: Term of the Master Agreement; Amendments; Participants and Scope; Administrative Fee; NASPO ValuePoint Summary and Detailed Usage Reports;

NASPO ValuePoint Cooperative Program Marketing and Performance Review; NASPO ValuePoint eMarketCenter; Right to Publish; Price and Rate Guarantee Period; and Individual Customers. Any such language shall be void and of no effect.

- f. Participating Entities who are not states may under some circumstances sign their own Participating Addendum, subject to the consent to participation by the Chief Procurement Official of the state where the Participating Entity is located. Coordinate requests for such participation through NASPO ValuePoint. Any permission to participate through execution of a Participating Addendum is not a determination that procurement authority exists in the Participating Entity; they must ensure that they have the requisite procurement authority to execute a Participating Addendum.
- g. Resale. "Resale" means any payment in exchange for transfer of tangible goods, software, or assignment of the right to services. Subject to any specific conditions included in the solicitation or Contractor's proposal as accepted by the Lead State, or as explicitly permitted in a Participating Addendum, Purchasing Entities may not resell Products (the definition of which includes services that are deliverables). Absent any such condition or explicit permission, this limitation does not prohibit: payments by employees of a Purchasing Entity for Products; sales of Products to the general public as surplus property; and fees associated with inventory transactions with other governmental or nonprofit entities and consistent with a Purchasing Entity's laws and regulations. Any sale or transfer permitted by this subsection must be consistent with license rights granted for use of intellectual property.

#### 6. Administrative Fees

- a. The Contractor shall pay to NASPO ValuePoint, or its assignee, a NASPO ValuePoint Administrative Fee of one-quarter of one percent (0.25% or 0.0025) no later than sixty (60) days following the end of each calendar quarter. The NASPO ValuePoint Administrative Fee shall be submitted quarterly and is based on all sales of products and services under the Master Agreement (less any charges for taxes or shipping). The NASPO ValuePoint Administrative Fee is not negotiable. This fee is to be included as part of the pricing submitted with proposal.
- b. Additionally, some states may require an additional fee be paid directly to the state only on purchases made by Purchasing Entities within that state. For all such requests, the fee level, payment method and schedule for such reports and payments will be incorporated into the Participating Addendum that is made a part of the Master Agreement. The Contractor may adjust the Master Agreement pricing accordingly for purchases made by Purchasing Entities within the jurisdiction of the state. All such agreements shall not affect the NASPO ValuePoint Administrative Fee percentage or the prices paid by the Purchasing Entities outside the jurisdiction of the state requesting the additional fee. The NASPO ValuePoint Administrative Fee in subsection 6a shall be based on the gross amount of all sales (less any charges for taxes or shipping) at the adjusted prices (if any) in Participating Addenda.

### 7. NASPO ValuePoint Summary and Detailed Usage Reports

In addition to other reports that may be required by this solicitation, the Contractor shall provide the following NASPO ValuePoint reports:

- a. Summary Sales Data. The Contractor shall submit quarterly sales reports directly to NASPO ValuePoint using the NASPO ValuePoint Quarterly Sales/Administrative Fee Reporting Tool found at <a href="http://calculator.naspovaluepoint.org">http://calculator.naspovaluepoint.org</a>. Any/all sales made under this Master Agreement shall be reported as cumulative totals by state. Even if Contractor experiences zero sales during a calendar quarter, a report is still required. Reports shall be due no later than thirty (30) days following the end of the calendar quarter (as specified in the reporting tool).
- b. Detailed Sales Data. Contractor shall also report detailed sales data by: (1) state; (2) entity/customer type, e.g. local government, higher education, K12, non-profit; (3) Purchasing Entity name; (4) Purchasing Entity bill-to and ship-to locations; (4) Purchasing Entity and Contractor Purchase Order identifier/number(s); (5) Purchase Order Type (e.g. sales order, credit, return, upgrade, determined by industry practices); (6) Purchase Order date; (7) Ship Date; (8) and line item description, including product number if used. The report shall be submitted in any form required by the solicitation. Reports are due on a quarterly basis and must be received by the Lead State and NASPO ValuePoint Cooperative Development Team no later than thirty (30) days after the end of the reporting period. Reports shall be delivered to the Lead State and to the NASPO ValuePoint Cooperative Development Team electronically through a designated portal, email, CD-ROM, flash drive or other method as determined by the Lead State and NASPO ValuePoint. Detailed sales data reports shall include sales information for all sales under Participating Addenda executed under this Master Agreement. The format for the detailed sales data report is in shown in Exhibit D.
- c. Reportable sales for the summary sales data report and detailed sales data report includes sales to employees for personal use where authorized by the solicitation and the Participating Addendum. Report data for employees should be limited to ONLY the state and entity they are participating under the authority of (state and agency, city, county, school district, etc.) and the amount of sales. No personal identification numbers, e.g. names, addresses, social security numbers or any other numerical identifier, may be submitted with any report.
- d. Contractor shall provide the NASPO ValuePoint Cooperative Development Coordinator with an executive summary each quarter that includes, at a minimum, a list of states with an active Participating Addendum, states that Contractor is in negotiations with and any Participating Addendum roll out or implementation activities and issues. NASPO ValuePoint Cooperative Development Coordinator and Contractor will determine the format and content of the executive summary. The executive summary is due thirty (30) days after the conclusion of each calendar quarter.
- e. Timely submission of these reports is a material requirement of the Master Agreement. The recipient of the reports shall have exclusive ownership of the media containing the reports. The Lead State and NASPO ValuePoint shall have a perpetual, irrevocable, non-exclusive, royalty free, transferable right to display, modify, copy, and otherwise use reports, data and information provided under this section.

## 8. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review

a. Contractor agrees to work cooperatively with NASPO ValuePoint personnel. Contractor agrees to present plans to NASPO ValuePoint for the education of Contractor's contract

administrator(s) and sales/marketing workforce regarding the Master Agreement contract, including the competitive nature of NASPO ValuePoint procurements, the Master agreement and participating addendum process, and the manner in which qualifying entities can participate in the Master Agreement.

- b. Contractor agrees, as Participating Addendums become executed, if requested by ValuePoint personnel to provide plans to launch the program within the participating state. Plans will include time frames to launch the agreement and confirmation that the Contractor's website has been updated to properly reflect the contract offer as available in the participating state.
- c. Contractor agrees, absent anything to the contrary outlined in a Participating Addendum, to consider customer proposed terms and conditions, as deemed important to the customer, for possible inclusion into the customer agreement. Contractor will ensure that its sales force is aware of this contracting option.
- d. Contractor agrees to participate in an annual contract performance review at a location selected by the Lead State and NASPO ValuePoint, which may include a discussion of marketing action plans, target strategies, marketing materials, as well as Contractor reporting and timeliness of payment of administration fees.
- e. Contractor acknowledges that the NASPO ValuePoint logos may not be used by Contractor in sales and marketing until a logo use agreement is executed with NASPO ValuePoint.
- f. The Lead State expects to evaluate the utilization of the Master Agreement at the annual performance review. Lead State may, in its discretion, cancel the Master Agreement pursuant to section 28, or not exercise an option to renew, when Contractor utilization does not warrant further administration of the Master Agreement. The Lead State may exercise its right to not renew the Master Agreement if Contractor fails to record or report revenue for three consecutive quarters, upon 60-calendar day written notice to the Contractor. Cancellation based on nonuse or under-utilization will not occur sooner than two years after award (or execution if later) of the Master Agreement. This subsection does not limit the discretionary right of either the Lead State or Contractor to cancel the Master Agreement pursuant to section 28 or to terminate for default pursuant to section 30.
- g. Contractor agrees, within 30 days of the effective date, to notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-part contracts or agreements that may affect the promotion of this Master Agreements or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this master agreement. Upon request of the Lead State or NASPO ValuePoint, Contractor shall provide a copy of any such provisions.

#### 9. NASPO ValuePoint eMarket Center

a. In July 2011, NASPO ValuePoint entered into a multi-year agreement with SciQuest, Inc. (doing business as JAGGAER) whereby JAGGAER will provide certain electronic catalog hosting and management services to enable eligible NASPO ValuePoint's customers to access a central online website to view and/or shop the goods and services available from

existing NASPO ValuePoint Cooperative Contracts. The central online website is referred to as the NASPO ValuePoint eMarket Center.

- b. The Contractor will have visibility in the eMarket Center through Ordering Instructions. These Ordering Instructions are available at no cost to the Contractor and provide customers information regarding the Contractors website and ordering information. The Contractor is required at a minimum to participate in the eMarket Center through Ordering Instructions.
- c. At a minimum, the Contractor agrees to the following timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin Ordering Instruction process. The Contractor shall have thirty (30) days from receipt of written request to work with NASPO ValuePoint to provide any unique information and ordering instructions that the Contractor would like the customer to have.
- d. If the solicitation requires either a catalog hosted on or integration of a punchout site with eMarket Center, or either solution is proposed by a Contractor and accepted by the Lead State, the provisions of the eMarket Center Appendix to these NASPO ValuePoint Master Agreement Terms and Conditions apply.

#### 10. Right to Publish

Throughout the duration of this Master Agreement, Contractor must secure from the Lead State prior approval for the release of information that pertains to the potential work or activities covered by the Master Agreement. This limitation does not preclude publication about the award of the Master Agreement or marketing activities consistent with any proposed and accepted marketing plan. The Contractor shall not make any representations of NASPO ValuePoint's opinion or position as to the quality or effectiveness of the services that are the subject of this Master Agreement without prior written consent. Failure to adhere to this requirement may result in termination of the Master Agreement for cause.

#### 11. Price and Rate Guarantee Period

All prices and rates set forth in Exhibits B and B-1 (and the online catalog) must be guaranteed for the initial term of the Master Agreement. Following the initial Master Agreement period, any request for price or rate adjustment must be for an equal guarantee period, and must be made at least (30) days prior to the effective date. Requests for price or rate adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the Master Agreement shall not be effective unless approved by the Lead State. No retroactive adjustments to prices or rates will be allowed.

Contractor shall apply the appropriate discounts as set forth on Exhibit B-1.

#### 12. Individual Customers

Except to the extent modified by a Participating Addendum, each Purchasing Entity shall follow the terms and conditions of the Master Agreement and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement, including but not limited to, any indemnity or right to recover any costs as such right is defined in the Master Agreement and applicable Participating Addendum for their purchases. Each Purchasing Entity will be responsible for

its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Purchasing Entity individually.

#### Administration of Orders

#### 13. Ordering

- a. Master Agreement order and purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.
- b. Purchasing Entities may define entity or project-specific requirements and informally compete the requirement among companies having a Master Agreement on an "as needed" basis. This procedure may also be used when requirements are aggregated or other firm commitments may be made to achieve reductions in pricing. This procedure may be modified in Participating Addenda and adapted to the Purchasing Entity's rules and policies. The Purchasing Entity may in its sole discretion determine which Master Agreement Contractors should be solicited for a quote. The Purchasing Entity may select the quote that it considers most advantageous, cost and other factors considered.
- c. Each Purchasing Entity will identify and utilize its own appropriate purchasing procedure and documentation. Contractor is expected to become familiar with the Purchasing Entities' rules, policies, and procedures regarding the ordering of supplies and/or services contemplated by this Master Agreement.
- d. Contractor shall not begin work without a valid Purchase Order or other appropriate commitment document under the law of the Purchasing Entity.
- e. Orders may be placed consistent with the terms of this Master Agreement during the term of the Master Agreement.
- f. All Orders pursuant to this Master Agreement, at a minimum, shall include:
  - (1) The Products, Services or Supplies being delivered;
  - (2) The place and requested time of delivery;
  - (3) A billing address:
  - (4) The name, phone number, and address of the Purchasing Entity representative;
  - (5) The price per hour or other pricing elements consistent with this Master Agreement and the contractor's proposal;
  - (6) A ceiling amount of the order for services being ordered; and
  - (7) The Master Agreement identifier.
- g. All communications concerning administration of Orders placed shall be furnished solely to the authorized purchasing agent within the Purchasing Entity's purchasing office, or to such other individual identified in writing in the Order.
- h. Orders must be placed pursuant to this Master Agreement prior to the termination date thereof, but may have a delivery date or performance period up to 120 days past the then-current termination date of this Master Agreement. Contractor is reminded that financial

obligations of Purchasing Entities payable after the current applicable fiscal year are contingent upon agency funds for that purpose being appropriated, budgeted, and otherwise made available.

i. Notwithstanding the expiration, cancellation or termination of this Master Agreement, Contractor agrees to perform in accordance with the terms of any Orders then outstanding at the time of such expiration or termination. Contractor shall not honor any Orders placed after the expiration, cancellation or termination of this Master Agreement, or otherwise inconsistent with its terms. Orders from any separate indefinite quantity, task orders, or other form of indefinite delivery order arrangement priced against this Master Agreement may not be placed after the expiration or termination of this Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.

#### 14. Shipping and Delivery

a. The prices are the delivered price to any Purchasing Entity. All deliveries shall be F.O.B. destination, freight pre-paid, with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage shall remain the Contractor's until final inspection and acceptance when responsibility shall pass to the Purchasing Entity except as to latent defects, fraud and Contractor's warranty obligations. The minimum shipment amount, if any, will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an Order to be shipped without transportation charges that is back ordered shall be shipped without charge.

b. All deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the Order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order. Any damage to the building interior, scratched walls, damage to the freight elevator, etc., will be the responsibility of the Contractor. If damage does occur, it is the responsibility of the Contractor to immediately notify the Purchasing Entity placing the Order.

c. All products must be delivered in the manufacturer's standard package. Costs shall include all packing and/or crating charges. Cases shall be of durable construction, good condition, properly labeled and suitable in every respect for storage and handling of contents. Each shipping carton shall be marked with the commodity, brand, quantity, item code number and the Purchasing Entity's Purchase Order number.

#### 15. Laws and Regulations

Any and all Products offered and furnished shall comply fully with all applicable Federal and State laws and regulations, including the Federal Terms and Conditions set forth in Exhibit C.

#### 16. Inspection and Acceptance

a. Where the Master Agreement or an Order does not otherwise specify a process for inspection and Acceptance, this section governs. This section is not intended to limit rights and remedies under the applicable commercial code.

- b. All Products are subject to inspection at reasonable times and places before Acceptance. Contractor shall provide right of access to the Lead State, or to any other authorized agent or official of the Lead State or other Participating or Purchasing Entity, at reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance requirements under this Master Agreement. Products that do not meet specifications may be rejected. Failure to reject upon receipt, however, does not relieve the contractor of liability for material (nonconformity that substantial impairs value) latent or hidden defects subsequently revealed when goods are put to use. Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked.
- c. If any Services do not conform to contract requirements, the Purchasing Entity may require the Contractor to perform the services again in conformity with contract requirements, at no increase in Order amount. When defects cannot be corrected by re-performance, the Purchasing Entity may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and reduce the contract price to reflect the reduced value of services performed.
- d. The warranty period shall begin upon Acceptance.
- e. Acceptance Testing may be explicitly set out in a Master Agreement to ensure conformance to an explicit standard of performance. Acceptance Testing means the process set forth in the Master Agreement for ascertaining that the Product meets the standard of performance prior to Acceptance by the Purchasing Entity. If Acceptance Testing is prescribed, this subsection applies to applicable Products purchased under this Master Agreement, including any additional, replacement, or substitute Product(s) and any Product(s) which are modified by or with the written approval of Contractor after Acceptance by the Purchasing Entity. The Acceptance Testing period shall be thirty (30) calendar days or other time period identified in this Master Agreement or the Participating Addendum, starting from the day after the Product is delivered or, if installed, the day after the Product is installed and Contractor certifies that the Product is ready for Acceptance Testing. If the Product does not meet the standard of performance during the initial period of Acceptance Testing, Purchasing Entity may, at its discretion, continue Acceptance Testing on a day-today basis until the standard of performance is met. Upon rejection, the Contractor will have fifteen (15) calendar days to cure the standard of performance issue(s). If after the cure period, the Product still has not met the standard of performance, the Purchasing Entity may, at its option: (a) declare Contractor to be in breach and terminate the Order; (b) demand replacement Product from Contractor at no additional cost to Purchasing Entity; or, (c) continue the cure period for an additional time period agreed upon by the Purchasing Entity and the Contractor. Contractor shall pay all costs related to the preparation and shipping of Product returned pursuant to the section. No Product shall be deemed Accepted and no charges shall be paid until the standard of performance is met. The warranty period shall begin upon Acceptance.

#### 17. Payment

Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the

Contractor may assess overdue account charges the highest rate permitted by applicable law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge.

#### 18. Warranty

Warranty provisions govern where specified elsewhere in the documents that constitute the Master Agreement; otherwise this section governs. The Contractor warrants for a period of one year from the date of Acceptance that: (a) the Product performs according to all specific claims that the Contractor made in its response to the solicitation, (b) the Product is suitable for the ordinary purposes for which such Product is used, (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgment, (d) the Product is designed and manufactured in a commercially reasonable manner, and (e) the Product is free of defects. Upon breach of the warranty, the Contractor will repair or replace (at no charge to the Purchasing Entity) the Product whose nonconformance is discovered and made known to the Contractor. If the repaired and/or replaced Product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made. If Contractor is not the manufacturer of the product Contractor shall pass through all manufacturer's warranty to Purchasing Entity. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including. without limitation, actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

#### 19. Title of Product

Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Product free and clear of all liens, encumbrances, or other security interests. Transfer of title to the Product shall include an irrevocable and perpetual license to use any Embedded Software in the Product. If Purchasing Entity subsequently transfers title of the Product to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Product title. A subsequent transfer of this software license shall be at no additional cost or charge to either Purchasing Entity or Purchasing Entity's transferee.

#### 20. License of Pre-Existing Intellectual Property

Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the Intellectual Property, and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). The Contractor shall be responsible for ensuring that this license is consistent with any third party rights in the Pre-existing Intellectual Property.

#### **General Provisions**

#### 21. Insurance

- a. Unless otherwise agreed in a Participating Addendum, Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state and having a rating of A, Class VII or better, in the most recently published edition of A.M. Best's Insurance Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a Participating Entity's option, result in termination of its Participating Addendum.
- b. Coverage shall be written on an occurrence basis. The minimum acceptable limits shall be as indicated below:
  - (1) Commercial General Liability covering premises operations, independent contractors, products and completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence/\$2 million general aggregate;
  - (2) Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.
- c. Contractor shall pay premiums on all insurance policies. Contractor shall provide notice to a Participating Entity who is a state within five (5) business days after Contractor is first aware of expiration, cancellation or nonrenewal of such policy or is first aware that cancellation is threatened or expiration, nonrenewal or expiration otherwise may occur.
- d. Prior to commencement of performance, Contractor shall provide to the Lead State a written endorsement to the Contractor's general liability insurance policy or other documentary evidence acceptable to the Lead State that (1) names Oregon, and the Participating States identified in the Request for Proposal as additional insureds, (2) provides that written notice of cancellation shall be delivered in accordance with the policy provisions, and (3) provides that the Contractor's liability insurance policy shall be primary, with any liability insurance of any Participating State as secondary and noncontributory. Unless otherwise agreed in any Participating Addendum, other state Participating Entities' rights and Contractor's obligations are the same as those specified in the first sentence of this subsection except the endorsement is provided to the applicable state.
- e. Contractor shall furnish to the Lead State copies of certificates of all required insurance in a form sufficient to show required coverage within thirty (30) calendar days of the execution of this Master Agreement and prior to performing any work. Copies of renewal certificates of all required insurance shall be furnished within thirty (30) days after any renewal date to the applicable state Participating Entity. Failure to provide evidence of coverage may, at the sole option of the Lead State, or any Participating Entity, result in this Master Agreement's termination or the termination of any Participating Addendum.
- f. Coverage and limits shall not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Purchase Order.

#### 22. Records Administration and Audit

a. The Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Agreement and Orders placed by Purchasing Entities under it to the extent and in such detail as shall adequately reflect performance and administration of payments and fees. Contractor shall permit the Lead State, a Participating Entity, a Purchasing Entity, the federal government (including its grant awarding entities and the U.S. Comptroller General), and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers and records directly pertinent to this Master Agreement or orders placed by a Purchasing Entity under it for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of five (5) years following termination of this Agreement or final payment for any order placed by a Purchasing Entity against this Agreement, whichever is later, or such longer period as is required by the Purchasing Entity's state statutes, to assure compliance with the terms hereof or to evaluate performance hereunder.

b. Without limiting any other remedy available to any governmental entity, the Contractor shall reimburse the applicable Lead State, Participating Entity, or Purchasing Entity for any overpayments inconsistent with the terms of the Master Agreement or Orders or underpayment of fees found as a result of the examination of the Contractor's records.

c. The rights and obligations herein exist in addition to any quality assurance obligation in the Master Agreement requiring the Contractor to self-audit contract obligations and that permits the Lead State to review compliance with those obligations.

#### 23. Confidentiality, Non-Disclosure, and Injunctive Relief

a. Confidentiality. Contractor acknowledges that it and its employees or agents may, in the course of providing a Product under this Master Agreement, be exposed to or acquire information that is confidential to Purchasing Entity or Purchasing Entity's clients. Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Master Agreement, including, but not necessarily limited to (1) any Purchasing Entity's records, (2) personnel records, and (3) information concerning individuals, is confidential information of Purchasing Entity ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information. Confidential Information does not include information that (1) is or becomes (other than by disclosure by Contractor) publicly known; (2) is furnished by Purchasing Entity to others without restrictions similar to those imposed by this Master Agreement; (3) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement; (4) is obtained from a source other than Purchasing Entity without the obligation of confidentiality, (5) is disclosed with the written consent of Purchasing Entity or; (6) is independently developed by employees, agents or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

b. Non-Disclosure. Contractor shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third

parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance of Orders placed under this Master Agreement. Contractor shall advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise Purchasing Entity, applicable Participating Entity, and the Lead State immediately if Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Master Agreement, and Contractor shall at its expense cooperate with Purchasing Entity in seeking injunctive or other equitable relief in the name of Purchasing Entity or Contractor against any such person. Except as directed by Purchasing Entity, Contractor will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at Purchasing Entity's request, Contractor shall turn over to Purchasing Entity all documents, papers, and other matter in Contractor's possession that embody Confidential Information. Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits and evidence of the performance of this Master Agreement.

- c. Injunctive Relief. Contractor acknowledges that breach of this section, including disclosure of any Confidential Information, will cause irreparable injury to Purchasing Entity that is inadequately compensable in damages. Accordingly, Purchasing Entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Purchasing Entity and are reasonable in scope and content.
- d. Purchasing Entity Law. These provisions shall be applicable only to extent they are not in conflict with the applicable public disclosure laws of any Purchasing Entity.
- e. The rights granted Purchasing Entities and Contractor obligations under this section shall also extend to the cooperative's Confidential Information, defined to include Participating Addenda, as well as Orders or transaction data relating to Orders under this Master Agreement that identify the entity/customer, Order dates, line item descriptions and volumes, and prices/rates. This provision does not apply to disclosure to the Lead State, a Participating State, or any governmental entity exercising an audit, inspection, or examination pursuant to section 23. To the extent permitted by law, Contractor shall notify the Lead State of the identity of any entity seeking access to the Confidential Information described in this subsection.

#### 24. Public Information

This Master Agreement and all related documents are subject to disclosure pursuant to the Purchasing Entity's public information laws.

#### 25. Assignment/Subcontracts

a. Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Master Agreement, in whole or in part, without the prior written

approval of the Lead State.

b. The Lead State reserves the right to assign any rights or duties, including written assignment of contract administration duties to NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint and other third parties.

#### 26. Changes in Contractor Representation

The Contractor must notify the Lead State of changes in the Contractor's key administrative personnel managing the Master Agreement in writing within 10 calendar days of the change. The Lead State reserves the right to approve changes in key personnel, as identified in the Contractor's proposal. The Contractor agrees to propose replacement key personnel having substantially equal or better education, training, and experience as was possessed by the key person proposed and evaluated in the Contractor's proposal.

#### 27. Independent Contractor

The Contractor shall be an independent contractor. Contractor shall have no authorization, express or implied, to bind the Lead State, Participating States, other Participating Entities, or Purchasing Entities to any agreements, settlements, liability or understanding whatsoever, and agrees not to hold itself out as agent except as expressly set forth herein or as expressly agreed in any Participating Addendum.

#### 28. Cancellation

Unless otherwise stated, this Master Agreement may be canceled by either party upon 60 days written notice prior to the effective date of the cancellation. Further, any Participating Entity may cancel its participation upon 30 days written notice, unless otherwise limited or stated in the Participating Addendum. Cancellation may be in whole or in part. Any cancellation under this provision shall not affect the rights and obligations attending orders outstanding at the time of cancellation, including any right of a Purchasing Entity to indemnification by the Contractor, rights of payment for Products delivered and accepted, rights attending any warranty or default in performance in association with any Order, and requirements for records administration and audit. Cancellation of the Master Agreement due to Contractor default may be immediate.

#### 29. Force Majeure

Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, unusually severe weather, other acts of God, or war which are beyond that party's reasonable control. The Lead State may terminate this Master Agreement after determining such delay or default will reasonably prevent successful performance of the Master Agreement.

#### 30. Defaults and Remedies

- a. The occurrence of any of the following events shall be an event of default under this Master Agreement:
  - (1) Nonperformance of contractual requirements; or
  - (2) A material breach of any term or condition of this Master Agreement; or

- (3) Any certification, representation or warranty by Contractor in response to the solicitation or in this Master Agreement that proves to be untrue or materially misleading; or
- (4) Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
- (5) Any default specified in another section of this Master Agreement.
- b. Upon the occurrence of an event of default, the Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of 15 calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure shall not diminish or eliminate Contractor's liability for damages, including liquidated damages to the extent provided for under this Master Agreement.
- c. If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Master Agreement and the Lead State shall have the right to exercise any or all of the following remedies:
  - (1) Exercise any remedy provided by law; and
  - (2) Terminate this Master Agreement and any related Contracts or portions thereof; and
  - (3) Impose liquidated damages as provided in this Master Agreement; and
  - (4) Suspend Contractor from being able to respond to future bid solicitations; and
  - (5) Suspend Contractor's performance; and
  - (6) Withhold payment until the default is remedied.
- d. Unless otherwise specified in the Participating Addendum, in the event of a default under a Participating Addendum, a Participating Entity shall provide a written notice of default as described in this section and shall have all of the rights and remedies under this paragraph regarding its participation in the Master Agreement, in addition to those set forth in its Participating Addendum. Unless otherwise specified in a Purchase Order, a Purchasing Entity shall provide written notice of default as described in this section and have all of the rights and remedies under this paragraph and any applicable Participating Addendum with respect to an Order placed by the Purchasing Entity. Nothing in these Master Agreement Terms and Conditions shall be construed to limit the rights and remedies available to a Purchasing Entity under the applicable commercial code.

#### 31. Waiver of Breach

Failure of the Lead State, Participating Entity, or Purchasing Entity to declare a default or enforce any rights and remedies shall not operate as a waiver under this Master Agreement or Participating Addendum. Any waiver by the Lead State, Participating Entity, or Purchasing Entity must be in writing. Waiver by the Lead State or Participating Entity of any default, right

or remedy under this Master Agreement or Participating Addendum, or by Purchasing Entity with respect to any Purchase Order, or breach of any terms or requirements of this Master Agreement, a Participating Addendum, or Purchase Order shall not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement, Participating Addendum, or Purchase Order.

#### 32. Debarment

The Contractor certifies 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. This certification represents a recurring certification made at the time any Order is placed under this Master Agreement. If the Contractor cannot certify this statement, attach a written explanation for review by the Lead State.

#### 33. Indemnification

- a. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, and Purchasing Entities, along with their officers and employees, from and against third-party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to tangible property arising from act(s), error(s), or omission(s) of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to the performance under the Master Agreement.
- b. Indemnification Intellectual Property. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, Purchasing Entities, along with their officers and employees ("Indemnified Party"), from and against claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of the claim that the Product or its use, infringes Intellectual Property rights ("Intellectual Property Claim") of another person or entity.
- (1) The Contractor's obligations under this section shall not extend to any combination of the Product with any other product, system or method, unless the Product, system or method is:
  - (a) provided by the Contractor or the Contractor's subsidiaries or affiliates;
  - (b) specified by the Contractor to work with the Product; or
  - (c) reasonably required, in order to use the Product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available product, system or method capable of performing the same function; or
  - (d) It would be reasonably expected to use the Product in combination with such product, system or method.

- (d) It would be reasonably expected to use the Product in combination with such product, system or method.
- (2) The Indemnified Party shall notify the Contractor within a reasonable time after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party fails to provide reasonable notice, the Contractor shall not be relieved from its obligations unless the Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to the Contractor. If the Contractor promptly and reasonably investigates and defends any Intellectual Property Claim, it shall have control over the defense and settlement of it. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible. The indemnified Party shall furnish, at the Contractor's reasonable request and expense, information and assistance necessary for such defense. If the Contractor fails to vigorously pursue the defense or settlement of the Intellectual Property Claim, the Indemnified Party may assume the defense or settlement of it and the Contractor shall be liable for all costs and expenses, including reasonable attorneys' fees and related costs, incurred by the Indemnified Party in the pursuit of the Intellectual Property Claim. Unless otherwise agreed in writing, this section is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.

#### 34. No Waiver of Sovereign Immunity

In no event shall this Master Agreement, any Participating Addendum or any contract or any Purchase Order issued thereunder, or any act of the Lead State, a Participating Entity, or a Purchasing Entity be a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court

This section applies to a claim brought against the Participating Entities who are states only to the extent Congress has appropriately abrogated the state's sovereign immunity and is not consent by the state to be sued in federal court. This section is also not a waiver by the state of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

#### 35. Governing Law and Venue

- a. The procurement, evaluation, and award of the Master Agreement shall be governed by and construed in accordance with the laws of the Lead State sponsoring and administering the procurement. The construction and effect of the Master Agreement after award shall be governed by the law of the state serving as Lead State. The construction and effect of any Participating Addendum or Order against the Master Agreement shall be governed by and construed in accordance with the laws of the Participating Entity's or Purchasing Entity's State.
- b. Unless otherwise specified in the RFP, the venue for any protest, claim, dispute or action relating to the procurement, evaluation, and award is in the Lead State. Venue for any claim, dispute or action concerning the terms of the Master Agreement shall be in the state serving as Lead State. Venue for any claim, dispute, or action concerning any Order placed against the Master Agreement or the effect of a Participating Addendum shall be in the Purchasing

#### Entity's State.

c. If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): the Lead State for claims relating to the procurement, evaluation, award, or contract performance or administration if the Lead State is a party; a Participating State if a named party; the state where the Participating Entity or Purchasing Entity is located if either is a named party.

#### 36. Assignment of Antitrust Rights

Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or a Participating Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided in that state for the purpose of carrying out the Contractor's obligations under this Master Agreement or Participating Addendum, including, at the Participating Entity's option, the right to control any such litigation on such claim for relief or cause of action.

#### 37. Contract Provisions for Orders Utilizing Federal Funds

Pursuant to Appendix II to 2 Code of Federal Regulations (CFR) Part 200, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Orders funded with federal funds may have additional contractual requirements or certifications that must be satisfied at the time the Order is placed or upon delivery. These federal requirements may be proposed by Participating Entities in Participating Addenda and Purchasing Entities for incorporation in Orders placed under this Master Agreement.

#### 38. Leasing or Alternative Financing Methods

Authorized Signatures:

The procurement and other applicable laws of some Purchasing Entities may permit the use of leasing or alternative financing methods for the acquisition of Products under this Master Agreement. Where the terms and conditions are not otherwise prescribed in an applicable Participating Addendum, the terms and conditions for leasing or alternative financing methods are subject to negotiation between the Contractor and Purchasing Entity.

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Contractor: Grainger		
By: Total		
Title: Sr. Government Sales Manager	Date:	April 25, 2018
The State of Oregon acting by and through its Department Services, Enterprise Goods and Services, Procurement Services	ent of	Administrative
By:		
NASPO ValuePoint Master Agreement		20

Title: State roanement analyst Date: 4/25/18

Approved pursuant to ORS 291.047

Oregon Department of Justice
By: Karen Johnson via email
Sr. Assistant Attorney General

Date: April 24, 2018

#### eMarket Center Appendix to NASPO ValuePoint Master Agreement

- a. This Appendix applies whenever a catalog hosted by or integration of a punchout site with eMarket Center is required by the solicitation or either solution is proposed by a Contractor and accepted by the Lead State.
- b. Supplier's Interface with the eMarket Center. There is no cost charged by JAGGAER to the Contractor for loading a hosted catalog or integrating a punchout site.
- c. At a minimum, the Contractor agrees to the following:
- (1) Implementation Timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin enablement process. The Contractor shall have fifteen (15) days from receipt of written request to work with NASPO ValuePoint and JAGGAER to set up an enablement schedule, at which time JAGGAER's technical documentation shall be provided to the Contractor. The schedule will include future calls and milestone dates related to test and go live dates. The contractor shall have a total of Ninety (90) days to deliver either a (1) hosted catalog or (2) punch-out catalog, from date of receipt of written request.
- (2) NASPO ValuePoint and JAGGAER will work with the Contractor, to decide which of the catalog structures (either hosted or punch-out as further described below) shall be provided by the Contractor. Whether hosted or punch-out, the catalog must be strictly limited to the Contractor's awarded contract offering (e.g. products and/or services not authorized through the resulting cooperative contract should not be viewable by NASPO ValuePoint Participating Entity users).
  - (a) Hosted Catalog. By providing a hosted catalog, the Contractor is providing a list of its awarded products/services and pricing in an electronic data file in a format acceptable to JAGGAER, such as Tab Delimited Text files. In this scenario, the Contractor must submit updated electronic data [Insert Time Frame Here] to the eMarket Center for the Lead State's approval to maintain the most up-to-date version of its product/service offering under the cooperative contract in the eMarket Center.
  - (b) Punch-Out Catalog. By providing a punch-out catalog, the Contractor is providing its own online catalog, which must be capable of being integrated with the eMarket Center as a. Standard punch-in via Commerce eXtensible Markup Language (cXML). In this scenario, the Contractor shall validate that its online catalog is up-to-date by providing a written update every six months to the Lead State stating they have audited the offered products/services and pricing listed on its online catalog. The site must also return detailed UNSPSC codes (as outlined in line 3) for each line item. Contractor also agrees to provide e-Quote functionality to facilitate volume discounts.
- d. Revising Pricing and Product Offerings: Any revisions to product/service offerings (new products, altered SKUs, new pricing etc.) must be pre-approved by the Lead State and shall be subject to any other applicable restrictions with respect to the frequency or amount of such revisions. However, no cooperative contract enabled in the eMarket Center may include price changes on a more frequent basis than once per quarter. The following conditions apply with respect to hosted catalogs:

- (1) Updated pricing files are required by the 1st of the month and shall go into effect in the eMarket Center on the 1st day of the following month (i.e. file received on 1/01/13 would be effective in the eMarket Center on 2/01/13). Files received after the 1st of the month may be delayed up to a month (i.e. file received on 11/06/09 would be effect in the eMarket Center on 1/01/10).
- (2) Lead State-approved price changes are not effective until implemented within the eMarket Center. Errors in the Contractor's submitted pricing files will delay the implementation of the price changes in eMarket Center.
- e. Supplier Network Requirements: Contractor shall join the JAGGAER Supplier Network (SQSN) and shall use JAGGAER's Supplier Portal to import the Contractor's catalog and pricing, into the JAGGAER system, and view reports on catalog spend and product/pricing freshness. The Contractor can receive orders through electronic delivery (cXML) or through low-tech options such as fax. More information about the SQSN can be found at: www.sciquest.com or call the JAGGAER Supplier Network Services team at 800-233-1121.
- f. Minimum Requirements: Whether the Contractor is providing a hosted catalog or a punchout catalog, the Contractor agrees to meet the following requirements:
- (1) Catalog must contain the most current pricing, including all applicable administrative fees and/or discounts, as well as the most up-to-date product/service offering the Contractor is authorized to provide in accordance with the cooperative contract; and
- (2) The accuracy of the catalog must be maintained by Contractor throughout the duration of the cooperative contract; and
  - (3) The Catalog must include a Lead State contract identification number; and
  - (4) The Catalog must include detailed product line item descriptions; and
  - (5) The Catalog must include pictures when possible; and
- (6) The Catalog must include any additional NASPO ValuePoint and Participating Addendum requirements. Although suppliers in the SQSN normally submit one (1) catalog, it is possible to have multiple contracts applicable to different NASPO ValuePoint Participating Entities. For example, a supplier may have different pricing for state government agencies and Board of Regents institutions. Suppliers have the ability and responsibility to submit separate contract pricing for the same catalog if applicable. The system will deliver the appropriate contract pricing to the user viewing the catalog.
- g. Order Acceptance Requirements: Contractor must be able to accept Purchase Orders via fax or cXML. The Contractor shall provide positive confirmation via phone or email within 24 hours of the Contractor's receipt of the Purchase Order. If the Purchasing Order is received after 3pm EST on the day before a weekend or holiday, the Contractor must provide positive confirmation via phone or email on the next business day.
- h. UNSPSC Requirements: Contractor shall support use of the United Nations Standard

Product and Services Code (UNSPSC). UNSPSC versions that must be adhered to are driven by JAGGAER for the suppliers and are upgraded every year. NASPO ValuePoint reserves the right to migrate to future versions of the UNSPSC and the Contractor shall be required to support the migration effort. All line items, goods or services provided under the resulting statewide contract must be associated to a UNSPSC code. All line items must be identified at the most detailed UNSPSC level indicated by segment, family, class and commodity.

- i. Applicability: Contractor agrees that NASPO ValuePoint controls which contracts appear in the eMarket Center and that NASPO ValuePoint may elect at any time to remove any supplier's offering from the eMarket Center.
- j. The Lead State reserves the right to approve the pricing on the eMarket Center. This catalog review right is solely for the benefit of the Lead State and Participating Entities, and the review and approval shall not waive the requirement that products and services be offered at prices (and approved fees) required by the Master Agreement.
- k. Several NASPO ValuePoint Participating Entities currently maintain separate JAGGAER eMarketplaces, these Participating Entities do enable certain NASPO ValuePoint Cooperative Contracts. In the event one of these entities elects to use this NASPO ValuePoint Cooperative Contract (available through the eMarket Center) but publish to their own eMarketplace, the Contractor agrees to work in good faith with the entity and NASPO ValuePoint to implement the catalog. NASPO ValuePoint does not anticipate that this will require substantial additional efforts by the Contractor; however, the supplier agrees to take commercially reasonable efforts to enable such separate JAGGAER catalogs.

(August 2017)

## Exhibit A to NASPO ValuePoint Master Agreement

## SAMPLE PARTICIPATING ADDENDUM

#### MASTER AGREEMENT # 8496 FORM PARTICIPATING ADDENDUM

NASPO ValuePoint
PARTICIPATING ADDENDUM

Facilities Maintenance and Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #: 8496

Contractor: W.W. Grainger, Inc. (Contractor)

Participating Entity: State of XXXXX

The following Goods or services are included in this Addendum:

 <u>Removable Example</u>: All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

The following Goods or services are not included in this Addendum:

- Removable Example: Product modifications.
- Removable Example: Installation services.

#### Master Agreement Terms and Conditions:

 Scope: This addendum covers the Facilities Maintenance and Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State [or State Entity] authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.

[Removable Instruction: Participating States should ensure that paragraph 2 properly defines the scope of participation. The model language in paragraph enables participation by all political subdivisions, institutions of higher education, and other entities included in the state's statewide contract program.]

Participation: This NASPO ValuePoint Master Agreement may be used by all state
agencies, institutions of higher institution, political subdivisions and other entities
authorized to use statewide contracts in the State of [xxxxxxx]. Issues of interpretation
and eligibility for participation are solely within the authority of the State Chief Procurement
Official.

- 6. <u>Subcontractors</u>: All contactors, dealers, and resellers authorized in the State of [xxxxxx], as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
- 7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless

the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor:
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:

[Additional signatures may be added if required by the Participating Entity]
For questions on executing a participating addendum, please contact:

#### NASPO ValuePoint

Cooperative Development Coordinator:

Telephone:

Email:

Shannon Berry 775-720-3404

sberrry@naspovaluepoint.org

[Please email fully executed PDF copy of this document to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.]

## **Exhibit B to NASPO ValuePoint Master Agreement**

## Description of Products, Price, and Services

- Products: Contractor may provide Products and Services from the following categories:
  - Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)
  - Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)
  - Fasteners
  - Material Handling
  - Plumbing
  - Power Sources
  - Outdoor Garden
  - Lamps, Lighting, Ballasts
  - HVAC
  - Hand Tools
  - Power Tools (excluding automotive related tools and products)
  - Electrical
  - Paint
  - Security
  - Safety (does not include any public safety equipment)

Purchasing Entities may access Contractor's catalog for above products at link: <a href="https://www.grainger.com">www.grainger.com</a>

#### 2. Services:

- 2.1 ESB/MBE/WBE/DV & DBE Programs;
  Contractor has successful experience offering ESB/MBE/WBE/DV & DBE companies opportunities through two core programs.
  - 2.1.1 Contractor's Small and Diverse Supplier Program affords the Purchasing Entity with access to ESB/MBE/WBE/DV & DBE manufacturers and suppliers through our catalogs and distribution channels. Products provided by Contractor ESB/MBE/WBE/DV & DBE manufacturers and suppliers are identified as part of the supplier diversity program with the following symbol.

2.1.2 Contractor's Distributor Alliance Program enables ESB/MBE/WBE/DV & DBE companies to assist government agencies to meet their MRO product and service requirements. In the Distributor Alliance reseller program, Participating Entity can leverage these companies' experience and expertise to meet ESB/MBE/WBE/DV & DBE goals. Contractor has actively supported diversity spend programs for more than 10 years and currently is contractually partnered with more than 60 certified resellers across the country.

### 2.2 Growth Incentives:

Contractor's pricing includes contract incentives, a fixed category discount structure, market basket pricing that is firm for 12 months, prepaid standard ground shipping, product warranties, and inventory management solutions.

- 2.2.1 Contract Reference Price ("CRP"): is market-based and lower than Contractor's historic List Price. CRP is stable and only subject to change three times per year. Pricing proposal is tied to CRP. CRP is found on Grainger.com when Purchasing Entity logs into their Grainger.com account. The CRP at the time of purchase will be the price to which any contract discounts will be applied.
- 2.2.2 Customized Contract Incentives: Depending on factors such as contract commitments, single award status, and market competition, Contractor may offer contract incentives, administrative fees and discounts that may include the following options:
  - Participating State Administrative Fee Structure
  - · Annual Growth incentives
    - ✓ Incremental Sales Growth Incentives
    - ✓ Annual Green/Sustainability Growth Incentives
    - ✓ Annual Grainger Choice Product Growth Incentives
    - ✓ eCommerce Growth Incentives
    - ✓ Additional Category Discounts
- 2.2.3 Customer Specific Pricing ("CSP"): Contractor recognizes the importance of providing the Purchasing Entity with relevant pricing for specific products in special circumstances. As a value-add to the Master Agreement, deeper discounted pricing can be sought in the form of CSP as it relates to a specific opportunity.
- 2.2.4 Additional Discounting: Contractor recognizes the operational importance of providing the Purchasing Entity access to MRO products that fall outside the market basket pre-defined categories awarded. Contractor offers a 5% discount off of CRP on products that fall outside the market basket and pre-defined categories listed above.

2.2.5 Participating State Custom Market Baskets: Each Participating State has the ability to define a custom market basket that consists of products that the Participating State most frequently procures. Contractor's Government Sales Managers will work with each Participating State to identify this product list and price these products accordingly based on volume procured.

2.2.6 Large Order Discounts: Contractor will continue to work with the Purchasing Entity to leverage additional discounts for large, single orders, based on size and scope.

- 2.3 The quality and availability of recycling or other sustainability programs, including products or services offered:

  Contractor will work with Purchasing Entity to better enable the State to achieve sustainability goals established by the State.
- 2.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered:

Contractor will work closely with the Purchasing Entity to identify and implement environmental conservation programs.

2.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products:

Contractor currently offers 72,000 green products that are available to Participating States and Purchasing Entity.

In terms of other products, Contractor coordinates with its valued supplier/manufacturer partners to ensure that applicable items meet various environmental compliance standards, such as but not limited to: RoHS (Restriction of Hazardous Substances), WEEE (Waste Electrical and Electronic Equipment), ELV (End-of-Life Vehicles), Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH), or Substances of Concern (SOC).

2.6 Contractor's Standard Return Policy: Returns for Contractor catalog products can be made up to one (1) year from the date of purchase. Returned product must be in original packaging, unused, undamaged and in saleable condition. Proof of purchase is required. Contractor will either replace the product or issue a credit for the product purchase price.

The above represents Contractor's policy, however, in practice Contractor attempts to put the Purchasing Entity first and in many instances Contractor may accept returns that do not meet all of the above criteria. For assistance with returns, the Purchasing Entity should

call Grainger Customer Care at 800-GRAINGER (800-472-4643).

### 2.7 Distribution points:

Contractor's Government Inside and Outside Sales Staff are solely dedicated to the public sector market across all Participating States, Washington D.C., US Territories. Contractor created this government-dedicated sales team to better serve this sector, to understand specific challenges of the Participating Entity and to drive overall savings in procuring products.

SMORES		Side		State Free Committee	
Alabama	17	Louisiana	13	Ohio	19
Alaska	10	Meine		Oklahoma	14
Arizona	18	Maryland	26	Örégőn	12
Arkansas	10	Maseachusetts	10	Pennsylvania	28
Celifornia	80	Michigan	15	Rhode Island	-8
Colorado	18	Minnesota	18	South Carolina	15
Connectiout	13	Mississippi	Ŕ	South Dakota	9
Deleware	7	Missouri	18	Tennesse	13
Florida	47	Montana	6	Texas	54
Georgia	23	Nebraska	В	Uleh	40
Hawaii	16	Neveda	12	Vermont	.6
Idaho	. 8	New Hampshire	8	Virginja	29
Minois	32	New Jersey	30	Washington	28
Indiana	10	New Mexico	7	West Virginia	8
lowa	0	New York	46	Wisconsin	13
Karisas	<b>(11</b> °	North Carolina	2	Wyoming	7
Kentucky	13	North Dakota	7	District of Columbia	15

	Graing	er US Distributi	on Centers	
Location	SKU's	Square Feet	Inventory Value	Employees
Kansas (etty, M/o	#131,000	1,300,000	\$50,100,000	265
Greenville, SC	305,000	1,100,000	\$113,400,000	492
Patterson, CA	269,000	820,000	\$91,100,000	358
Minopka, IL	464,000	1,100,000	\$174,100,000	632
Bordentown Ni	283,000	1,300,000	Sept-monitor -	***57/4
Denver, CO	73,000	45,000	\$ 6,700,000	30
Plymouth, MN	89,000	35,000	\$ 8,000,000	34
Seattle, WA	88,000	56,000	\$ 10,400,000	46
Mine toma, CA	195,000	345,000	\$46,400,000	181
Cleveland, OH	134,000	395,000	\$ 44,600,000	218
Dallas, TX	150,000	560,000	\$ 66,400,000	322
Jacksonville, FL	119,000	230,000	\$ 35,400,000	145
Southaven, MS	2011(00)0	230,000	\$324800,000	144

### 2.8 Scope of geographical coverage offered:

Contractor covers all (50) states throughout the United States and internationally.

2.9 Accurate and meaningful marking of green products in the on-line catalog when applicable:

Contractor display's product information on the website to display the appropriate green symbol next to the products that meet environmental sustainability requirements.

### 3. Additional Services:

3.1 Contract Management Retail Store/Will Call Availability:

Contractor branches are open 8:00am to 5:00pm Monday through Friday, local time. See Exhibit E Contractor's listing of branches and distribution centers incorporated by reference.

Contractor has trained and capable employees that will interact with the Purchasing Entity and has regional, senior, and executive management responsible for supporting the Participating Entity and the purchasing Entities.

3.2 Reporting Capabilities Disaster Recovery Plan:

Contractor will provide reporting/analysis. Contractor will work with the

Purchasing Entity to provide access to their order information, through various history reports, spend analysis, pricing audit, and various other reports.

Given the importance of data for information and reporting, it is critical that Contractor stores this information well. Contractor shall backup Data and transaction logs so that information can be restored in the event of hardware or other failure.

### 3.3 Web based ordering System:

Contractor's website at <a href="www.grainger.com">www.grainger.com</a> offers the Purchasing Entity the opportunity to browse products, search through lists, favorites, and order history (both online and branch). The website is available from a traditional browser and via a mobile app for use by the Purchasing Entity that may be away from an office. Contractor offers punch out solutions to the Purchasing Entity that requires them.

### 3.4 Contractors point of contact information:

Contractor can be contacted at:

Toll Free: 800-472-4643 (800-GRAINGER) Email: <u>Customersupport@Grainger.com</u>

Website: https://www.grainger.com/content/naspo

FAX: 855-281-3749

Remit to:

W. W. Grainger, Inc. 100 Grainger Parkway Lake Forest, IL 60045

### 3.5 E- Commerce and Web Catalog Capabilities:

(1) Display contract pricing and multiple search options from narrow options to specific search criteria;

Contractor allows the Purchasing Entity to search and filter by the following attributes:

- Keyword(s)
- NASPO ValuePoint Market Basket items
- Manufacturer/brand
- Manufacturer model number
- National Stock Number (NSN)
- Grainger item number
- NASPO Member part number
- Supplier Diversity products
- Green products (Logo for green)
- Categories or product index

(2) On-line ordering capability:

Ordering 24/7: The Purchasing Entity can submit orders 24 hours per day, 7 days a week, and 365 days per year on Grainger.com and mobile applications. This allows for quick and easy ordering for each Purchasing Entity anytime, anywhere.

(3) Order status and order tracking capabilities:

The Purchasing Entity can use Grainger.com to track the status of any pending order, regardless of ordering channel (online, phone, fax, e-mail). The Purchasing Entity can determine shipment status, backorder status, and partial order shipments, will call order pick-ups and order cancellations for orders placed within the past 36 months by clicking on the Order History link at the top of any Grainger.com page.

### (4) Order history:

The innovative **Home Page** on Grainger.com includes relevant user information such as order history, invoices, and other useful information in support of efficient procurement management. Order history can be accessed for 36 months.

(5) Allow users to develop personal lists and profiles, and a secure means for storing procurement card information:

Personal Lists and Profiles: The Purchasing Entity can create "Personal Lists" on Grainger.com and punch-out integrations for frequently purchased items. Multiple personal lists can be created and shared among other Participating Entities using the same Grainger account to streamline the acquisition process. This functionality allows the Purchasing Entities to:

- Create lists by product category, service location, usage, or specifications and then organize those lists in folders
- Order directly from their list by clicking "Add to Order" next to any item
- Assign a location to a list allowing for easy access of that list from the Grainger Mobile app
- Add min/max quantities, bin locations, and print labels of the items in your list for easy inventory tracking
- Share lists with other people on the same account, so they can view and order from other Members' Personal Lists
- Add or delete products on the list, combine lists or organize lists in multiple folders
- Shared usage of these easy-to-access lists can assist the Participating Entity in consolidating product orders, avoiding duplication and driving product standardization to reduce costs
- To keep a record of previous purchases

Procurement Card Information: Grainger.com has an easy and secure means to use the Personal Profile feature allowing each Purchasing Entity to establish specific user-based profiles to view and edit contact, default payment and delivery information:

### Payment Information

- Select permanent payment method for individual account users
- Establish permanent method of payment (Purchase Order or Credit Card) for all account users
- Expedite check out by enabling express checkout (requires permanent default shipping and payment options)
- (6) Online help to use site should be available at minimum during normal work hours.

Click-to-Chat: Grainger offers Click-to-Chat Assistance for the Purchasing Entity on Grainger.com and punch-out integrations. Agents are available from 7 am to 5 pm, Monday – Friday, local time in all time zones to assist the Purchasing Entity with their product questions or anything related to the purchasing process. Agents in the click-to-chat function can access technical product experts to answer detailed questions on product application or specifications affording the Purchasing Entity a prompt means to get answers to their questions.

The Purchasing Entity can chat with a Customer Service Representative ("CSR") on Grainger.com. Once "Chat Now" is clicked, a message box opens up allowing the Purchasing Entity to communicate with the CSR.

(7) Technical data, illustrations, Material Safety Data Sheets (SDS), parts availability, and access to web-based product sourcing is required:

The item listings on the website include product specification, size and other attributes, images, SDS, parts availability, web-based product sourcing, and other technical information. See SDS sheets at <a href="http://imv.complyplus.com/grainger/?redirect=sds&searchRedirect=sds&searchBar=true#">http://imv.complyplus.com/grainger/?redirect=sds&searchRedirect=sds&searchBar=true#</a>

(8) Allow viewers to view on line product availability by location:

The Purchasing Entity can determine real-time product availability by Grainger location. Participating Entity can designate a default branch within their account profile or allow Grainger.com to provide availability based on the branch closest to their location.

(9) Ability to block certain items or categories.

Upon request, Grainger can block certain items or product categories.

(10) Ability to accept "P-Card" payments.

Contractor accepts P-card payments via VISA, MasterCard and American Express as a means of payment for orders.

3.6 Electronic Data shall be stored for each Participating State in the following ways:

Contractor has implemented systems that protect, preserve, and maintain information obtained from each Purchasing Entity. Unique identifiers are assigned by Contractor allowing data to be appropriately segmented by Participating State, Participating Entity, or Purchasing Entity. Individual line level detail is captured for the Purchasing Entity allowing for complete transparency in the ordering process regardless of how the Purchasing Entity places their order, size of order, or when and where they place an order.

Contractor chose an internationally accepted information security management framework, ISO/IEC 27001. This framework provides direction for the Grainger information security program and established information security policies and procedures.

As part of the process to ensure the appropriate protection of all Grainger data, both internet-facing and critical internal systems are protected by next generation firewalls, which allow us to segment our environments as needed. Sensitive data sent using TLS encryption provides for the security of the transmission, preventing interception of the information sent in that manner. Additionally, the use of tokenization and encryption for specific data elements at rest protects the data by making the information unusable to unauthorized third-parties.

Contractor accepts credit cards as a payment method. We are required by P-card brands (Visa, MasterCard and American Express) to assess compliance against the PCI DSS standard. We perform that assessment annually and report to the card brands through our acquiring banks, as required by the standard.

### 3.7 Forced Substitutions:

Contractor will not force substitutions. If an item is not available, Contractor will inform the Purchasing Entity and provide the Purchasing Entity with the option to choose an alternate product or wait for delivery if the product is on back order.

### 3.8 Contract Management:

The Purchasing Entity will have access to approximately 3,000 Customer Service Representatives (CSRs) to address questions and resolve issues that arise. Each CSR has use of State-of-the-art technology tools needed to address inquiries and ensure the Purchasing Entities expectations are met.

Contractor will provide all training specific to contract utilization, online ordering, product delivery, product returns, EPPs and customer service processes at no additional cost.

### 3.9 Shipping:

All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package:

Purchasing Entity name; Delivery Address; Purchasing Entity and floor; Contact; and Telephone number.

A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order:

Line item description;
Date ordered;
Quantity ordered;
Quantity included in shipment;
Any backordered items;
Unit Price and extension;
Number of parcels;
Purchase Order Number;
Purchasing Entity name; and
F.O.B. Destination.

Contractor ensures that its Packing Slip references information important to the Purchasing Entity, including all of the fields identified above. Furthermore, Contractor's product descriptions and part #s on the Packing Slip match exactly those on the product labels making for simple receipt and validation processes by the Purchasing Entity. Contractor can additionally identify the Purchasing Entity's item #, a customer's P.O. line number, and other relevant information on the Packing Slip.

### 3.10 Reporting Capabilities:

Contractor shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. Additional Participating States may have additional reporting

requirements. Contractor commits to providing consolidated reporting to the Purchasing Entity at frequencies they require or as requested.

Reports include, but are not limited to:

- Purchase history for a specified period of time
- Each customer or sub-account, such as a using area in a VMI
- Purchase Order and/or Job-Reference Numbers
- Dates of Purchase
- Item numbers and FULL descriptions
- Customer item numbers, if applicable
- Item categories and EPP designation
- · Quantities and Units of Measure
- Pricing
- Extended Pricing
- Number of times purchased
- Invoices and/or sales orders for audit validation
- Green/EPP reports
- Other information may also be available

Reports provided in Excel format unless otherwise noted. Contractor does not charge money for any reports to the Purchasing Entity, and will work with each request to try to meet the Purchasing Entities needs if the information is not already available.

The Purchasing Entity has access to orders placed via the website or through punch out on their account on the web. These orders can be reviewed by order or item category for easy reference.

### 3.11 Sustainability/Environmental Practices:

- (1) Contractor has a corporate-wide sustainability policy. A copy of Grainger's Corporate Social Responsibility (CSR) is attached hereto as Exhibit F.
- (2) Product Take Back/End of Life:

Contractor offers end of life take back and recycling options for the following product types through recycling partnerships, product portfolio and through value-added (no-charge) recycling programs offered by our key suppliers.

### 3.12 Vending Machines:

Contractor offers a non-fee MRO related solution for Vending Machines.

KeepStock® is Grainger's portfolio of inventory management solutions

that help the Purchasing Entity to better understand their inventory and reduce costs associated with managing it. **KeepStock® Secure** is an ideal choice for the Purchasing Entity who need controlled access of consumable MRO inventory. Each machine can be customized and configured to the needs of the Purchasing Entity and their supply requirements wither Coil, Carousel, Lockers, Cabinets, and Drawers.

- KeepStock® Onsite
- KeepStock® Store
- Customer-Managed Inventory (CMI) Solutions
- KeepStock® Label
- KeepStock® Scan
- KeepStock® Mobile
- KeepStock® Layout
- KeepStock® Cleanup
- KeepStock® Content

Secure Employee Access: The Purchasing Entity can access machines by either swiping a badge or entering a code on the key pad.

Control Methods: Orders are scheduled to run based on the preset day(s) determined during implementation. Restrictions by Participating Entity can be built into the program. Standard reports can be generated by date, time, item, department, cost center, etc. Sample reports are available from the Grainger sales representative to help Participating Entity see the level of detail our programs can provide.

### 3.13 Additional Value added solutions:

- 1. Grainger Safety Footwear Program & Shoemobile
- 2. Safety Training & Assessments
- 3. Managed MRO Solutions
- 4. Grainger Consulting Services
- 5. Custom Product Center

### 6. Energy Services:

Contractor's team may serve as Participating State's resource to help identify and implement a wide range of efficient solutions for the Purchasing Entity through its network of qualified, insured and licensed service providers. Working closely with the Purchasing Entity, Contractor's service providers can help identify and facilitate the installation of energy-saving and water conservation measures with minimal disruption to the Purchasing Entity. Contractor's service can help the Purchasing Entity secure applicable incentives and rebates for energy and water-saving projects.

### 7. Grainger's Energy Services:

- Lighting Projects
- HVAC Projects
- Motor and Pump Projects
- Compressed Air System Studies and Upgrade Projects
- Dust Collection System Studies and Upgrade Projects
- Electric Vehicle Charging Station Projects
- Steam Trap System Studies and Upgrade Projects
- Water Conservation Upgrade Projects

### 3.14 Installation, If applicable:

Contractor will support Participating State in working with manufacturers, suppliers and third party installers ("Partner Network") for equipment, manufacturer-certified set up, training, turnkey installation, post installation services and other maintenance services. Contractor works closely with the Purchasing Entity and qualified, licensed and insured installers to identify and facilitate services and support.

Contractor's ability to provide installation services of products or equipment that a Participating State may chose, if applicable to its State rules.

Contractor's offerings of installation and support services of products or equipment include the following:

- Contractor's network of installers provides turnkey and/or labor-only fixed fee installation and support services.
- Turnkey offerings include all materials, labor, recycling, rebate administration and tax deduction documentation, if applicable.
- The Purchasing Entity billing options for labor and/or turnkey installation and service support will be tailored to satisfy the Purchasing Entities needs.
- Contractor has identified 65 companies that have satisfied Contractor's rigorous vetting process. All companies used by Contractor are licensed, insured, qualified and capable of performing in accordance with the Purchasing Entities requirements.

### 3.15 Sourced Products, if applicable:

3.15.1 Contractor sourced products is a product which is not currently listed in the suppliers contract catalog or on-line ordering system at the time of order receipt but is capable of being supplied through the Contractor, if applicable to a Participating State's rules.

Contractor will leverage its buying power to provide Participating States a competitive market solution addressing product line extensions, items infrequently ordered or not yet in our catalog, or discontinued product.

3.15.2 If the Contractor is capable of supplying sourced products they must be direct line extension products which have a similar item to an

established product category and the Contractor must already have a publically recognized business partnership with the "brand," if applicable to the applicable Participating State's rules.

Contractor's beyond-the-catalog solution is a direct line extension of product to an established product category. Contractor obtains its sourced product and services similar to an item in an established product category. Items are from publically recognized businesses that have established a supplier relationship with Contractor.

### 3.16 Disaster Recovery:

Contractor shall provide an emergency preparedness plan to aid States during an emergency or disaster recovery with specifics as to response time, supplies availability and other goods and services that is offered.

A Participating State may request hard copy and link to Contractor's emergency preparedness plan on its website.

Contractor to provide lead state with hard copy and website link no later than July 15, 2019.

# **EXHIBIT B-1 to NASPO ValuePoint Master Agreement**

Percentage Off Discount:

# Percentage off list per awarded category

Contractor shall apply the following discount percentages to all purchases:

Category	Discount
Janitorial Equipment & Supplies (does not include Sanitation Cleaning Chemicals)	17%
2. Sanitation Cleaning Chemicals & Supplies (does not include Janitorial Equipment & Supplies	22%
3. Fasteners	35%
4. Material Handling	11%
5. Plumbing	20%
6. Power Source	19%
7. Outdoor Garden	13%
8. Lamps & Lighting and Ballasts	22%
9, HVAC	17%
10, Hand Tools	14%
11, Power Tools (excluding automotive related tools and products)	11%
12. Electrical	23%
13. Paint	13%
14. Security	17%
15. Safety (does not include any public safety equipment)	19%

The Contractor's Percentage off list discount will not be reduced throughout the life of the Master Agreement except, Contractor can however provide a higher percentage off list discount by providing the Lead State a thirty (30) day notice and Lead State approving the discount.

# Exhibit C to NASPO ValuePoint Master Agreement PROVISIONS REQUIRED BY FEDERAL LAW

Without limiting the generality of Section 15 of the Master Agreement, if applicable, Contractor shall comply and, as indicated, cause all subcontractors to comply with the following federal requirements. For purposes of this Master Agreement, all references to federal laws are references to federal laws as they may be amended from time to time.

- 1. Equal Employment Opportunity. If this Master Agreement, including amendments, is for more than \$10,000, then Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- 2. Clean Air, Clean Water, EPA Regulations. If this Master Agreement, including amendments, exceeds \$100,000 then Contractor shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)), the Federal Water Pollution Control Act as amended (commonly known as the Clean Water Act) (33 U.S.C. 1251 to 1387), specifically including, but not limited to Section 508 (33 U.S.C. 1368). Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15), which prohibit the use under nonexempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to the Participating Entity or Purchasing Entity, HHS and the appropriate Regional Office of the Environmental Protection Agency. Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving more than \$100,000 in Federal Funds, language requiring the subcontractor to comply with the federal laws identified in this section.
- 3. Energy Efficiency. Contractor shall comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163).
- 4. Truth in Lobbying. The Contractor certifies, to the best of the Contractor's knowledge and belief that:
  - 4.1. No federal appropriated funds have been paid or will be paid, by or on behalf of Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
  - 4.2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the Contractor shall complete and submit Standard Form LLL,

"Disclosure Form to Report Lobbying" in accordance with its instructions.

4.3. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this Master Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Master Agreement imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- **5.** HIPAA Compliance. If the work performed under this Master Agreement are covered by the Health Insurance Portability and Accountability Act or the federal regulations implementing the Act (collectively referred to as HIPAA), Contractor agrees to perform the work in compliance with HIPAA. Without limiting the generality of the foregoing, work performed under this Master Agreement is covered by HIPAA. Contractor shall comply and cause all subcontractors to comply with the following:
  - 5.1. Privacy and Security Of Individually Identifiable Health Information. Individually Identifiable Health Information about specific individuals is confidential. Individually Identifiable Health Information relating to specific individuals may be exchanged between Contractor and Participating Entity or Purchasing Entity for purposes directly related to the provision of services to clients which are funded in whole or in part under this Master Agreement. However, Contractor shall not use or disclose any Individually Identifiable Health Information about specific individuals in a manner that would violate the Participating Entity or Purchasing Entity Privacy Rules, or the Participating Entity or Purchasing Entity Notice of Privacy may be obtained from Participating Entity or Purchasing Entity
  - 5.2. Data Transactions Systems. If Contractor intends to exchange electronic data transactions with Participating Entity or Purchasing Entity in connection with claims or encounter data, eligibility or enrollment information, authorizations or other electronic transaction, Contractor shall execute an EDI Trading Partner Agreement with Participating Entity or Purchasing Entity and shall comply with the Participating Entity or Purchasing Entity EDI Rules.
  - 5.3. Consultation and Testing. If Contractor reasonably believes that the Contractor's or the Participating Entity's or Purchasing Entity's data transactions system or other application of HIPAA privacy or security compliance policy may result in a violation of HIPAA requirements, Contractor shall promptly consult the Participating Entity's or Purchasing Entity's HIPAA officer. Contractor or Participating Entity or Purchasing Entity may initiate a request for testing of HIPAA transaction requirements, subject to available resources and the Participating Entity's or Purchasing Entity's testing schedule.

- 5.4. If Contractor is deemed to be a business associate of Participating Entity or Purchasing Entity under HIPAA's Privacy Rule, 45 CFR Parts 160 and 164, Contractor hereby provides Participating Entity or Purchasing Entity with satisfactory assurances that if it receives from Participating Entity or Purchasing Entity or any trading partner any protected health information of any individual, it shall maintain the security and confidentiality of such information as required by the HIPAA's Privacy Rule, and other applicable laws and regulations. Without limiting the foregoing, Contractor agrees that:
  - 5.4.1. Contractor will not use or further disclose Protected Health Information otherwise than as permitted or required by this Master Agreement or as required by law;
  - 5.4.2. Contractor will use appropriate safeguards to prevent use or disclosure of PHI otherwise than as provided for by this Master Agreement;
  - 5.4.3. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of the requirements of the Master Agreement;
  - 5.4.4. Contractor will report to Participating Entity or Purchasing Entity any use or disclosure of PHI not provided for by this Master Agreement of which Contractor becomes aware:
  - 5.4.5 Contractor agrees to ensure that any agents, including subcontractors, to whom it provides PHI, agree to the same restrictions and conditions that apply to Contractor with respect to such information:
  - 5.4.6. Contractor shall make available to Participating Entity or Purchasing Entity such information as they may require to fulfill their obligations to account for disclosures of such information:
  - 5.4.7. Contractor shall make its internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from the Participating Entity or Purchasing Entity or trading partner (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partner) available to Participating Entity or Purchasing Entity and to the Secretary of the United States Department of Health and Human Services, for purposes of determining Participating Entity's or Purchasing Entity's or trading partners' compliance with HIPAA; and
  - 5.4.8. If feasible, upon termination of this Master Agreement, Contractor shall return or destroy all PHI received from Participating Entity or Purchasing Entity or trading partners (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partners) that Contractor still maintains in any form, and shall retain no copies of such information or, if return or destruction is not feasible, Contractor shall continue to extend the protections of this Master Agreement to such information, and limit further use of the information to those purposes that make the return or destruction of the information infeasible.

Subject to the foregoing restrictions, Participating Entity or Purchasing Entity agrees that Contractor may use such PHI in the process of providing transaction mapping, trading partner profiling and training and mentoring services for Participating Entity or Purchasing Entity and trading partners under this Master Agreement.

- 6. Resource Conservation and Recovery. Contractor shall comply and cause all subcontractors to comply with all mandatory standards and policies that relate to resource conservation and recovery pursuant to the Resource Conservation and Recovery Act (codified at 42 USC 6901 et. seq.). Section 6002 of that Act (codified at 42 USC 6962) requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency. Current guidelines are set forth in 40 CFR Parts 247-253.
- 7. Substance Abuse Prevention and Treatment. Contractor shall comply with federal rules and statutes pertaining to the Substance Abuse, Prevention, and Treatment Block Grant, including the reporting provisions of the Public Health Services Act (42 USC 300x through 300x-64).
- 8. Audits. Contractor shall comply and, if applicable, cause a subcontractor to comply, with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."
- 9. Debarment and Suspension. Contractor shall not permit any person or entity to be a subcontractor if the person or entity is listed on the non-procurement portion of the General Service Administration's "List of Parties Excluded from Federal Procurement or Nonprocurement Programs" in accordance with Executive Orders No. 12,549 and No. 12,689, "Debarment and Suspension". (See 45 CFR part 76). This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory authority other than Executive Order No. 12549. Subcontractors with awards that exceed the simplified acquisition threshold shall provide the required certification regarding their exclusion status and that of their principals prior to award.
- 10. Medicaid Compliance. To the extent Contractor performs any work whose costs are paid in whole or in part by Medicaid, Contractor shall comply with and cause its subcontractors to comply with the federal and State Medicaid statutes and regulations applicable to the work, including but not limited to:
  - 10.1. Keeping such records as may be necessary to disclose the extent of services furnished to clients and, upon request, furnish such records or other information to Participating Entity or Purchasing Entity, the Secretary of Health and Human Services, and as otherwise directed by Participating Entity or Purchasing Entity;
  - 10.2.Complying with all applicable disclosure requirements set forth in 42 CFR Part 455, Subpart B;
  - 10.3.Complying with any applicable advance directive requirements specified in 42 CFR section 431.107(b)(4); and
  - 10.4.Complying with the certification requirements of 42 CFR sections 455.18 and 455.19.

Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving Medicaid, language requiring the subcontractor to comply with

the record keeping and reporting requirements set forth in this section and with the federal laws identified in this section.

- 11. Americans with Disabilities Act. Contractor shall comply and cause all subcontractors to comply with Title II of the Americans with Disabilities Act of 1990 (codified at 42 USC 12131 et. seq.) in the construction, remodeling, maintenance and operation of any structures and facilities, and in the conduct of all programs, services and training associated with the performance of work.
- 12. Pro-Children Act. Contractor shall comply and cause all subcontractors to comply with the Pro-Children Act of 1995 (codified at 20 USC section 6081 et. seq.).
- 13. Federal Tax Information. Contractor shall comply with the provisions of Section 6103(b) of the Internal Revenue Code, the requirements of IRS Publication 1075, and the Privacy Act of 1974, 5 U.S.C. §552a et. seq. related to federal tax information.
- 14. Educational Records. Contractor shall comply with the provisions of the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99).

# EXHIBIT D to NASPO VALUEPOINT MASTER AGREEMENT NASPO ValuePoint DETAILED SALES DATA REPORT FORM

Field Name	Field Description
CONTRACTOR	The awarded Contractor's name
CONTRACTOR CONTRACT NUMBER	Lead State assigned contract number (using Lead State's numbering protocol)
STATE	State postal abbreviation code (Alaska = AK, Missouri = MO, etc.)
CUSTOMER TYPE (SEGMENT)	State Gov't, Education-K12, Education-HED, Local Gov't, Medical, Other - are acceptable segments.  [determined by industrial practice for each contract - uniform for each contract]
BILL TO NAME	Customer (agency) Bill to name
BILL TO ADDRESS	Customer (agency) Bill to address
BILL TO CITY	Customer (agency) Bill to city
BILL TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]
SHIP TO NAME	Customer (agency) Ship to name
SHIP TO ADDRESS	Customer (agency) Ship to address
SHIP TO CITY	Customer (agency) Ship to city
SHIP TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]
ORDER NUMBER	Contractor assigned order number
CUSTOMER PO NUMBER	Customer provided Purchase Order Number
CUSTOMER NUMBER	Contractor assigned account number for the purchasing entity
ORDER TYPE	Sales order, Credit/Return, Upgrade/Downgrade, etc. [determined by industrial practice for each contract - uniform for each contract]
PO DATE (ORDER DATE)	(mm/dd/ccyy)
SHIP DATE	(mm/dd/ccyy)
INVOICE DATE	(mm/dd/ccyy)
INVOICE NUMBER	Contractor assigned Invoice Number
PRODUCT NUMBER	Product number of purchased product
PRODUCT DESCRIPTION	Product description of purchased product

UNSPSC	Commodity-level code based on UNSPSC code rules (8 Digits)
LIST PRICE/MSRP/CATALOG PRICE	List Price - US Currency (\$99999.999) [determined by industrial practice for each contract - uniform for each contract]
NASPO ValuePoint PRICE	NASPO ValuePoint Price- US Currency (\$99999.999)
QUANTITY	Quantity Invoiced (99999.999)
TOTAL PRICE	Extended Price (unit price multiplied by the quantity invoiced) - US Currency (\$999999999999)
Discount Percentage	Percent off of List Price- example=20%
NASPO ValuePoint ADMIN FEE	Administrative Fee based on Total Price - US Currency (\$999999.999)
VAR/Reseller/Distributor	If a VAR/Reseller/Distributor, name of VAR/Reseller/Distributor and state where located
Optional	More information

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# EXHIBIT E to NASPO ValuePoint Master Agreement Contractors Branch and Distribution Center Listings

Exhibit E is incorporated by reference.

### EXHIBIT F to NASPO VALUEPOINT MASTER AGREEMENT Sustainability and Environmental Policy



### OUR APPROACH

We work to continuously improve our environmental performance across our value chain from our suppliers through our operations and to our customers. We encourage stewardship in our operations, and seek to share the lessons we have learned with others. We partner with several third party sustainability organizations, such as the CDP (formally known as the Carbon Disclosure Project), the GreenBiz Executive Network, the U.S. Environmental Protection Agency, Smartway program, UL Inc. (formerly Underwriter's Laboratories, Inc.) and the U.S. Green Building Council to help us align our environmental investments with our stakeholders' expectations.

### Our Operations

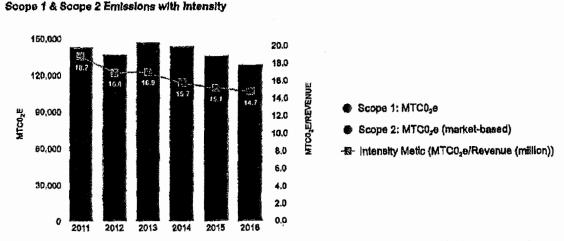
We primarily focus our efforts where we can have the most influence. Grainger's DC account for roughly 38 percent of our operations and will proportionally increase as we expand our service offering. Inherent to this footprint is an opportunity for energy management. We closely monitor our energy consumption and improve our green energy mix by researching sustainable solutions to increase efficiency and utilize renewable energy. When possible, we invest in onsite renewable energy, purchase renewable energy credits and green tariffs.

Climate Change Disclosure We recognize that climate change is a significant global issue. The company is taking steps to more effectively manage its energy use and greenhouse gas (GHG) emissions. Grainger has participated in the CDP since 2009, providing detail on business risks and opportunities related to climate change. In 2012, we became the first industrial distributor to publicly disclose its carbon footprint.

### Greenhouse Gas Emissions

We are committed to the global effort to reduce GHG. We focus our reduction strategy around two specific areas: reducing GHG intensity and waste in our own operations and supporting emissions reduction in our supply chain through increases in transparency. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy.

Scope 1 and 2 We chose 2011 as our baseline year, in which emissions totaled 142,306 metric tons. During that period, we have reduced Scope 1 and Scope 2 emissions by nearly 10 percent. In 2016, our Scope 1 and 2 GHG emissions were 128,572 metric tons. To help offset these emissions, we participate in green energy procurement.



Grainger's intensity metric includes the GHG emissions from operations that were under direct operational control as of 2014, the year our goal was set. This includes Grainger, Inc. in the U.S., Grainger Mexico and Acklands-Grainger in Canada. Starting in 2015, Grainger improved its calculations to include all business within operational control after 2014. We verified only our U.S. data through a third party in 2011. Therefore our Base Year calculations include estimates for Acklands-Grainger and Grainger Mexico. We calculated these estimates using the average of 2012 and 2013.

Intensity Target In 2013, Grainger became the first industrial distributor to set a GHG reduction goal. Our target is an intensity goal for GHG over revenue: to reduce our North American Scope 1 and Scope 2 GHG emissions per unit revenue 33 percent by 2020. The goal was designed to be achievable, yet challenge our operations to identify innovative ways to operate more efficiently. We are currently more than half way to our goal, and have reduced intensity to 14.7, a 20 percent reduction since 2011. A 33 percent reduction by 2020 goal focused Grainger on doing business the right way by investing in renewable energy and energy efficiency.

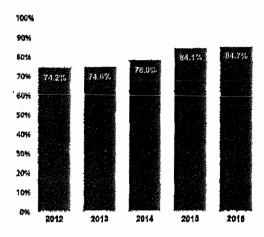
To drive progress toward this goal, our GHG target is included in the performance appraisals for our corporate sustainability team. In addition, energy reduction and efficiency projects reduce utility expenses and improve operating expenses, indirectly effecting profit sharing for U.S. team members.

### Recycling and Waste

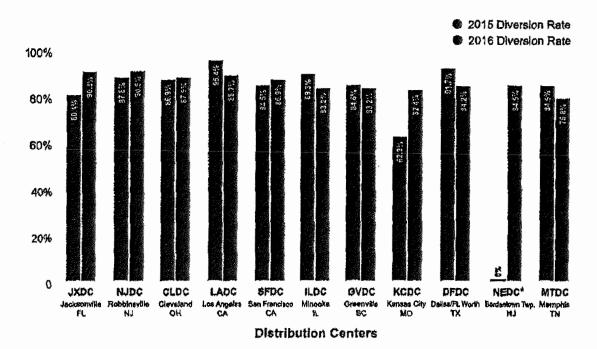
By standardizing recycling practices and sharing best practices across its network, we are continually improving the recycling rate in our U.S. distribution centers. Teams are trained to use a color-coded system to separate and bale materials such as cardboard, plastic wrap and metal and are encouraged

to share and test ideas for ongoing improvements. As a result of these efforts, our diversion rate has increased for four consecutive years.

DC Network Diversion Rate (Amount of waste diverted from a landfill)



### **DC Recycling Rate**



"New DC brought falo the network in 2018

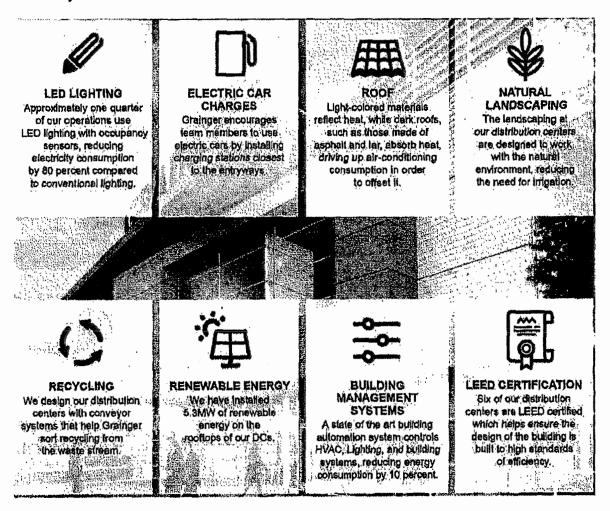
### HIGHLIGHTS.

- The DC network recycling rate finished 2016 at 84.7 percent.
- KCDC saw the highest improvement with a 20 percent improvement in their 2015 diversion rate.
- The recycling rates of JXDC, NJDC, CLDC and SFDC elso improved in 2018 vs. 2015.
- NEDC finished at 84.5 percent in the first year of operations at the facility.

### Water Conservation

Grainger does not directly manufacture the products it sells so our water consumption is minimal. However, we do measure our water footprint and look for opportunities to reduce usage, such as installing water efficient fixtures and evaluating the landscaping irrigation programs at our largest facilities. Grainger's total water consumption in the U.S. in 2016 was 514,802 cubic meters.

### Anatomy of a Sustainable Distribution Center



### **Our Products**

Grainger provides customers with the products they need to keep their businesses running over the long term. As part of this, we work to understand how these products affect the environment. Our customers have increasingly requested environmentally preferable products and we stock them to improve our service. We currently offer more than 72,000 products that help customers maintain sustainable facilities through efficient energy management, water conservation, waste reduction and air-quality improvement.

### Environmentally Preferable Product Offering

Partnering with our suppliers, we work to create a more sustainable workplace for our customers and our communities through our offering of environmentally preferable products. These environmentally preferable products are designated on Grainger.com^e by a green leaf and totaled more than \$556,000,000 in sales in 2016.

### Easy Search and Select for Greener Products







For a product to be classified as environmentally preferable it must maintain one or more environmentally preferable attributes or third-party certifications such as WaterSense*, ENERGY STAR* or Green Seal. We ask our suppliers to provide these attributes or certifications, and our external partner, UL Inc., verifies the viability of the attribute to the product.

### Green Ambassadors

In 2016, more than 100 Grainger team members registered to serve as Green Ambassadors, a group of team members who are passionate about the environment and work together to raise awareness and change behavior for the good of our business and the planet. The program encourages sharing sustainability best practices among Grainger locations and offers opportunities for grassroots involvement.

For example, in 2016, the Green Ambassadors organized an Earth Day event at our Lake Forest headquarters. More than 20 vendors displayed green products from Grainger.com* that help team members reduce their environmental footprint at home and at the office. The team also ran a recycling drive for household materials that often are hard to recycle at home. They collected shoes, paper shredding, batteries and wine corks. During the year, our ambassadors completed more than 1,300 sustainability tasks and are the lifeblood of our sustainability efforts

## Our Supply Chain

We view our suppliers and vendors as our allies in improving our emissions and waste reduction performance. We rely on a network of third-party carriers to meet our transportation needs, we work with our largest suppliers to innovate and improve our distribution packaging, and collect data and share best practices in sustainability across our value chain by expanding our partnership with the CDP to include suppliers who participate in the CDP Supply Chain Program.

### Supply Chain Stewardship

Addressing emissions across our value chain is as significant as addressing them in our own operations. That's why we're engaging with suppliers through the CDP Supply Chain survey to create more change than would be possible on our own. In 2016, this partnership helped us engage with our suppliers to learn more about their emissions reduction strategies. We successfully completed our pilot year with responses from more than 80 of our largest vendors. In total, our suppliers' efforts reduced 76 million metric tons of CO₂ resulting in more than \$700 million in annual savings for their respective businesses.

CDP Supply Chain Supplier Performance



\$8.1B

Emissions Reduction Investment



76m tCO₂e

Total CO, Reduction



\$723M

Annual Emissions Reduction Savings

# Transportation

Grainger relies on a network of third-party carriers for its transportation needs. The company works closely with these providers to continually identify opportunities to maximize efficiency and minimize fuel use. In 2016 Grainger improved container utilization, resulting in an annual reduction of 27.4 CO₂ metric tons. Grainger continues to be the only industrial supplier to be recognized by the U.S. Environmental Protection Agency (USEPA) as a SmartWay* partner. The program provides a forum for the USEPA and businesses to collaborate in order to improve the environmental efficiency of their supply chains by reducing GHG emissions and air pollution.

# FORWARD: What's Coming in Our 2017 Report

- · Increase CDP supply chain participation
- North East Distribution Center rooftop solar panel system
- Expanded data collection for overseas operations in Europe



Kate Brown, Governor

### Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285

PHONE: 503-378-4642 FAX: 503-373-1626

### Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 3

This Addendum No. 3 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

RFP, Section 1.6 Participating States.

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, Utah, Colorado, Delaware, Florida, Louisiana, Maryland, New Hampshire, South Dakota, Virginia, Illinois, Ohio, New Jersey, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments I — Q Y, or may be incorporated into the Participating Addendum after award.

RFP, Section 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments  $I - \Theta \underline{V}$  to this Solicitation.

- 3. RFP, DASPS-2183-17, Addendum No. 3, Attachment T and V, New Jersey and Washington State specific terms and conditions are added as part of the RFP, as attached hereto.
- 4. Questions and Answers.

Question 1: Where there is an A & B on the market basket, for example 6A and 6B (Janitorial Equipment and Supply) – can we only answer one without getting dinged or do we have to answer both?

Answer 1: The items highlighted in green within Attachment D-1 will not be scored under Cost but will be evaluated under the technical part of Attachment A. Offeror's score on the technical requirements set forth in Attachment A may be impacted by a failure to respond without explanation.

Question 2: On the category Janitorial Equipment and Supplies, we need to know the gauges (thickness) on the 38X58 and last item 40X46. Also color is missing on some of the can liners. Can you provide color as well for all can liners?

REPLANDA

Answer 2: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 3: On the category, Sanitation Cleaning Chemicals, on the item below, this product is packed 12 each per case. Does "PKG" mean case? If so, then the estimated usage is 9,199 cases.

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Answer 3: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 4: Ecommerce Platform: What are the options if any, for company's like BAF that do not have capabilities to provide and internally host a dedicated e-commerce platform for ValuePoint customers? The complexity of our product and the required tailored approach to each customer's application prevents a wide ranging amount of Off-the-Shelf products suitable for purchasing via an e-commerce platform. Can certain vendors be except from meeting the e-commerce requirement?

Answer 4: The awarded contractor may utilize the Ordering Instruction option within the eMarket Center. This will be an informative/contact directly option within the eMarket Center, no orders will be placed via the eMarket Center.

Question 5: Lead times (Ordering & Delivery): Big Ass Fans requests more information on the nature of the delivery requirement outlined in the RFP. As a specialty manufacturer headquartered in Kentucky that does not have a nationwide network of suppliers, the ability to guarantee 48hr nationwide delivery is cost prohibitive and a logistic impossibility. Due to the complexity of our product and our build to suit process, is there the possibility to relax this requirement or the ability to create an exemption for manufacturers like Big Ass Fans?

Answer 5: No DAS PS cannot provide an exemption.

Question 6: Attachment D-1 provides the respondents with the Estimated Annual Quantity as well as the #UOM and the UOM. Is the Estimated Annual Quantity provided in Attachment D-1 the individual pieces ordered in total or is it the estimated total # of packages (as identified by the #UOM and UOM columns)?

For example: Line item 9 in the Fastener category (Mfg: Intercorp; Description: #6-9 x 1-5/8" Philli; Mfg part#: 615C) lists the Estimated Annual Usage for this product at 136,018 with a #UOM of 5000 pieces per package. Is the Estimated Annual Usage of 136,018 referring to 136,018 packages of 5000 each equating to a total of 680,090,000 pieces, or is reference to 136,018 the total number of pieces estimated which when divided by 5000 pieces per package equates to 27 packages?

### Other examples:

Line item 2 in the Safety category (Lrg NS40856 Glove, AMMEX CORPORATION 1047469A, 46181504) lists the Estimated Annual Usage for this product at 199,904 with a #UOM of 100 pieces per package. Is the Estimated Annual Usage of 199,904 referring to 199,904 packages of 100

equating to a total of 19,990,400 pieces, or is reference to 199,904 the total number of pieces estimated which when divided by 100 pieces per package equates to 1999 packages?

Line item 3 in the Safety category (L 6mil PF Ntrl Glv, AMMEX CORPORATION, 1050135A, 46181504) lists the Estimated Annual Usage for this product at 165,706 with a #UOM of 100 pieces per package. Is the Estimated Annual Usage of 165,706 referring to 165,706 packages of 100 equating to a total of 16,570,600 pieces, or is reference to 16,570,600 the total number of pieces estimated which when divided by 100 pieces per package equates to 1657 packages?

Line item 4 in the Safety category (DISP. FOAM EAR PLUGS, HONEYWELL SAFETY PRODUCTS USA, MAX-1, 46181901) lists the Estimated Annual Usage for this product at 159,482 with a #UOM of 200 pieces per package. Is the Estimated Annual Usage of 159,482 referring to 159,482 packages of 200 equating to a total of 31,896,400 pieces, or is reference to 159,482 the total number of pieces estimated which when divided by 200 pieces per package equates to 797 packages?

Line item 3 in the Power Source category (Standard Battery, AA Alkaline,PK24, DURACELL DISTRIBUTING INC, PC1500BKD, 26111702) lists the Estimated Annual Usage for this product at 200,000 with a #UOM of 24 pieces per package. Is the Estimated Annual Usage of 200,000 referring to 200,000 packages of 24 equating to a total of 4,800,000 pieces, or is reference to 200,000 the total number of pieces estimated which when divided by 24 pieces per package equates to 8,333 packages?

Answer 6: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 7: (a) How do we address different discounts within a section? For example, section 12 – Power Tools. Our discounts are different for item 1 (DeWalt batteries) and for item 2 (carbide drill bits). (b) Can we include a spreadsheet with the full breakdown as a part of attachment D (page 77)?

Answer 7: (a) See Instructions Tab of Attachment D-1 revised 12-2017. (b) No.

Question 8: Region/State: We have multiple retail stores in several states. Our store count per state ranges from 10 stores down to an average of 2-4 stores per state. In both California and Texas we operate with just one retail location. In Washington, we have multiple locations but they are all in Eastern Washington. Would you recommend that we omit the states with only one retail location, select every state where we have stores or should we limit our potential offering to the states where we have widespread footprints/geographic coverage?

Answer 8: Offeror must decide how to propose.

Question 9: Attachment D-1: Will respondents be "penalized" for offering alternate products, but equivalent in form, shape and function, in lieu of those called for in columns 'E' and 'F'?

Answer 9: No.

Question 10: Attachment D-1: How are alternate products weighted vs. items called for in the RFQ when performing your bid review?

Answer 10: The exact match item will be scored, but the alternative item will be taken into consideration if it is deemed to be exact in specifications (size, fit, form, and function) and different in manufacturer only.

Question 11: Attachment D-1: There appears to be some inconsistency on the response spreadsheet between columns H and I. For example, tab 7, item 1 call for batteries. Column H says there is 24 per UOM, but column I is for each. Doesn't make sense, how can there be any value other than 1 when the UOM is each?

Answer 11: Changed to Package "PK".

Question 12: Attachment D-1: Please clarify what type of response you expect or will accept for column J, Size of each Container, when the product is not measured or defined by either weight or size (e.g., batteries – what "size" is a battery?).

Answer 12: Leave it blank if not applicable.

Question 13: Attachment D-1: Tab2 Line 28 there is a discrepancy between the number in unit of measure in column H, and the number per pack in the description 20 vs 24 column D.

Answer 13: Changed in Addendum No. 2, Attachment D-1 revised document.

Question 14: Attachment D-1: Tab 3 Line 10 Item is highlighted as a green but shows disinfectant language. Is it the states intent to have alternates that are green, third party verified, or a disinfectant that is not?

Answer 14: The intent is to have an environmentally preferable disinfectant equivalent to hydrogen peroxide. Because there are no third party certifications for disinfectants, refer to the active ingredients listed in the EPA's DfE Antimicrobial Pesticide Pilot Project: Moving Toward the Green End of the Pesticide Spectrum <a href="https://www.epa.gov/pesticide-labels/design-environment-antimicrobial-pesticide-pilot-project-moving-toward-green-end">https://www.epa.gov/pesticide-labels/design-environment-antimicrobial-pesticide-pilot-project-moving-toward-green-end</a>.

Question 15: If we <u>are not</u> claiming trade secrets or confidential information do we have to state that? In 2.17.1 it states to include Attachment F if you are claiming trade secrets but if we are not do we have to make a statement for clarity – "We are not claiming trade secrets or confidential information"?

Answer 15: Yes.

Question 16: On Attachment A 6.3 Volume Discount. Instead of a cumulative dollar volume as target can a target be set for number of states with PA? For example, when 20 states are participating the discount would increase by .5% (from 25% to 25.5%) and when 30 states are participating the discount would increase by another .5% (from 25.5 to 26%). Would this type of discount be considered if offered?

Answer 16: Offeror is to propose what it will provide.

Question 17: Section 6.2 Experience & Capabilities. There are 5 subsections listed here. We have detailed responses for each of these points, however, it appears that the majority of these details are covered in 6.5 and 6.6. This leads me to believe that in Section 6.2, the offeror is confirming that

we understand each of these points and confirm that we are capable of conforming with the needs of the agencies on each of these topics. More of a broad statement rather than how we are to specifically meet these requirements?

Answer 17: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 18: Section 6.2.1. References are mentioned here. We welcome the opportunity to share contact information for our valued customers in the public sector. I did not see any required number of references or format for the account name and contact information. It does not appear that you want that information listed here?

Answer 18: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 19: Evaluation Criteria shows 20 possible points for section 6.2 Experience & Capabilities. The sub points 6.2.1-6.2.5 are included in other sections throughout Attachment A. Should these responses be included in both areas where they are listed, given there are evaluation points for each section? (Example: 6.2.2.1 Return Policy is also listed and scored in Administration & Marketing section 6.6.1)

Answer 19: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 20: Our issue is with the insurance. We do use blankets and umbrellas. Why are they not acceptable?

Answer 20: Requirements are set under section 21 of Attachment B if a Master Agreement is awarded. If an Oregon Participating Addendum is awarded, Exhibit 2 to the Oregon Participating Addendum applies.

Question 21: With the recent revised market basket that was posted, and our company holiday schedule, we are asking for your consideration to postpone the RFP deadline until January 12th.

Answer 21: No.

Question 22: What buying position will the awarded suppliers be in?

- a. Will it be mandatory or optional for state agencies to purchase off of the awarded contracts?
- b. Will this contract be optional to buyers who can also buy off of plumbing contract# 02910 or will they be required to purchase off of the 02910 plumbing contract?
- c. Would this contract award be in first position (first priority) to other preceding contracts or would this contract serve as an alternative option?

Answer 22: (a) It is up to each State. (b) It is up to each State. (c) Not prioritized.

Question 23: (a) Would a supplier be at a disadvantage if they applied for less than the 15 categories listed? (b) Is the point system per category or per total offering?

Answer 23: (a) No. (b) See section 5.2 of RFP.

Question 24: How would a regional contract be broken out? Would a regional contract be broken out by states within the same coast (i.e., east coast vs. west coast)?

Answer 24: See section 5.4 of RFP.

Question 25: For the state of Alaska deliveries, would an upcharge to cover the shipping costs be allowed?

Answer 25: See Addendum No.1, Question & Answer #17.

Ouestion 26: Would you accept manufacturer substitutes for products in all categories?

Answer 26: See Instruction Tab of Attachment D-1 revised 12-2017.

Question 27: The D-1 instructions, line 15 states "If Offering on exact match item(s), all cells that are labelled "Vendor Input" must be filled in with the correct information." Also, line 16 states "If Offering an alternative item(s), all cells that are labelled "Vendor Input" must be filled in with the correct information."

Though apparent, I cannot see that D-1 tabs 2-16, columns A through O are master titled as "Exact Match" items, nor that columns P through AD are master titled as "Alternative" items. Is it correct to conclude accordingly?

Answer 27: Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 28: For "Exact Match" item, the instructions say "all cells that are labelled "vendor Input" must be filled in." Is it correct to conclude that "all cells" means only (D-1 tabs 2-16) columns J through O, and that it is not to be interpreted as also filling in columns S through AD?

Answer 28: Yes. Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 29: For "Alternative" item, the instructions say "all cells that are labelled "vendor Input" must be filled in." Is it correct to conclude that "all cells" means only (D-1 tabs 2-16), columns S through AD, and that it is not to be interpreted as also filling in columns J through O?

Answer 29: Yes. Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative

item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 30: In reference to Pg. 62, Attachment B-Signature page-Is it necessary to return a signed signature page with proposal?

Answer 30: Attachment B is signed when an award is given to an Offeror.

Question 31: Attachment E revised- Do we put in our State Tax # for the state we are incorporated in or State Tax # for the State of Oregon?

Answer 31: Offeror should insert its Federal Tax ID and the identification number it uses to do business in the State of Oregon.

Question 32: Attachment E revised- Do we put in our "Secretary of the State Corporation Division Registration #" for the state we are incorporated in or "Secretary of the State Corporation Division Registration #" for the State of Oregon?

Answer 32: Offeror should insert the number it uses to do business in the State of Oregon.

Question 33: Do you want a complete price sheet for all products we intend to sell to the State? Or do you want just the market basket on the spread sheet D-1?

Answer 33: Must submit Attachment D-1 revised 12-2017

Question 34: The following item (MFG# 9651-24) says the UOM is 6 per case – the actually description of that manufacture part number is 24 bottles per case – which one do we use?

	TENNING TO THE STATE OF THE STA	ALLEGO MENTE DE LOTATO DE LA CONTROL DE LA C	productive management of the productive manag	HOLEN, MORESTO BALLET, COMMINICATION OF THE STREET, COMMINICATION OF THE S			ed in the consistency of the con	
3	7302	Sanitation Cleaning Chemicals	4ozInstHndS anit	GOJO INDUSTRIES	9651-24	53131608	6	cs

Answer 34: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 35: In the below items, the pack quantities are different that Each UOM – which one do we use to calculate? For example the first line item says that the pack qty is 12 but UOM says EACH - do we use our net price to represent the pack of 12 and then multiply or do we multiply our each net price by 12 and them multiply by purchase qty of 5000 - (is the 5000 purchase qty representing each or pack)

CATEGORY	ITEM#	ITEM DESC.	UNSPSC Number	Park Otv/UOM	<u>VoM</u> Description	MFG NAME	MFG. PART#	OUANTITY PURCHASED
HVAC	3	24"x24"x2" Elite SC	40161505	12	EA	FILTRATION GROUP	PF521146	50000
Paint	1	IC WB WHITE 1702	31211513	12	EA	RUST-OLEUM CORP	203039	28467
HVAC	5	20x20 M8 Std WB Fltr	40161505	12	EA	FILTRATION GROUP	PF510388	15000
HVAC	4	20x25x2 StdWBFlb	40161505	12	EA	FILTRATION GROUP	PF510390	25000

Paint	3	IC WB CAUTN BLU 17ez Evaporator	31211513	12	EA	RUST-OLEUM CORP	203031	15671
HVAC	6	Cleaner, Aerosol, 18 fl oz	47131805	6	EA	NU-CALGON	4171-75	4105
Paint	7	IC WB FLO GRN 170z IC WB FLO ORANG	3[21]513	12	EΑ	RUST-OLEUM CORP	203032	12023
Paint Material	13	1702	31211513	12	EA	RUST-OLEUM CORP	203036	83001
Handling	1	3"x3"x7" WhiteMailer	24112404	50	EA	BOX PARTNERS	M733	56400
Paint	16	1702AthFldStrip Wht	31211513	12	EA	RUST-OLEUM CORP TANGSHAN CHANGZHI	206043	6482
Outdoor Garden	4	Studrd Grd LHSQ Shvi	27112004	2	EA	AGRICULTURAL TOOLS	204515	2100
Paint	20	IC WB FLO PINK 170z PREC BLU INV	31211513	12	EA	RUST-OLEUM CORP	1861838	5525
Paint	22	MKG17ez	31211513	12	EA	RUST-OLEUM CORP TANGSHAN CHANGZHI	203022	5121
Outdoor Garden	7	Prem Grd LHRD Shovel	27112004	2	EA	AGRICULTURAL TOOLS TANGSHAN CHANGZHI	204518	1200
Outdoor Garden	11	48"Steel Cutretr Hoe lee Machine Cleaner,8	27112008	2	EA	AGRICULTURAL TOOLS	CGHOOIL	700
HVAC	13	oz.,Clear Drain cleaner, gallon 4PK (Safer Choice	12163902	12	EA	NU-CALGON	4207-47	921
HVAC	15B	certified)	47101607	4	EA	CLR/jeimar	GRT-4 PRO	405
HVAC	12	Leak Detector, 1 qt, Blue	41111932	12	EΑ	NU-CALGON	4182-24	725
Electrical	1	L-14-120-0-C Cbi Tie	39121703	100	EA	THOMAS & BETTS	L-14-120-0-C	64900
Electrical	2	11x1/5" BlkCableTie	39121703	100	EA	THOMAS & BETTS TANGSHAN CHANGZHI	TY5253MX	20100
Outdoor Garden Material	19	Sq PT D-Hadi Shovel ALUM. SLEEVE 1/16	27112004	2	EA	AGRICULTURAL TOOLS	204519	193
Handling						OINGDAO H-OUALITY		
Usistmeß	5	HG	31162812	10	EA	QINGDAO H-QUALITY INDUSTRIES PREMIER PAINT ROLLER	43380	24106
Paint	5 14		31162812 31211904	10 12	ea ea	INDUSTRIES PREMIER PAINT ROLLER LLC	43380 10410	24106 8915
		HG		-		INDUSTRIES PREMIER PAINT ROLLER		
Paint Paint	14	HG 1" Foam Brush	31211904	12	EA	INDUSTRIES PREMIER PAINT ROLLER LLC PREMIER PAINT ROLLER	10410	8915
Paint Paint Material	14 21	HO 1" Foam Brush 2" Foam Brush 8.75x6x11.125 Mailer	31211904 31211904	12 12	EA EA	INDUSTRIES PREMIER PAINT ROLLER LLC PREMIER PAINT ROLLER LLC	10410 10420	8915 5310
Paint Paint Material Handling	14 21 24	HG  1" Foam Brush  2" Foam Brush  8.75x6x11.125 Mailer WIRE-NUT 73B	31211904 31211904 24112404	12 12 50	EA EA EA	INDUSTRIES PREMIER PAINT ROLLER LLC PREMIER PAINT ROLLER LLC BOX PARTNERS	10410 10420 M1186	8915 5310 2700
Paint Paint Material Handling Electrical	14 21 24 5	HG  1" Foam Brush  2" Foam Brush  8.75x6x11,125 Mailer WIRE-NUT 73B ORANGE	31211904 31211904 24112404 39121445	12 12 50 10000	EA EA EA	INDUSTRIES PREMIER PAINT ROLLER LLC PREMIER PAINT ROLLER LLC BOX PARTNERS IDEAL INDUSTRIES, INC.	10410 10420 M1186 30-673	8915 5310 2700 14776
Paint Paint Material Handling Electrical Electrical	14 21 24 5 3	HO  1" Foam Brush  2" Foam Brush  8.75x6x11.125 Mailer WIRE-NUT 73B ORANGE WT3OrangeWireTwist	31211904 31211904 24112404 39121445 39121445	12 12 50 10000 25	EA EA EA EA	INDUSTRIES PREMIER PAINT ROLLER LLC PREMIER PAINT ROLLER LLC BOX PARTNERS IDEAL INDUSTRIES, INC. IDEAL INDUSTRIES, INC.	10410 10420 M1186 30-673 773316	8915 5310 2700 14776 16206

Answer 35: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 36: If we bid an exact match and an alternate item that is functionally equivalent for the same line item then which item, the exact match or the alternate will you evaluate?

Answer 36: See Addendum No. 2, Question & Answer #13.

Question 37: If we bid an exact match and an alternate for the same item, what item price will be used to calculate the bidder's bid sheet total for the category, the exact match or alternate? Answer 37: See Addendum No. 2, Question & Answer #13.

Question 38: If we provide an exact match and an alternate for a product, will the evaluators use both product prices in calculating the bid sheet total? If one or the other item price will be used, which one will it be? The exact match? The alternate? Or the item bid with the lowest price?

Answer 38: See answer to Question #1 above.

Question 39: In Attachment D-1, in Column K we are asked to provide "List Price of Unit of Measure from Column I", then in Column L we are asked to provide "List Price of Each Individual Item in the Unit of Measure". Given that we are asked to provide list price for both the UOM (i.e., CS, BX, PK) in Column K and the list piece price in Column L, should there be another column for us to submit our Net piece Price next to Column N, which asks for Net Price of UOM (which is Column I)?

Answer 39: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 40: Line 6 in Cleaning is the same as Line 8A in Sanitation, will the duplication be removed?

Answer 40: See Addendum No. 2 Attachment D-1 revised 12-2017.

Question 41: Pg. 19 of revised Attachment A

6.7.4.1 Sourced Products (3) "The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge" Attachment D and D-1 do not include a column or space to include upcharge...will these attachments be revised to include an area for this? If not, please provide direction on where Offeror should list upcharge for sourced products.

Answer 41: Offeror needs to respond in Attachment A.

Question 42: Are freight charges acceptable to non-contiguous states or territories (Alaska, Hawaii, Guam, Puerto Rico)?

Answer 42: See Addendum No. 2 Question & Answer #31.

Question 43: There are no forms for remitting reference contact information or the survey to references. There is a mention of references in the technical proposal narrative but last time there was an attachment of the reference contact / contract information and a survey that was sent to the reference and remitted directly by the reference to the State. Are the forms missing by mistake?

Answer 43: No.

Question 44: Item # 28 in Janitorial, the UOM in the description calls out a pack of 24 boxes of Toilet Seat covers, but the UOM column references 20 packs. For that item, Kimberly Clark's case quantity is 24. Do you want this item quoted per 20 boxes or 24?

Answer 44: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 45: Is the estimated annual usage reflective of the UOM column? For example, if a case quantity is listed in the UOM, is the usage reflective of the case quantity or per piece?

Answer 45: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 46: Order 13A on Sanitation Cleaning Chemicals: The MFG information does not match the description given. How would you like us to quote this type of discrepancy?

Skin Cleanser, 1 gal. Bottle Bostitch 105577 (not a skin cleanser number).

Answer 46: See Addendum No. 2, Attachment D-1 revised 12-2017.

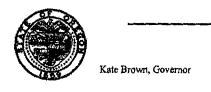
*I hereby acknowledge having received this Addendum No. 3

Proposer/Offerors must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer/Offeror who feels it has been adversely affected by these modifications must submit a written protest of this Addendum No. 3 to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 29, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

Authorized Signature:
Print name of signer:
Date:
Company Name of Proposer/Offeror:
(Please Print)



## Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285

PHONE: 503-378-4642 FAX: 503-373-1626

# Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 2

This Addendum No. 2 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

1. RFP, Attachment E, Offeror Information and Certification Sheet, is revised as follows:

Section 5 (h):

- h. Participating Entity Only: While the primary purpose of this RFP is to select one or more contractor(s) who can offer the Parks and Recreation Equipment and Related Services Facilities Maintenance and Repair & Operations (MRO). Industrial Supplies for all Participating States, Offerors are permitted to submit a Proposal for one or more State(s). However, if a Offeror elects to submit a Proposal for one or more State(s), then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) resulting from this RFP, including all optional renewals. Offerors must propose to all RFP Mandatory Requirements.
- 2. RFP, DASPS-2183-17_Addendum No. 2, Attachment E revised 12-2017 is incorporated as part of the RFP, as attached hereto, and replaces Attachment E.
- 3. RFP, DASPS-2183-17_Addendum No. 2, Attachment D-1 revised 12-2017 is incorporated as part of the RFP, as attached hereto, and replaces Attachment D-1.
- 4. RFP, DASPS-2183-17 Addendum No. 2, Attachment U, Energy Policy and Conservation Pub. L. 94163 (Informational Only) is incorporated as part of the RFP, as attached hereto.
- 5. Questions and Answers.

Question 1: There are no forms for remitting reference contact information or the survey to references. Are the forms missing by mistake?

Answer 1: No there is no form.

Question 2: Does the page limit include attachments and exhibits? Is the 100 pages counted as single sided, or double sided (front & back)? Requirement on 6.6.2 Distribution Points: would this be included in the 100 page limit? (Our branch listing alone is 38 pages)

Answer 2: 100 pages are to be submitted one page, one side. Not double sided.

Question 3: Page 2 of the RFP announcement states the payment terms are net 45 but the Attachment B NASPO ValuePoint Master Agreement, page 53, clause 17 states "Payment after acceptance is normally made within 30 days". Is the payment terms net 45 or net 30?

Rff Aldend Answer 3: The ORPIN announcement is not part of the RFP it is a notice only. RFP Attachment B Section 17 clearly states "Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to the highest rate permitted by law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge."

Question 4: UNSPSC# Requirement - If we cannot obtain a UNSPC # and supplier states they do have one, what other options do we have?

Answer 4: There is a UNSPSC for every line item in the market basket. If proposing an alternative item, it's still going to be the same UNSPSC code. Offeror can search for the code at <a href="https://www.unspsc.org/search-code">https://www.unspsc.org/search-code</a>.

Question 5: For items that are exclusive to a particular supplier, can we offer a same form, fit, function as exact or does it need to be a sub?

Answer 5: See Attachment D-1 revised 12-2017, Instruction Tab line number 13, "Columns P-AD: If Offeror is choosing alternative line items, then Offeror will fill out these columns accordingly. Every effort must be made to come up with an item that is exact in product description and packaging. This means that if column H says 1 gallon, then the alternative item should be 1 gallon."

Question 6: Item # 28 in Janitorial, the UOM in the description calls out a pack of 24 boxes of Toilet Seat covers, but the UOM column references 20 packs. For that item, Kimberly Clark's case quantity is 24. Do you want this item quoted per 20 boxes or 24?

Answer 6: Changed to 24 in the Attachment D-1 revised 12-2017.

Question 7: Is the estimated annual usage reflective of the UOM column. For example, if a case quantity is listed in the UOM, is the usage reflective of the case quantity or per piece.

Answer 7: The estimated annual quantity, column B, reflects the Unit of Measure, column I.

Question 8: Order 13A on Sanitation Cleaning Chemicals: The MFG information does not match the description given. How would you like us to quote this type of discrepancy? Skin Cleanser, 1 gal. Bottle Bostitch 105577 (not a skin cleanser number)

Answer 8: The manufacturer should be GOJO Industries, MFG #1807-04, UNSPC #53131627. Changed in Attachment D-1, revised 12-2017.

Question 9: Can we bid on a per tab basis only, i.e., Tab 16, Safety, or do we have to bid all or nothing?

Answer 9: Offeror can propose on a tab basis. See section 5.2.

Question 10: I have attached the 8 items in the security tab that we consider public safety and request to eliminate from the RFP, if possible?

Transport Hood, White/Black, Universal
Belt Keeper, Standard, Black, 2-1/4 In., PK4
Pepper Spray, Crossfire Stream, 16 Shot
Pepper Spray Case, L, Black, Nylon
Penetrant, Aerosol Can, 12 oz.
Tactical Rifle Case, 41 In., Black
Bag, Bail Out, 8-1/2x12x4-1/2 In, 6 Pkt
Handcuff Case, Standard, Black, Nylon

Answer 10: No.

Question 11: Are 7 USBs/copies of D and D-1 required along with the 7 USBs/copies of the Technical proposal?

Answer 11: See section 2.14 of RFP.

Question 12: Are PDF copies of signed documents acceptable since the RFP states Word for the Technical proposal?

Answer 12: Yes.

Question 13: The D-1 market basket instructions state: "If bidder can match the exact manufacturer's item as described in columns A-N, then it is expected that Offeror will submit pricing on these items even if they have an alternative line item." If alternate items are quoted along with the exact match item, which one is included in the total cost of the spreadsheet for price evaluation?

Answer 13: The exact match item will be scored, but the alternative item will be taken into consideration if it is deemed to be exact in specifications (size, fit, form, and function) and different in manufacturer only.

Question 14: For D-1, is there an evaluation credit for sourcing alternate items from small businesses since small business participation questions are included in the Technical proposal?

Answer 14: No.

Question 15: For D-1, if alternate items are quoted at a lower price than the exact match items, is the manufacturing quality of the alternate item taken into consideration?

Answer 15: Yes, but the specifications for the alternate item must meet (size, fit, form, and function).

Question 16: Since the RFP due date will not be change, would you consider moving up the answers/clarifications date? If the last answers are not issued until December 21st, that leaves most companies with only one business day to implement changes into their proposals. Many companies like ours are closed Dec. 25th and 26th due to the holidays. We would need to ship the proposal no later than Dec. 27th in order to provide a one day shipping allowance for weather or other possible shipping delays.

Answer 16: See addendum 1 change to schedule.

Question 17: Is it possible for a company to be issued an award for all states for some tabs of the market basket and a region/state for different tabs?

Answer 17: See Section 5.2 and 5.4 of RFP.

Question 18: Attachment D – Due to the complexity of pricing in the Janitorial Supplies category with drastic variations in an offerors ability to discount different types of products may the Janitorial Supplies category be broken down into subcategories in order to afford the State a better set of prices and a clear expectation of the minimum discount for any sub-category.

Answer 18: No sub categories.

Question 19: Attachment D and D-1 Are the discounts expressed in Attachment D absolute or the minimum category discount.

Answer 19: Attachment D does not show any discounts. Offerors are to supply the percentage off list discount per category. Revised Attachment D-1 discounts is absolute.

Question 20: Step two will be based upon the responses on Attachment D-1. The Lead State will compare the total extended total offer price for all items in each category. The lowest cost will receive the maximum 35 points. All other Offerors will receive points as determined by the ratio* of their costs to the lowest cost. Final cost scores will be calculated based on the following:

How will the state evaluate alternative products? Since Attachment D contains a very high number of proprietary brands, what criteria will the state use to determine if an alternate is in fact equal? 38% of the Janitorial Supply items as an example are proprietary.

The following line items are proprietary products which may not be able to be matched by any company other than the distributor currently providing the product.

Janitorial Equipment and Supplies Line items 23 through 27B, line items 29A through 31A, line items 32A and 32B.

Sanitation Cleaning Chemicals line items 11B, 12A, 12C, 13B through 15B, 17A, 19B, 20, and 21.

Answer 20: Exact match is scored, but the alternative items will be taken into consideration if DASPS deems the alternative to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 21: Section 6.2.5 Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

May pricing be changed prior to the end of a contract period if the initial price offered was at a better discount percentage than was offered for a contract category?

Answer 21: See Section 4.2 of RFP.

Question 22: "Products may be changed with thirty (30) day notice every six (6) months after initial term." This restriction may present significant operational problems for state agencies wishing to make changes to their cleaning and maintenance programs due to more favorable pricing and product efficiency for products entering the marketplace. Will awarded contractors be able to petition the state to allow for the addition of products on a more immediate basis? Can this provision be negotiated state by state through the participating addendum process?

Answer 22: Offerors may submit request to Lead State for consideration during negotiations, if awarded a Master Agreement and subsequently, if awarded a Participating Addendum.

Question 23: May products be added to the contract as long as they are within the scope of the applicable product category and priced at or better than the product category minimum discount?

Answer 23: Yes, see section 6.2.5 of RFP.

Question 24: Considering the complexity of this RFP and that the RFP was released during a holiday season when it is much more difficult to obtain manufacturers pricing please consider extending the due date to January 12, 2018.

Answer 24: See addendum 1 change to schedule.

Question 25: The URL <a href="http://www.naspo.org/WNCPO/Calculator.aspx">http://www.naspo.org/WNCPO/Calculator.aspx</a> returns this message. Please provide a working link.

Server Error in ' Application.

Answer 25: The correct URL is http://calculator.naspovaluepoint.org

Question 26: Attachment D-1 There is a duplicate item on the Janitorial Equipment and Supplies Tab item 6B and Sanitation Cleaning Chemicals item 8B. Items are identical.

Answer 26: Removed 6B from Janitorial Equipment & Supplies see Attachment D-1 revised 12-2017.

Question 27: Please provide a PDF version of Oregon's energy conservation plan referenced at Exhibit C to NASPO ValuePoint Master Agreement, PROVISIONS REQUIRED BY FEDERAL LAW, Section 3. Energy Efficiency where contractor is mandated to "...comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163)."

Answer 27: Please see the State of Oregon's Energy Policy and Conservation Pub. L. 94163 (Informational Only) incorporated as part of the RFP and attached hereto as Attachment U.

Question 28: Please also confirm whether or not Oregon's Energy Efficiency plan and associated contractor mandates referenced in the master agreement at Exhibit C, Section 3 will flow down via the master agreement to other states that affiliate with this contract thus imposing Oregon state standards on contractor operations in other affiliated states?

Answer 28: This is only applicable to Oregon.

Question 29: If an award is made to a supplier for a single state, will the supplier then be able to solicit business from that state's agencies, or will there have to be a contract subsequently issued by the state before the supplier can do business with that state?

Answer 29: If awarded a Master Agreement then that Offeror will have to be awarded a state participating addendum before doing business with agencies.

Question 30: If the state needs to issue its own contract, we need to find out the intent of Massachusetts regarding their plans to contract with single state suppliers vs. national suppliers. I put the question directly the Massachusetts state agency that manages the supplier contracts and was told that all questions had to go through NASPO. Could you inquire directly of them whether their intention is to utilize local suppliers who may only be awarded one-state or regional contracts, or do they intend to utilize only national suppliers?

Answer 30: The Commonwealth of Massachusetts intends to contract with a proposer(s) that is (are) awarded Master Agreements by the Lead State on a Regional and National level.

Question 31: Are freight charges acceptable to non-continuous states or territories?

Answer 31: DASPS acknowledges and accepts that Alaska, Hawaii, and Puerto Rico may require an additional shipping charge for products not In-Stock at local store or not In-Stock at primary Distribution Center of the Participating State.

Question 32: Is the requirement in section c.(2). of the eMarket Center Appendix for Contractor's catalog to be limited to the awarded contract offering satisfied if items not authorized under the resulting contract are visible in the punch out catalog but identified through messaging such as "out of scope" or "restricted" and said items can not to be placed in shopping cart and cannot be purchased via the punch out?

Answer 32: Yes.

Question 33: Do the following pages count towards the 100 page limit: Future addendums; Attachments E, F, H; Exhibit 3-Contractor Tax Certification?

Answer 33: Addendums, attachments E, F, H, and Exhibit 3 are not included within the 100 pages.

Question 34: MFG information does not match description: Rust-oleum Part# 2391300 - Description Marking Paint, White, Water-based, 1 Gal (Complies With South Coast Air Quality Management District VOC Limit of 100 g/l)

Answer 34: The requirements has been changed from 1 gallon to 5 gallon. See Attachment D-1 revised 12-2017.

Question 35: The RFP requests products that are listed on the market basket or their exact equivalents. If minor deviations occur, e.g., an 18 oz. container instead of a 17oz. container, how will that effect scoring? If a blank results in a loss of one point, would there be partial points or would there be a pass/ fail type arrangement where minor differences are waived? Additionally how will the state determine what is equal?

Answer 35: The Evaluation Team will score the exact match item, but the alternative item will be taken into consideration only DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 36: Must a state sign a participating addendum before any of its political subdivisions can use the contract, for example, if a city wishes to use the contract must the state join the contract before the city can act?

Answer 36: Yes.

Question 37: For many vendors, subcategories would benefit the state as they are able to give deeper discounts to GOM (Goods of Manufacture) than goods offered as a dealer. Will the state accept discounts broken into subcategories?

Answer 37: No.

Question 38: If a state has additional conditions that are not acceptable onerous to the vendor, does the vendor have the right to refuse the requesting state?

Answer 38: The terms and conditions can be negotiated for each state during the PA process. If the Contractor and state cannot reach an agreement, then the negotiations will be terminated.

Question 39: Per Page 20 of 109 Section 5.2 There are four groups,

- 1.) all categories throughout the country
- 2.) one category throughout the country
- 3.) all categories on a statewide basis
- 4.) one of more categories on a regional basis

Will the price sheets be compared within the groups or will all price sheets compete or a combination of these? If the best price (awarded 40 points) is only available in one state or region, it does not help every state, e.g., a good price in Massachusetts doesn't help agencies in Oregon if the products are not available.

Answer 39: See section 5.2 of RFP. The Proposals will be evaluated by appropriate group.

Question 40: Are the Preventative Maintenance and Repair Activities for compressors provided under this solicitation notice?

Answer 40: See Attachment D-1 revised 12-2017.

Question 41: Page 47; Section 7 (e): remove the phrase, "ownership of the media containing the reports".

Page 51; Section 14 (b): remove, "Inside deliveries refers to a delivery to other than a loading dock, front lobby or reception area."

Page 53; Section 18: remove, "(b) the product is suitable for the ordinary purposes for with such product is used (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgement (d) the product is designed and manufactured in a commercially reasonable manner.

Page 53; Section 18 (e): after the statement the product is free of defects add, "as determined by the manufacturer."

Page 53; Section 18 (e) Line 4 remove, "repaired and"

Page 53; Section 18 remove final statement of, "The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under law, to a prevailing party, reasonable attorney's fees and costs."

Answer 41: No. DASPS rejects the above requested changes.

Question 42: Page 53: Section 19; Remove entire section.

Page 54: Section 20; Remove entire section.

Page 54; Section 21(a) end of first paragraph add: "Contractor may fulfil these requirements through self insurance, blanket coverage or a combination of the two."

Page 54, Section 21(d): remove entire section.

Page 55: Section 21(e) start the paragraph with/add: "prior to performing any work" and substitute "upon request."

Answer 42: No. DASPS rejects the above requested changes.

Question 43: Page 55: Section 22(a): remove entire section

Page 55: Section 22(b): remove entire section

Page 58: Section 29: Line 1: add (except for payment obligations) after shall be held responsible.

Page 59: Section 30(c): remove sections 4, 5, and 6.

Page 59: Section: 32: Line 1 remove, "nor its principals"

Page 60: Section 34: remove entire section

Page 61: Section 36: remove entire section.

Answer 43: No. DASPS rejects the above requested changes.

Question 44: Format for response is Microsoft Word 2010 or higher, but RFP docs are in PDF. Can we send PDF docs back or does it need to be converted to a word doc?

Answer 44: PDF is fine, except Attachment D and D-1 are to be submitted electronic in excel.

Question 45: Exhibit B is blank. Do we need to provide anything for this section?

Answer 45: No, once awarded.

Question 46: Exhibit A & G are samples. Do this need to be filled out or once awarded?

Answer 46: No, once awarded.

Question 47: Multiple documents ask for Oregon Tax numbers. Do we need an Oregon Tax number?

Answer 47: Not unless you are awarded an Oregon Participated Addendum.

Question 48: Is it possible to see current contract pricing/volume discounts? Can we access a copy of an old proposal?

Answer 48: Any Proposer/Offeror who wishes to review the current contract pricing/volume discounts must submit a public records request to Nevada.

Question 49: Will an Addendum be posted before 12/21/17?

Answer 49: Yes.

Question 50: Page 12, "An Offeror shall also submit on a CD ROM or USB flash drive seven (7) electronic copies of its Proposal in MS Word 2010 or higher format." Please confirm you require seven electronic copies on one CD ROM or USB flash drive or should it be seven CD ROMs or USB flash drives with one copy on each?

Answer 50: Yes.

Question 51: Page 1, Due Date December 29, 2017. Given the holiday season, please consider extending the due date by 2 weeks.

Answer 51: See addendum 1 change to schedule.

Question 52: Section 4.1. Page 19. Cost Proposal. Is there a method of informing the Administrator that an alternative proposal(s) are being submitted other than completing one or more of the individual category spreadsheets?

Answer 52: No. Proposers/Offerors must fill out Attachment D-1 revised 12-2017.

Question 53: Phase 3. Page 21. How is the 5 points (Step 1) for Cost Proposal Attachment D evaluated and awarded to each responder?

Answer 53: See section 4.1 of RFP.

Question 54: Section 5.3. Page 22. Please clarify how the 35 points on the RFP Evaluation Scoresheet for Cost (Step 2) are calculated. Based on the formulas on Page 21, it appears the Cost Score (page 21) would be the same as Points (page 22)? Please confirm or clarify.

Answer 54: See section 4.1 of RFP.

Question 55: We would like to understand what expectations are for all Vendors to bid product. As stated at the meeting, we quote to product spec that is provided in the market basket descriptions however, some Vendors quote these to lesser quality and lesser spec'd product to give a lower price and have the bid look as if they are the lowest priced Vendor. Are all Vendors required to quote true spec in the product description and not a lesser quality spec description item?

Answer 55: Must be exact match item, but the alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 56: In the market basket we have a question on UOM and for an items within the Category Tab. For the below within the Battery Category is the Estimated Annual Quantity based on the UOM (column I) and #/UOM (column H), or individual units within the UOM? It appears you are looking for an EA price but them it states UOM is 24 (or a case). As this will dramatically impact

price, is the State looking for a case of 24 and the 1 UOM price, or, are we to price this with an each price?

Example: which is the correct understanding of Estimated Annual Quantity?

 $220,032 \times 24 \text{ units} = 5,280,768 \text{ individual batteries}$ 

220,032 x 1 unit = 220,032 individual batteries, packaged per 24.



Answer 56: Changed UOM to PK see Attachment D-1 revised 12-2017.

Question 57: On Page 18 and Page 19 of the RFP under "Section 4: Market Basket Cost Proposal". It states you want a hard copy of the copy proposal to score overall Category Discounts however, I thought I heard at the meeting you only wanted the Cost Proposal on 7 UBS Drives. Could you clarify if you are looking for the Cost Proposal to be submitted only on UBS Drive (so we would need to include the overall Category Discounts on that file as well), or, do you want hard copies for the overall Category Discount Structure on Hard Copy and the Market Basket only on UBS Drives.

Answer 57: Attachment D and D-1 are to be electronic in excel format on a USB or CD, not hard copy. See section 2.14 of RFP.

Question 58: We are working on getting permission from our franchisor to use the 3rd party website, however we need to get some questions answered. Can you validate that the alternative website referenced in the document would only be visible to Participants in the state that we would be looking to get a master agreement for and only to NASPO entities? Basically that it would not be visible nationwide and to all NASPO entities if we were only looking for a one state agreement?

Answer 58: The catalog is only visible to a state and the eligible entities within that state who have a fully executed Participating Addendum and also utilize the eMarket Center.

Question 59: Attachment D-1 instruction line 11 instructs offerors as follows "Column N – Net Price of Unit of Measure after discount: This will be (Column J) X (Column L)." Column J calls for "Container size" or a non-numeric value that cannot be multiplied. Should this be column K (list price of UOM) x column M (Discount percentage off)?

Answer 59: Changed to (Column K) x (Column M) see Attachment D-1 revised 12-2017.

Question 60: Some items in the D-1 cost sheet are exclusively available to only certain offerors. Operating in good faith to quote exact items where possible, some offerors will be unable to quote exact items on some of the requested items. How will items that are alternatives to the exact match items be scored relative to the exact item?

Answer 60: The alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 61: Where do we find the product listing of current products that you are using under each category?

Answer 61: Have to submit a public records request to Nevada for current products.

Question 62: With respect to RFP 2183-17 Attached D-1, Market Basket, Offeror Instructions, columns P through AD, please answer the following questions:

- a. The offeror is told that "... Every effort must be made to come up with an item that is exact in product description and packaging." If the offeror does not have an item that is exact in product description and packaging and offers an alternative item, will the offeror be penalized or receive fewer evaluation points had the offeror provided an item that was exact in product description and packaging?
- b. If the offeror provides an item that is exact in product description and packaging AND also an alternative item for the same product and these two products are priced differently, what product net price will be used to evaluate the offeror's cost score to the cost proposal? In other words, will the lowest priced product offered be used to evaluate the offeror's cost score to the cost proposal or will the item that is exact in product description and packaging be used?

Answer 62: The exact match item will be scored, but the alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function) and different in manufacturer only. DASPS' decision is final,

Question 63: With respect to RFP 2183-17 Section 5.3 Sample Evaluation Score Sheet, what criteria within an offeror's proposal will be evaluated when assigning scores (Score of 0-5) to Cost Step One and Step Two lines? Additionally, how does an offeror achieve a score of "5 = Superior" in the Cost evaluation process?

Answer 63: See section 5 of RFP Evaluation and Award.

Question 64: I noticed in section 6.6.2 of the bid documents that it states "desirable" that the vendor have inside and outside sales reps as well as distribution facilities in each of the states that will be on the contract. We are based out of Maryland but ship all over the county. Would that completely disqualify us should we place a bid?

Answer 64: No.

Question 65: Within Addendum #1, #7. RFP, Section 4.1 Cost Proposal - it seems this scoring system has changed from a required 80 points to now 90 points. Can you please provide a rational of the change and a full breakout of all the points as they seem to have changed with no detail.

Answer 65: The changes are in the best interest of the States.

Question 66: Will solar panels and associated products may fall under any of these categories, and if not, whether it would be prudent to add to our value added services section?

Answer 66: If appropriate Proposer/Offeror can put in Attachment A section 6.7.4 value added solutions.

Question 67: If a state is not mentioned amongst the list included in the RFP, can we still mention that state as a place we would be interested in utilizing the contract?

Answer 67: Yes.

Question 68: If the State's do not turn in their intent to patriciate until a day before the due date how can the vendor certify reading the state's PA terms?

Answer 68: Some states may not require extra terms outside of this RFP.

Question 69: Can we offer products not listed on the bid or do we have to bid exactly what is on the RFP? Can we add products to this list?

Answer 69: Only products listed in Attachment D-1 revised 12-2017 will be evaluated.

Question 70: If we only quote on two tabs on Attachment D-1, do we still need to provide a discount off list for ALL categories listed on Attachment D or just for the matching categories we quoted?

Answer 70: The matching categories.

Question 71: On the item detail listed on Attachment D-1, do we have to follow the discount off list format or can we offer a deeper discount to these items that have been deemed high use? For example; on sanitation Janitorial Equipment and Supplies, we quote a discount of 20% off list but I have a deeper discount on Kimberly-Clark items and can quote these exact items with an average of 30% off list but I cannot do the same for Georgia-Pacific.

Answer 71: Percentage off list per category not sub categories.

Question 72: Item number 33, in the Power Source Category, has two different Estimated Annual Quantities ("EAQ"). In the Exact section the EAQ is 31,739. In the Alternate section, the EAQ is 6,800.

Answer 72: Changed from 31,739 to 6,800 see Attachment D-1 revised 12-2017.

Question 73: Can we include the answers to Attachment A after the questions on the same page?

Answer 73: Yes.

Question 74: Do we have to submit seven actual copies of USB's/CD's?

Answer 74: Yes.

Question 75: Is cost proposal Attachment D-1 to be submitted electronically?

Answer 75: Yes.

Question 76: Cost proposal doesn't need to be a hard copy, correct?

Answer 76: Correct.

Question 77 Is there a limit on how many awards will be given?

Answer 77: See section 5.4 of RFP, revised in addendum 1.

Question 78: Regarding awards - Does NASPO ValuePoint prioritize?

Answer 78: No.

Question 79: How many states are participating?

Answer 79: See section 1.6 of RFP, revised in addendum 1. States can still participate even if not named under this section.

Question 80: Can we see the ranking - who scored the highest?

Answer 80: Oregon will post the score sheet on the ORPIN system.

Question 81: Is there a Small business credit?

Answer 81: No, but see Attachment A regarding disadvantaged businesses.

Question 82: Attachment "D" - Percentage off list per Category. - List price is set by the manufacturer. One price doesn't really make sense. Can we create our own percentage off list price?

Answer 82: No modification to Attachment D by adding sub categories.

Question 83: Would it be appropriate to go in and make sub-categories in the Market Basket Attachment D-1?

Answer 83: No.

Question 84: Are there exceptions to the Master Contract?

Answer 84: See section 2.18 of RFP regarding exceptions.

Proposers must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 22, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum.
Authorized Signature:
Print name of signer:
Date:
Company Name of proposer:
(Please Print)



Kate Brown, Governor

# Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285 PHONE: 503-378-4642

FAX: 503-373-1626

# Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 1

This Addendum No. 1 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

# 1. RFP, Cover Page:



The State of Oregon ("State"), acting by and through its
Department of Administrative Services, Procurement Services ("DAS PS"), for member states of the
NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint") and other Purchasing
Entities,

Request for Proposals
Oregon Solicitation Number DASPS-2183-17

FOR

NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

Date of Issue: November 15, 2017 Closing Date and Time: December 29, 2017 January 5, 2018

2. RFP, List of Attachments:

ATTACHMENT I - 05 ADDITIONAL PARTICIPATING STATES TERMS AND CONDITIONS

3. RFP, Section 1.3 Schedule of events:



RFP Adde

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Evaluation Period (approx) January 5 2018 from February 17 2008	
Notice of ment to Award (scoops) and remaining a Yearnay 20-2003	
Notice of Insent to Award (Spokes)	
Award Protest Person Cade Saids Seven calendar days after anotice of intent	
	Charles and Control

# 4. RFP, Section 2.18 Offeror exceptions to Terms and Conditions:

Offeror should identify or seek to clarify any problems with contract language or any other document contained within this RFP through its written inquiries about the RFP using the process in Section 2.1 2.3.

# 5. RFP, Section 1.6 Participating States.

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, Utah, Colorado, Delaware, Florida, Louisiana, Maryland, New Hampshire, South Dakota, Virginia, Illinois, Ohio, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments I – Q S, or may be incorporated into the Participating Addendum after award.

# 6. RFP, Section 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments  $I - Q \subseteq S$  to this Solicitation.

# 7. RFP, Section 4.1 Cost Proposal (40 Points):

PLEASE NOTE: In the event Offeror fails to obtain a score of 80 20 points, as required under Section 5.4 of RFP for the All Categories category, if Offeror submits an alternative Proposal, Offeror could potentially obtain an award on one or more of the individual Categories. Therefore, Offeror may wish to submit an alternative Proposal on one or more of the individual categories listed in Tabs 2-16, as well.

#### 8. RFP, Section 5.4 Award of Master Agreement(s):

The Lead State intents to award a Master Agreement(s) on both a National level or a Regional level, to each Proposer with a combined total score in excess of 80 20 points in either the National level (i.e. the Proposer will receive an award for a National Master Agreement) or on a Regional level (i.e. the Proposer will receive an award on a Regional level).

# 9. RFP, DASPS-2183-17Attachment D-1_Market Basket Final 11-15-17 Instructions TAB:

Tab 1 - All Categories: This spreadsheet is for those Offerors that are submitting a Proposal for ALL categories and can supply these products to all 50 States. If Offeror cannot submit a Proposal on the products in all categories, Offeror will submit an offer on the categories within the spreadsheets labeled as independent categories. If Offeror is submitting Offer on the All Categories spreadsheet, Offeror may submit Offer on the individual category spreadsheets as well. But if Offeror does not obtain a score of 80 90 per section 5.4 of RFP for the All Categories Tab 1 they could potentially obtain an award on individual Categories therefore Offeror may want to submit Offer on both Tab 1 and Tab's 2- 16 as well.

- 10. RFP, DASPS-2183-17_Addendum No. 1, Attachment A revised 11-2017 is incorporated as part of the RFP, as attached hereto.
- 11. RFP, DASPS-2183-17_Addendum No. 1, Attachment L, P, Q, R, and S revised Montana, Maryland, Virginia, Ohio, and Illinois State specific terms and conditions are added as part of the RFP, as attached hereto.
- 12. Questions and Answers.

Question 1: Are quasi-government (such as water or sewer boards or council of governments) political subdivisions eligible to sign a PA?

Answer 1: Each State's rules are applicable to their state entities.

Question 2: Page 5 Schedule of Events. The questions are to be submitted by 12/15 with answers/responses due back to 12/21 and the bid submitted on 12/29. This is a very compressed time frame and does not allow for questions or clarifications on the answers given by 12/21 before RFP submission. Can consideration be given to extend the due date to January to ensure the questions from all bidders have been answered and it is clear what needs to be submitted and the desired format?

Answer 2: Schedule has been changed via addendum No. 1.

Question 3: Page 2 of the RFP announcement states the payment terms are net 45 but the Attachment B NASPO ValuePoint Master Agreement, page 53, clause 17 states "Payment after acceptance is normally made within 30 days". Is the payment terms net 45 or net 30?

Answer 3: The ORPIN announcement is not part of the RFP it is a notice only. RFP Attachment B Section 17 clearly states "Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to the highest rate permitted by law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge."

Question 4: Page 11: 2.13 The proposal is limited to 100 pages, excluding excel spreadsheets. If the proposal pages are double-sided, would each side be counted as a page or would each sheet of paper be counted as a page?

Answer 4: 100 pages are to be submitted one page, one side. Not double sided.

Question 5: Page 12: 2.14 paragraph 5. Offer shall submit Market Basket Cost proposal in a separate, sealed envelope, labeled accordingly and placed in sealed carton(s). Can the Market Basket Cost proposal be submitted in the same box as the remaining bid documents if the Market Basket Cost Proposal package is sealed and marked clearly "MARKET COST PROPOSAL"?

Answer 5: Yes.

Question 6: Page 19: paragraph 2. If offeror submits an alternative Proposal offer for one category and could potentially obtain an award on that one category/market basket. Will alternate proposals be compared and scored to other alternative proposals in the same market basket?

Answer 6: See Evaluation Process Section 5.2.

Question 7: Page 29 section 6.5.7. If products are available to be viewed online is a paper catalog required?

Answer 7: No.

Question 8: Page 31 section 6.5.5 (11). If you bid a market basket and also the categories that include the remainder of a suppliers MRO products would there be a requirement to block items from online purchases by a participating entity?

Answer 8: Each State may block certain products from being purchased.

Question 9: Page 20-21. Will the evaluation criteria be based on "Group 1" compared to "Group 1" and "Group 2" to "Group 2", in other words the bidders are being compared to similar size bidders?

Answer 9: See Evaluation Process section 5.2.

Question 10: Page 25 section 6.2.1.2. Growth Incentives; What is the criteria to be evaluated in the Growth Incentive category

Answer 10: See Attachment A section 6.6.11.

Question 11: Page 27 section 6.3.2. Cumulative Ordering Volume Discount; does the ordering volume discount include all NASPO States with PA's or is it measured by individual State sales?

Answer 11: By individual State.

Question 12: Page 27 section 6.5.1. If a vendor is awarded a market basket (D-1) and bids other categories by a discount off list (D), will the awarded supplier be able to sell all of its products in the selected categories to PA contract members?

Answer 12: Only awarded categories will be purchased by States.

Question 13: Page 24 section 6.1 – UNSPSC codes - Can the bidders get a list of the UNSPSC codes that would be in each of the 15 categories (not just what shows in the market baskets) so we can be sure what categories products should be in as full catalogs are bid? For example, Strut and connectors start with 3116 which could be under "Fasteners" or "Material Handling" and firestop products start with 4619 which show up under "Safety".

Answer 13: No.

Question 14: Page 37-38 under 6.6.8 Sustainability/Environmental Practices there is a #1, #2, (page 37) and #4, #5 (page 38) but no #3. Is there this a numbering error or is a portion of the RFP missing?

Answer 14: Yes number error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 15: Page 39 there appears to be a numbering or sequencing error starting with 6.6.9.2. It looks like the next six points should be sub set of 6.6.9.2 and would be numbered 6.6.9.2.1 (starting with Describe in detail how the Offeror will work with the registered companies...) ... through 6.6.9.2.6 (Community Rehabilitation program). This would make Retail Store Purchases/Will Call would be 6.6.10. Would this be correct?

Answer 15: Yes numbering error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 16: Page 78 Attachment E: Offer information-

- a. Is the State tax#; is it the sales tax payment number?
- b. Is the Secretary of State Corporations Division Registration #; is it the number assigned when we registered with our state of Incorporation?

Answer 16: (a) Yes, if applicable. (b) Yes.

*I hereby acknowledge having received this Addendum.

Question 17: Should exceptions to the FOB Destination terms for non-stocked items delivered to Alaska, Hawaii and Puerto Rico be stated as exceptions within section 6.5.2 of the technical proposal as instructed or should exceptions to freight terms be submitted as a Protest to the RFP?

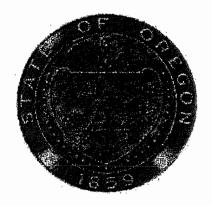
Answer 17: See section 2.18 of RFP regarding exceptions.

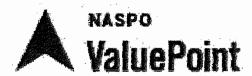
Proposers must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 11, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

Authorized Signature:
Print name of signer:
Date:
Company Name of proposer:
(Please Print)





The State of Oregon ("State"), acting by and through its Department of Administrative Services, Procurement Services ("DAS PS"), for member states of the NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint") and other Purchasing Entities,

Request for Proposals
Oregon Solicitation Number DASPS-2183-17

# **FOR**

NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

Date of Issue: November 15, 2017 Closing Date and Time: December 29, 2017

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# SECTION 1: NASPO ValuePoint Solicitation - General Information

# 1.1 Purpose

The State of Oregon (Lead State), Department of Administrative Services, Procurement Services (DAS PS) is requesting proposals for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies on behalf of the members of the NASPO ValuePoint Cooperative Purchasing Program. The purpose of this Request for Proposals (RFP) is to establish one or more Master Agreement(s) with qualified offerors to provide Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material Handling, Plumbing, Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment) products, as more particularly described on Attachment A, for all Participating States/Participating Entities. The objective of this RFP is to obtain best value, and in some cases achieve more favorable pricing than is obtainable by an individual state or local government entity because of the collective volume of potential purchases by numerous state and local government entities. The Master Agreement(s) resulting from this procurement may be used by state governments (including departments, agencies, institutions), institutions of higher education, political subdivisions (i.e., colleges, school districts, counties, cities, etc.), the District of Columbia, territories of the United States, and other eligible entities subject to approval of the individual state procurement director and compliance with local statutory and regulatory provisions.

The initial term of the Master Agreement(s) is anticipated to be 1 year with options to renew up to a cumulative maximum of 5 years per the provisions outlined in Section 3 of the NASPO ValuePoint Master Agreement (Attachment B).

DAS PS anticipates that this RFP may result in Master Agreement awards to multiple contractors, in the Lead State's discretion. While the primary purpose of this solicitation is to select an Offeror(s) who can offer the Products or Services for all members participating in the NASPO ValuePoint Cooperative Purchasing Program, Offerors will be permitted to submit a Proposal on more limited geographical areas or regions, but not less area than one entire member State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all member States. If an Offeror elects to submit a Proposal for a single State or region, then the Offeror must be willing to supply the entire State or region and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) or any renewals.

The Lead State/Sourcing Team, with the assistance as deemed advisable of the relevant Participating State (or relevant group of Participating States), may evaluate and select an Offeror for award in more limited geographical areas (e.g. a single state or region) where judged to be in the best interests of the State or States involved.

This RFP is designed to provide interested Offerors with sufficient information to submit Proposals meeting minimum requirements, but is not intended to limit a Proposal's content or

exclude any relevant or essential data. Offerors are encouraged to expand upon the specifications to add service and value consistent with States requirements.

This State of Oregon Solicitation is for Master Agreement(s) intended to replace the expiring Master Agreements for the State of Nevada.

# 1.2 Lead State, Solicitation Number and Lead State Contract Administrator

The State of Oregon, acting by and through the Department of Administrative Services, Procurement Services, is acting as the Lead State and issuing office for this Solicitation, including all subsequent addenda relating to it and resulting Master Agreement (s). The reference number for the Solicitation is # DASPS-2183-17. This number must be referred to on all Proposals, correspondence, and documentation relating to the RFP.

The Lead State Contract Administrator identified below is the single point of contact during this procurement process. Offerors and interested persons must direct to the Lead State Contract Administrator all questions concerning the procurement process, technical requirements of this RFP, contractual requirements, requests for brand approval, changes, clarifications, protests, award process, and any other questions that may arise related to this solicitation and the resulting Master Agreement(s). The Lead State Contract Administrator designated by the State of Oregon is:

Shirley A. Smith, State Procurement Analyst State of Oregon, DAS PS 1225 Ferry St. SE Salem, Oregon 97301 Shirley.smith@oregon.gov Ph#(503) 378-5395 FX#(503) 373-1626

#### 1.3 Schedule of Events

THE ACCUMENTS OF THE PROPERTY	Priliminant Transfer of the Control
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Questions / Requests for Clarification Due	
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All times are Pacific Time unless indicated otherwise.

#### 1.4 Definitions of Terms

The following definitions apply to this Solicitation. Additional terms also are defined within this Solicitation and in the NASPO ValuePoint Master Agreement (Attachment B).

"Cost Analysis" means a review and analysis of the cost elements that make up the price of the individual Maintenance and Facilities Repair & Operations and Industrial Supplies.

"Environmentally Preferable Product" or "EPP" means products and services that have a lesser or reduced effect on human health and the environment when compared to competing products or services that serve the same purpose.

"Lead State" means the State conducting this cooperative procurement, evaluation, and award. For this RFP, the State of Oregon, acting by and through the Department of Administrative Services, Procurement Services is the Lead State.

"MSRP" means the price at which the manufacturer suggests that retailers sell the product.

"Offeror" means the company or firm who submits a proposal in response to this Request for Proposal.

"Products" include, but are not limited to: Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material Handling, Plumbing, Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment)

"Proposal" means the official written response submitted by an Offeror in response to this Request for Proposal.

"Request for Proposals" or "RFP" means the entire solicitation document, including all parts, sections, exhibits, attachments, and Addenda,

"Services" means installation and additional services as defined in the Master Agreement.

"UNSPSC" means the United Nations Standard Products and Services Code (UNSPSC) is a taxonomy of products and services for use in eCommerce. It is a four-level hierarchy coded as an eight-digit number, with an optional fifth level adding two more digits.

## 1.5 NASPO ValuePoint Background Information

NASPO ValuePoint is a cooperative purchasing program of all 50 states, the District of Columbia and the territories of the United States. The Program is facilitated by the NASPO Cooperative Purchasing Organization LLC, a nonprofit subsidiary of the National Association of State Procurement Officials (NASPO), doing business as NASPO ValuePoint. NASPO is a non-profit association dedicated to strengthening the procurement community through education, research, and communication. It is made up of the directors of the central purchasing offices

in each of the 50 states, the District of Columbia and the territories of the United States. NASPO ValuePoint facilitates administration of the cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. For more information consult the following websites <a href="https://www.naspovaluepoint.org">www.naspovaluepoint.org</a> and <a href="https://www.naspovaluepoint.org">www.naspovaluepoint.org</a>

## 1.6 Participating States

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments I - O, or may be incorporated into the Participating Addendum after award.

# 1.7 Anticipated Usage

Attachment C contains the historical usage data from the previous contracts and anticipated usage from additional states who have indicated an interest in participating. No minimum or maximum level of sales volume is guaranteed or implied. This historical data is based upon six (6) years of sales.

# SECTION 2: Solicitation Requirements, Information and Instructions to Offerors

# 2.1 Offerors Requirements

The Proposal must address each of the items listed in this section and all other requirements set forth in this RFP.

This RFP is designed to provide interested Offerors with sufficient information to submit Proposals meeting minimum requirements, but is not intended to limit a Proposal's content or exclude any relevant or essential data. Offerors are encouraged to expand upon the specifications to add service and value consistent with state requirements. However, please do not include marketing or advertising material in the Proposal. Proposals should be straightforward and address the requests of the RFP.

# 2.2 Pre-Proposal Conference

A pre-Proposal conference will be held related to the RFP.

The purpose of the pre-Proposal conference is to:

- Provide additional description of the Products and Services;
- Explain the RFP process; and
- Answer any questions Offerors may have related to the RFP or the process.

Statements made at the pre-Proposal conference are not binding upon DAS PS or any Participating State, Participating Entity, or Purchasing Entity. Offerors may be asked to submit questions in Writing. DAS PS will consider all comments, concerns, questions and protests. If, based upon the comments, questions, concerns or protests, DAS PS, in its sole discretion, believes it should make a change to the solicitation documents including the Sample Master Agreement, DAS PS will post an addendum in ORPIN.

## 2.2.1 Attendance at Pre-Proposal Conference

Attendance at Pre-Proposal Conference is **voluntary**. Prospective Offerors' participation in this conference is highly encouraged but not mandatory.

The pre-Proposal conference will be held on Wednesday, November 29, 2017, at 8:30 am PT at the Location listed below. Attendance at the conference is optional. Due to limited space, please limit attendance to 2 individuals from Offeror's company. Answers to questions asked during the pre-proposal conference will be provided via an addendum posted in <a href="http://orpin.oregon.gov/open.dll/welcome">http://orpin.oregon.gov/open.dll/welcome</a>

CONTROL OF THE STATE OF THE STA	15.44 R. 1. 174.8	
		Department of Administrative Services
2017		1225 Ferry Street SE, Salem, OR 97301-4285
	L	Mt. Mazama Conference Room, Check in with receptionist on 1st floor.
	1	Dial In Toll Free: 1-888-557-8511
		Access Code Passcode (Participant): 4659387

# 2.3 RFP Question and Answer Process

All questions, including those about Master Agreement, must be submitted, in writing, to the Lead State Contract Administrator, by the date and time noted above, in order to be considered. Questions must be submitted by the question deadline date and time shown in Section 1.3 (Schedule of Events). Official answers to all written questions shall be posted on the State of Oregon's electronic procurement system, the Oregon Procurement Information Network ("ORPIN") website.

http://orpin.oregon.gov/open.dll/welcome. The Lead State may refuse to answer questions received after the Question/Answer deadline.

The identity of potential Offerors will not be published with the answers, but the text of questions will be restated, so Offerors are cautioned about including context in questions that may reveal the source of questions.

#### 2.4 RFP Addenda

Changes to this RFP including but not limited to the contractual terms and procurement requirements, shall be made only via formal written addenda issued by the Lead State.

The Lead State accepts no responsibility for a prospective Offeror not receiving solicitation documents and/or revisions to the Solicitation. It is the responsibility of the prospective Offeror to monitor the ORPIN website to obtain RFP addenda or other information relating to the RFP.

#### 2.5 Protest of RFP

Prospective Offeror may submit a written protest of anything contained in this RFP, including but not limited to, the RFP process, Specifications, Scope of Work, and the proposed Master Agreement. This is prospective Offeror's only opportunity to protest the provisions of the RFP, except for protests of Addenda or the terms and conditions of the proposed Master Agreement, as provided below.

#### 2.6 Protests must:

- Be emailed to the Sole of Contact
- Reference the RFP number
- Identify prospective Offeror's name and contact information
- Be sent by an authorized representative
- State the reason for the protest, including:
  - the grounds that demonstrate how the Procurement Process is contrary to law, Unnecessarily Restrictive, legally flawed, or improperly specifies a brand name; and
  - evidence or documentation that supports the grounds on which the protest is based
- State the proposed changes to the RFP provisions or other relief sought

- Protests to the RFP must be received by the due date and time identified in the Schedule
- Protests to Addenda must be received by the due date identified in the respective Addendum

# 2.7 Protest Response

DASPS will respond timely to all protests submitted by the due date and time listed in the Schedule. Protests that are not received timely or do not include the required information may not be considered.

# 2.8 Proposal Due Date

Proposal and all required submittal items must be received by the Lead State Contract Administration on or before Closing in Section 1.3 (Schedule of Events) of this RFP. Proposals received after the Closing will not be accepted. All Proposal modifications or withdrawals must be completed prior to Closing.

Proposals received after Closing are considered LATE and will NOT be accepted for evaluation. Late Proposals will be returned to the respective Offeror or destroyed.

## 2.9 Cancellation of Procurement

This RFP may be canceled at any time prior to award of the Master Agreement(s) if the Lead State determines such action to be in the collective best interests of Participating States.

#### 2.10 Governing Laws and Regulations

This procurement is conducted by the Lead State DAS PS, in accordance with the Lead State Procurement Code. These are available at

http://arcweb.sos.state.or.us/pages/rules/oars 100/oar 137/137 tofc.html

This procurement shall be governed by the regulations and laws of the Lead State. Venue for any administrative or judicial action relating to this procurement, evaluation, and award shall be in Oregon. The provisions governing choice of law and venue for issues arising after award and during contract performance are specified in section 35 of the NASPO ValuePoint Master Agreement (Attachment B).

# 2.11 Firm Offers

Responses to this RFP, including proposed costs, will be considered firm for one hundred eighty (180) days after the Proposal due date.

## 2.12 Right to Accept All or Portion of Proposal

Unless otherwise specified in the Solicitation, the Lead State may accept any item or combination of items as specified in the Solicitation or of any Proposal unless the Offeror expressly restricts an item or combination of items in its Proposal and conditions its response

on receiving all items for which it provided a proposal. In the event that the Offeror so restricts its Proposal, the Lead State may consider the Offeror's restriction and evaluate whether the award on such basis will result in the best value to the Lead State and the members of the NASPO ValuePoint program. The Lead State may otherwise determine at its sole discretion that such restriction is non-responsive and renders the Offeror ineligible for further evaluation.

# 2.13 Proposal Content and Format Requirements

Proposals must be detailed and concise. Each Proposal must be labeled and organized in a manner that is congruent with the requirements and terminology used in this RFP and must include a point by point response, structured in form and reference to the RFP, addressing all requirements. Proposals shall be limited to 100 pages, excluding electronic excel Spreadsheets for the Cost Proposal Attachments D and D-1. Hard copy Proposal shall be on white 8 ½" x 11" Paper.

Offers are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Expensive color displays, promotional materials, etc., are not necessary or desired. Emphasis shall be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.

A representative authorized to bind the Offeror shall sign the Proposal. Failure of the authorized representative to sign the Proposal may subject the Proposal to rejection.

## 2.14 Proposal Submission Instructions

Offeror is solely responsible for ensuring its Proposal is received by the Lead State Contract Administrator in accordance with the RFP requirements before Closing. DAS PS is not responsible for any delays in mail or by common carriers or by transmission errors or delays or mistaken delivery. Proposal submitted by any means not authorized will be rejected.

The Proposal may be submitted through the mail or via parcel carrier, and must be clearly labeled and submitted in a sealed envelope, package or box. The Proposal may be hand delivered, and must be clearly labeled and submitted in a sealed envelope, package or box. Proposals will be accepted, prior to Closing, during DAS PS' normal Monday – Friday business hours of 8:00 am to 5:00 pm Pacific Time, except during State of Oregon holidays and other times when DAS PS is closed. The outside of the sealed submission must clearly identify the Offeror's name, RFP Number, and Closing date and time. It must be sent to the attention of the Lead State Contract Administrator at the address listed on the Cover Page.

An Offeror shall submit to the Lead State Contract Administrator one (1) original and six (6) copies of the Proposal (less Proposal Pricing Page) and all required supporting information and documents on or before the Closing Date and Time. Offerors shall submit one (1) original Proposal marked "MASTER." Envelopes, packages or boxes containing the original and the copies must be clearly labeled and submitted in a sealed envelope, package, or box bearing the following information:

$\boxtimes$	Name of Offeror RFP Number Closing Date and Time
$\boxtimes$	RFP Number
$\boxtimes$	Closing Date and Time

If discrepancies are found between the copies, or between the original and copy or copies, the original "MASTER" will provide for the basis for resolving discrepancies. If one document is not clearly marked "MASTER," the Lead State reserves the right to use the original as the Master. If no document can be identified as an original, Offeror's Proposal may be rejected at the discretion of the Lead State. An Offeror shall also submit on a CD ROM or USB flash drive seven (7) electronic copies of its Proposal in MS Word 2010 or higher format.

An Offeror shall submit its Market Basket Cost Proposal in a separate, sealed envelope, labeled accordingly and placed in sealed carton(s) or package(s) as described above. Prices must be submitted on a pricing matrix Attachment D and D-1 in Microsoft Excel format. Offerors shall submit their prices in electronic form using Microsoft Excel on a CD-ROM or USB flash drive. Do not include Proposal Pricing Page on the same CD-ROM or USB flash drive as the technical proposal.

Offerors are solely responsible for ensuring that their Proposals are received by the Lead State in accordance with these Solicitation requirements, before the Closing Date and Time, and at the place specified on the cover sheet of this RFP. The Lead State shall not be responsible for any delays in mail or by common carriers or by transmission errors or delays or mistaken delivery. Proposal deliveries made to another location other than to the address identified on the cover sheet of this RFP will be considered non-responsive unless re-delivery is made to the address identified on the cover sheet of this RFP before the Closing Date and Time. **Proposals may NOT be submitted by facsimile.** 

Proposals must be received by the posted Closing date and time. Proposals received after the deadline will be late and rejected.

# 2.15 Required Format

All Proposals must be submitted in the following format. Detailed information on submitting each of these sections is contained in later sections of this RFP. Offeror shall submit its Proposal without extensive art work, unusual printing or other materials not essential to the utility and clarity of the Proposal.

- 1. Offeror Information and Certification Sheet. A completed and signed Offeror Information and Certification Sheet (Attachment E).
- 2. Executive Summary. The one or two page executive summary is to briefly describe the Offeror's Proposal. This summary should highlight the major features of the Proposal. Offeror must indicate any requirements that Offeror cannot meet. The Lead State should be able to determine the essence of the Proposal by reading the executive summary.
- **3. Technical Response.** This section should include a description of the Products and Services to be delivered, including:

- a. A complete narrative of the Offeror's assessment of the Services to be provided, the Offeror's ability and approach, and the resources necessary to fulfill the requirements. This should demonstrate the Offeror's understanding of the desired overall performance expectations and clearly indicate any options or alternatives proposed.
- b. A complete description of the Products to be provided, in the order of criteria listed, to each evaluation requirement in the RFP and scope of work.
- 4. Affidavit of Trade Secret. If Offeror believes any of its Proposal is exempt from disclosure under Oregon Public Records Law (ORS 192.410 through 192.505), Offeror shall complete and submit the Affidavit of Trade Secret (Attachment F) and submit a fully redacted version of its Proposal, clearly identified as the redacted version.
- 5. Cost Proposal. Cost will be evaluated independently from the technical proposal. Please enumerate all costs on the attached Market Basket Cost Proposal Form and Percentage off List (Attachments D and D-1). Proposer shall follow the instructions set forth in Attachments D and D-1.

The Market Basket Cost Proposal is to be submitted as a separate document. Inclusion of any cost or pricing data within the technical proposal may result in the Proposal being deemed non-responsive.

Description of Products and Services. A completed submission of Offeror's Information Attachment A.

# 2.16 Ownership or Disposition of Proposals and other Materials submitted

All Proposals submitted in response to this RFP become the Property of DAS PS. By submitting an Proposal in response to this RFP, Offeror grants the State a non-exclusive, perpetual, irrevocable, royalty-free license for the rights to copy, distribute, display, prepare derivative works of and transmit the Proposal solely for the purpose of evaluating the Proposal, negotiating an Agreement, if awarded to Offeror, or as otherwise needed to administer the RFP process, and to fulfill obligations under Oregon Public Records Law (ORS 192.410 through 192.505). Proposals, including supporting materials, will not be returned to Offeror unless the Proposal is submitted late.

#### 2.17 Public Record/Confidential or Proprietary Information

## 2.17.1 Public Record/Trade Secrets

All Proposals are public record and are subject to public inspection after DAS PS issues the Notice of the Intent to Award. If Offeror believes that any portion of its Proposal contains any information that is a trade secret under ORS Chapter 192.501(2) or otherwise is exempt from disclosure under the Oregon Public Records Law (ORS 192.410 through 192.505), Offeror shall complete and submit the Affidavit of Trade Secret (Attachment F) along with a fully redacted version of its Proposal.

Offeror is cautioned that cost information generally is not considered a trade secret under Oregon Public Records Law (ORS 192.410 through 192.505) and identifying the Proposal, in whole, as exempt from disclosure is not acceptable. DAS PS advises each Offeror to consult with its own legal counsel regarding disclosure issues.

If Offeror fails to identify the portions of the Proposal that Offeror claims are exempt from disclosure, Offeror has waived any future claim of non-disclosure of that information.

#### 2.17.2 Confidential Information

All information identified in the CONFIDENTIAL AND PROPRIETARY INFORMATION section will be subject to review by the Lead State in accordance with the procedures prescribed by the Lead State's open records statute, freedom of information act, or similar law.

#### 2.18 Offeror Exceptions to Terms and Conditions

The Lead State discourages exceptions to terms and conditions in the RFP, or the attached Participating State or Participating Entity terms and conditions (if any), and the terms and conditions of the Master Agreement. Exceptions may cause a Proposal to be rejected as nonresponsive when, in the sole judgment of the Lead State (and its evaluation team), the Proposal appears to be conditioned on the exception or correction of what is deemed to be a deficiency or unacceptable exception would require a substantial Proposal rewrite to correct

Offeror should identify or seek to clarify any problems with contract language or any other document contained within this RFP through its written inquiries about the RFP using the process in Section 2.1.

Moreover, Offerors are cautioned that award may be made on receipt of initial Proposals without clarification or an opportunity for discussion, and the nature of exceptions would be evaluated. Further, the nature of exceptions will be considered in the competitive range determination if one is conducted. In the sole discretion of the Lead State, exceptions may be evaluated to determine the extent to which the alternative language or approach poses unreasonable, additional risk to the State or Participating State/Entity or Purchasing Entity, is judged to inhibit achieving the objectives of the RFP, or whose ambiguity makes evaluation difficult and a fair resolution (available to all offerors) impractical given the timeframe for the RFP. The Lead State is under no obligation to consider exceptions.

#### 2.19 Certification of Non-Debarment

Offeror must certify that neither the Offeror nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (Master Agreement) by any governmental department or agency. If the Offeror cannot certify this statement, attach a written explanation for review by the Lead State.

#### 2.20 Delivery(s)

All deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order.

#### 2.21 Certified Firm Participation

Pursuant to Oregon Revised Statute (ORS) Chapter 200, Lead State encourages the participation of small businesses, certified by the Oregon Certification Office for Business Inclusion and Diversity ("COBID") in all contracting opportunities. This includes certified small businesses in the following categories: disadvantaged business enterprise, minority-owned business, woman-owned business, a business that a service-disabled veteran owns or an emerging small business (ESB/MBE/WBE/DV & DBE). Agency also encourages joint ventures or subcontracting with certified small business enterprises. For more information please visit <a href="https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp?XID=6787&TN=oregon4biz">https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp?XID=6787&TN=oregon4biz</a>

If the Master Agreement has potential subcontracting opportunities, the successful Offeror may be required to submit a completed Certified Disadvantaged Business Outreach Plan (Attachment H) prior to execution.

## SECTION 3: Administrative and Technical Response Requirements

#### 3.1 Mandatory Minimum Administrative Proposal Requirements

This section contains the minimum requirements that must be met in order to be considered for the evaluation phase. All of the items described in this section are non-negotiable. All Offerors must state willingness and demonstrate ability to satisfy these requirements in the proposal submitted for consideration.

#### 3.2 NASPO ValuePoint Master Agreement Statement of Compliance

NASPO ValuePoint Master Agreement(s) resulting from this RFP will constitute the final agreement except for negotiated terms and conditions specific to a Participating State's or a Participating Entity's Participating Addendum.

This section highlights particular terms and conditions of NASPO ValuePoint Master Agreement, although Offerors will be bound to all the terms and conditions when executing a Master Agreement as shown in Attachment B. Offeror must include a statement in its Proposal that it has read and understands all of the terms and conditions as shown in the Master Agreement (Attachment B).

#### 3.2.1 Insurance

To be eligible for award, the Offeror agrees to acquire insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state at the prescribed levels set forth in Section 21 of the NASPO ValuePoint Master Agreement. Offeror must describe its insurance or plans to obtain insurance satisfying the requirements in Section 21.

In addition, Participating States/Entities may request additional insurance or other coverages for their State within their specific Participating Addendum.

#### 3.2.2 NASPO ValuePoint Administrative Fee and Reporting Requirements

To be eligible for award, Offeror agrees to pay a NASPO ValuePoint administrative fee as specified in Section 6 of the NASPO ValuePoint Master Agreement. Moreover, specific summary and detailed usage reporting requirements are prescribed by Section 7 of NASPO ValuePoint Master Agreement.

Offeror shall identify the person responsible for providing the mandatory usage reports. This information must be kept current during the contract period. Contractor will be required to provide reporting contact within fifteen (15) calendar days of Master Agreement execution.

#### 3.2.3 NASPO ValuePoint eMarket Center

To be eligible for award, the Offeror agrees, by submission of a Proposal, to cooperate with NASPO ValuePoint and SciQuest (and any authorized agent or successor entity to SciQuest)

with uploading a hosted catalog or integrating a punchout site. Refer to Attachment B, Section 9 and eMarket Center Appendix, NASPO ValuePoint Master Agreement for the prescribed requirements.

#### 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments I - O to this Solicitation. These will be negotiated with individual Participating States after award of the Master Agreement(s). Each State reserves the right to negotiate additional terms and conditions in its Participating Addendums, including environmentally preferable products. Offeror shall submit a statement that it has read and understands all the Terms and Conditions as shown in the attached State specific Participating Addenda.

#### 3.4 Technical Requirements

This section contains technical requirements pertaining to the Maintenance and Facilities Repair & Operations (MRO) industrial Supplies. Other sections of this RFP contain additional requirements that must be met in order to be considered responsive. Offeror must identify in its Proposal how it will meet (or exceed) all requirements listed in this Section 3, Section 4, and Attachments A. B. and D-1 of this RFP solicitation.

#### 3.4.1 Offeror Profile

Provide the following information specific to Offeror's company:

- a. Company's full legal name
- b. Primary business address
- c. Describe company ownership structure
- d. Employee size (number of employees)
- e. Website
- f. Sales contact information
- g. Company's client retention rate during the past 3 years
- h. A brief history of the company and the year it was founded
- i. Describe the company's growth during the past three years.

#### 3.4.2 Customer Service

- a. What are Offeror's hours of operation and when are key account people available to Participating States/Entities and Purchasing Entities?
- b. Describe how problem identification and resolution will be handled.
- c. How does Offeror propose to service the NASPO account? Describe the system Offeror will use to manage the account.
- d. How does Offeror respond to customer complaints and service issues?
- e. How does Offeror assess customer satisfaction?
- f. Describe Offeror's quality assurance measures and how are they handled within the organization.

#### 3.4.3 Technology

- a. Describe Offeror's online system that Purchasing Entities would use to place orders and receive results? Include all methods of order submission.
- b. Describe Offeror's ability and process to support a decentralized system of orders submitted from many end users in multiple states and locations.

#### 3.4.4 Products and Services

Offeror must review the Product and Services Descriptions and requirements set forth in (Attachment A) and submit with its Proposal. Offeror shall indicate which categories Offeror intends to provide; which Products and Services Offeror intends to provide; and whether Offeror intends to provide the Products and Services on a national, regional or one state only basis.

#### 3.5 Data Security

What measures does Offeror take to protect sensitive customer information?

## **SECTION 4: Market Basket Cost Proposal**

Market Basket Cost Proposal will be evaluated independent of the technical evaluation. Offeror shall submit the Market Basket Cost Proposal to the Lead State as a separate document. Do not embed the Market Based Cost Proposal in the technical response.

#### 4.1 Cost Proposal (40 Points)

In its Proposal, Offeror must indicate if Offeror intends to submit a Proposal for all Products and Services (all categories) or if Offeror intends to submit a Proposal for one or more of the Products and Services. Offeror also must indicate whether Offeror intends to offer Products and Services on a national, regional or one state basis.

Cost for the NASPO ValuePoint Master Agreements shall be based on the following:

The Cost Proposal includes two parts: (1) the Percentage off list per category description (Attachment D for a total potential score of 5 points) and (2) the market basket spreadsheet (Attachment D-1 for a total potential score of 35 points).

Offeror must submit cost, prices, rates and discounts as required by Cost Spreadsheets Attachments D and D-1. Prices and rates shall include all anticipated charges, including but not limited to, freight and delivery, cost of materials and product, travel expenses, transaction fees, overhead, profits, and other costs or expenses incidental to the Offeror's performance.

(1) Offeror shall completed and submit the Percentage off list per category set forth in Attachment D.

(2) Offeror also shall complete and submit an electronic Excel Spreadsheet that includes detailed costs for all Products per Attachment D-, including EPP products. If Offeror is submitting a Proposal for all categories on the Attachment D-1, Tab 1, All Categories spreadsheet, Offeror also may wish to submit an alternative Proposal on one or more of the individual category spreadsheets as well.

**PLEASE NOTE:** In the event Offeror fails to obtain a score of 80 points, as required under Section 5.4 of RFP for the All Categories category, if Offeror submits an alternative Proposal, Offeror could potentially obtain an award on one or more of the individual Categories. Therefore, Offeror may wish to submit an alternative Proposal on one or more of the individual categories listed in Tabs 2-16, as well.

#### 4.2 Price and Rate Guarantee Period

The prices, rates and costs proposed in the Offeror's response will be valid for an initial term of one year after any resulting Master Agreement is signed. Offeror's cost proposal must describe how future cost increases will be minimized and capped and how both increases and decreases will be passed on to the Lead State if the Master Agreement is renewed after the initial term. The Offeror must explain the proposed process to implement cost changes, and how the Lead State will be notified. Any request for price or rate adjustment following the initial Master Agreement term, is detailed in Section 11 of the Master Agreement.

#### SECTION 5: Evaluation and Award

#### 5.1 Additional Rounds for Evaluation: Discussions with Offerors - Oral Presentations

The Lead State may elect to conduct further evaluation and discussions with Offerors. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and/or written revisions of proposals. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Offerors.

The Lead State reserves the right to award on receipt of initial proposals without an opportunity for discussion or proposal revision, so Offerors are encouraged to submit their most favorable Proposal at the time established for receipt of Proposals.

#### 5.2 Evaluation Process

Upon completion of the submittals and discussions, if any, the Proposals will be evaluated. The Lead State and an Evaluation Committee will score the Proposals. The Evaluation Committee currently consists of five members. The Lead State may, in its sole discretion, change the Evaluation Committee and may increase or decrease the number of evaluators.

# Phase 1 of the Evaluation (Meets Minimum Requirements set forth is Section 3 of RFP (Pass/Fail)):

In the initial phase of the evaluation process, the Lead State will review all Proposals timely received, as set forth below:

```
Section 3.1 Yes___No__
Section 3.2 Yes___No__ (all subsections)
Section 3.3 Yes___No__
Section 3.4 Yes___No__ (all subsections)
Section 3.5 Yes___No__
```

In addition, the Lead State also shall separate the Proposals into the following groups based upon the submittals:

- Group 1: those Offerors submitting a Proposal for all Categories on a nationwide basis.
- Group 2: those Offerors submitting a Proposal for one or more Categories on a nationwide basis.
- Group 3: those Offerors submitting a Proposal for one or more Categories on a state hasis.
- Group 4: those Offerors submitting a Proposal for one or more Categories on a regional basis.

The Proposals will be evaluated by appropriate group.

Right to Waive Minor Irregularities: Proposals received prior to Closing will be reviewed for Responsiveness to all RFP requirements including compliance with Minimum Requirements section and Proposal Content Requirements section. If the Proposal is unclear, the Lead State Contract Administrator may request clarification from Offeror. However, clarifications may not be used to rehabilitate a non-Responsive Proposal. If the Lead State Contract Administrator finds the Proposal non-Responsive, the Proposal may be rejected, however, the Lead State may waive mistakes in accordance with OAR 125-247-0470.

At any time prior to award, the Lead State may reject an Offeror found to be not Responsible.

#### Phase 2 of the Evaluation: Technical Proposal Evaluation (85 points)

The Evaluation Committee will score the Technical Proposals. Evaluators will assign a score for each evaluation criterion listed below up to the maximum points available in the Point and Score Calculation section and as further described in Attachments A, D, and D-1.

Proposals will be evaluated against the following Proposal evaluation criteria and scored as follows:

Evaluation Criteria	Possible Points
From Attachment A:	
6.2 Experience and Capabilities	20 pts
6.3 Volume Discounts	10 pts
6.5 Scope of Work	30 pts
6.6 Administration and Marketing	20 pts
6.7 Additional Services	5 pts

Phase 3 of the Evaluation: Evaluation of Market Basket Cost Proposals: (40 points)

Each Offeror shall complete the Market Basket Cost Proposal, (Attachments D and D-1). The Evaluation of the Cost Proposal will be in two steps:

- Step one will be based upon the responses on Attachment D.
- Step two will be based upon the responses on Attachment D-1. The Lead State will
  compare the total extended total offer price for all items in each category. The lowest
  cost will receive the maximum 35 points. All other Offerors will receive points as
  determined by the ratio* of their costs to the lowest cost. Final cost scores will be
  calculated based on the following:

#### **Evaluation Criteria**

Possible Points

Cost Proposal Attachment D Cost Attachment D-1

5 pts 35 pts

The Lead State will compare the total extended total offer price for all items in each category. The lowest cost will receive the maximum 40 points. All other Offerors will receive points as determined by the ratio* of their costs to the lowest cost. Final cost scores will be calculated based on the following:

Offerors shall submit pricing on all line items listed for each category. If Offeror does not submit a price on a line item listed in each category under the "Extended Total Offer Price" column "O" listed in Tab 1 – 16 of Attachment D-1, the Lead State will deduct 1 point per line item left blank from the cost proposal score total given that Offeror.

*Ratio Calculation: Lead State will award a cost score to each Cost Proposal based upon the percentage of the proposed cost as compared to the lowest Offerors cost using the following formula:

Scoring of cost of Offerors who submit proposal Offer on Tab 1 for all categories:

lowest cost of all Offerors cost being scored	X	cost points possible	=	cost score
-----------------------------------------------	---	----------------------	---	---------------

Scoring cost of Offerors who submit proposal on "each" individual Tab 2 - 16 per category:

The Lead State will total the two Cost Proposal Scores.

Offerors shall submit pricing on all line items listed for each category. If Offeror does not submit a price on a line item listed in each category under the "Extended Total Offer Price" column "0" listed in Tab 1-16 of Attachment D-1, the Lead State will deduct 1 point per line item left blank from the cost proposal score total given that Offeror.

Total Score: The Lead State will combine the scores from Phase 2 and Phase 3.

#### 5.3 Sample Evaluation Score Sheet

#### Sample RFP Evaluation Score Sheet

TITLE OF SOLICITATION # Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

#### RFP EVALUATION SCORESHEET

		Score will the #selfitten #s tollows.
		0 = Failure, no response
		1 = Poor, inadequate, fails to meet requirement
Firm Name	:	2 = Fair, only partially responsive
<b>Evaluator</b> :		3 = Average, meets minimum requirement
Date:		4 = Above average, exceeds minimum requirement
Date.		5 = Superior

	Evaluator (No)	Score (0-5)	Weight	Points
Demonstrated Ability to meet Products and Services Attachment A (85 points possible)		_		10-1
Section 6.2	20 pts possible		X 4	<u> </u>
Section 6.3	10 pts possible		X 2	
Section 6.5	30 pts possible		X 6	
Section 6.6	20 pts possible		X 4	
Section 6.7	5 pts possible		X 1	
6. Cost (40 points possible)	40 pts possible			* Inserted by Lead State
Step One	5 pts possible		X 1	
Step Two	35 pts possible		X 7	
TOTAL EVALUATION POINTS	(125 pts possible)		Total	

#### 5.4 Award of Master Agreement(s)

The Lead State intents to award a Master Agreement(s) on both a National level or a Regional level, to each Proposer with a combined total score in excess of 80 points in either the National level (i.e. the Proposer will receive an award for a National Master Agreement) or on a Regional level (i.e. the Proposer will receive an award on a Regional level).

#### 5.5 Notice of Intent to Award

After a final selection(s) is made, the Lead State will issue a notice of intent-to-award announcement in ORPIN. Proposal files are public records and available for review at the offices of the Lead State by appointment.

#### 5.6 Protest

A protest must be submitted in writing to the Lead State Contract Administrator identified in Section 1.2 of this RFP and must be received within seven (7) calendar days after the date of the notice of intent to award. Award protests must meet the requirements of Lead State's statutes, regulations and rules to be considered. The Lead State will not consider any protests that are received after this deadline.

The Lead State will address all timely submitted protests that are in accordance with their statutes, regulations and rules within a reasonable time following the Lead State's receipt of the protest and the Lead State will issue a written decision to the Offeror who submitted the protest. Protests that do not include the information required by the Lead State's statutes, regulations and rules may be rejected by Lead State. Lead State will receive protests in the following forms:

#### 5.6.1 Protests must:

- Be emailed to the Lead State Contract Administrator
- Reference the RFP number
- Identify prospective Offeror's name and contact information
- Be sent by an authorized representative
- State the reason for the protest, including:
- The grounds that demonstrate how the procurement process is contrary to law, unnecessarily restrictive, legally flawed, or improperly specifies a brand name; and
- Evidence or documentation that supports the grounds on which the protest is based

#### 5.6.2 Protest Response

DAS will respond timely to all protests submitted by the due date and time listed in the Schedule. Protests that are not received timely or do not include the required information may not be considered.

#### 5.7 Post Award Formalization of the Master Agreement

The Lead State reserves the right during contract negotiation of the Master Agreement(s) to adjust terms and conditions that would not (in the Lead State's judgment) have a material effect on price, schedule, scope of work, or risk to the Lead State and Participating States, with materiality defined in terms of the effect on the evaluation and award. The Lead State reserves the right to accept contract or pricing changes that are more favorable to the Lead State.

# Attachment A Description of Products and Services- Evaluation Criteria

THESE SECTIONS ARE MANDATORY- OFFERORS MUST MEET THE FOLLOWING CRITERIA FOR THEIR PROPOSAL TO BE ACCEPTED AND SCORED BY THE SOURCING TEAM

#### 6.1. Categories

The scope of work consists of 15 categories. This proposal has been divided into categories with items that generally represent those most frequently purchased during the previous contract period including environmentally preferable options. Proposals will be considered from qualified offerors that can provide all products at minimum of one entire category listed below and be able to supply the products to a minimum of one entire State.

The United Nations Standard Products and Services Code (UNSPSC) codes are identified on Attachment D-1 to further describe each category.

Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)
Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)
Fasteners

Material Handling

Plumbing

**Power Sources** 

Outdoor Garden

Lamps, Lighting, Ballasts

HVAC

Hand Tools

Power Tools (excluding automotive related tools and products)

Electrical

Paint

Security

Safety (does not include any public safety equipment)

#### 6.2. Experience and Capabilities

This procurement contemplates a multi-state scope and may result in more than one award. The following are the weighted evaluation criteria for this procurement.

6.2.1. Experience in performance of comparable engagements/References;

- 6.2.1.1 ESB/MBE/WBE/DV & DBE Programs;
- 6.2.1.2 Growth Incentives;
- 6.2.1.3 The quality and availability of recycling or other sustainability programs, including products or services offered;
- 6.2.1.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered;
- 6.2.1.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products;
- 6.2.2. Conformance with the terms of this RFP;
  - 6.2.2.1 Return Policy;
  - 6.2.2.2 Distribution points;
  - 6.2.2.3 Delivery;
  - 6.2.2.4 Shipping;
  - 6.2.2.5 Range of commodities offered;
  - 6.2.2.6 Scope of geographical coverage offered;
  - 6.2.2.7 Accurate and meaningful marking of green products in the on-line catalog when applicable;
- 6.2.3. Expertise and availability of key personnel;
  - 6.2.3.1 Contract Management Retail Store/Will Call Availability;
  - 6.2.3.2 The favorability of the terms under which the offeror will do business;
- 6.2.4. Demonstrated Competence:
  - 6.2.4.1 Reporting Capabilities Disaster Recovery Plan;
  - 6.2.4.2 Web based ordering System:
  - 6.2.4.3 The number of available green environmentally preferable products that meet the solicitations specifications available, showing a robust supply of green products.
- 6.2.5. Reasonableness of pricing.

While the primary purpose of this solicitation is to select a offeror(s) who can offer the supplies for all Participating States, offerors are permitted to submit a proposal on more limited geographical areas, however, not less than one entire Participating State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all Participating States. However, if a Offeror elects to submit a Proposal for a single State then the Offeror must be willing to

supply the entire State and will not be allowed to add additional States following award or at any time during the term of the contract or any renewals.

A Participating State may evaluate and select an offeror for award in more limited geographical areas (e.g. A single state) where judged to be in the best interests of the State or States involved. Administration of any such award(s) will be done by the Participating State(s) involved unless the awarded contract includes the Lead State in its geographical area.

Participating States, and Purchasing Entities reserve the right to competitively solicit for additional sources for commodities during the contract term, where deemed to be in the best interests of the State(s) or entities involved. Further, Participating States may have existing awards for commodities within the scope of this solicitation.

Any Participating State reserves the right to award partial commodity categories or not participate in the award if deemed to not be in the best interests of that Participating State.

All pricing listed shall be ceiling prices with the option for Participating States to negotiate more favorable discounts for large orders.

Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

Products may be changed with thirty (30) day notice every six (6) months after initial term.

The Participating States and Purchasing Entities reserve the right to update product specifications based on changes in regulations, in addition to third party certification criteria.

The Participating State may elect to designate the resulting contracts as permissive, or mandatory.

#### **6.3. VOLUME DISCOUNTS**

#### 6.3.1. General

Additional volume and other price discount options are encouraged, which can distinguish between individual order minimum quantities, cumulative volume discounts, and other discount terms that may be defined by the offeror. Extensions of additional discounts are not required but may be evaluated if offered.

#### 6.3.2. Cumulative Ordering Volume Discounts

The offeror is invited to identify additional percentage discounts if total cumulative ordering volumes (by all Purchasing Entities) exceed an amount specified by the offeror. If the volume of total orders exceeds that amount in any quarter, the offered discount will apply to future orders during the term of the award(s), as extended through option exercises.

#### 6.3.3. Additional Volume Discount for Minimum Order Quantity

The offeror is also invited to identify additional discounts for minimum order quantities. Purchasing Entities may consolidate purchases in order to take advantage of any volume discount extended by offeror for minimum orders, so long as a single delivery location at the discretion of the Purchasing Entity is specified.

#### 6.3.4. Minimum Orders

No minimum dollar or item count is allowed on orders from Authorized Purchasers. Participating States reserves the right to authorize a minimum via their Participating Addendums.

#### 6.4. ESTIMATED PURCHASES

The total purchase of any individual item on the contract is not known. The Purchasing Division has attempted to give an accurate estimate of probable purchases of each item for the contract period. The Purchasing Division does not guarantee that the Participating States will buy any or all estimated amounts of any specified item or any total amount.

#### 6.5. SCOPE OF WORK

#### 6.5.1. Ordering Capabilities

Orders resulting from this contract will be placed directly with the Offeror by the individual Purchasing Entity. The offeror must have toll free telephone, fax numbers and email address for use by those entities located outside of the offeror's toll free area. The offeror will ship and bill as requested by the purchasing agency. The purchasing agency will remit payment directly to the offeror. As an example, there are approximately 1,000 possible separate delivery locations within the State of Nevada. The number of locations will vary by Participating States.

Please supply your toll free telephone, facsimile number and email address.

In addition to the market basket items, Purchasing Entities will be allowed to order from a successful offeror's catalog(s) and website for delivery anywhere within the Participating States. NASPO ValuePoint requires internet catalogs.

#### 6.5.2. F.O.B. Destination

Prices for all items associated with this contract are to be FOB Destination anywhere within the Participating State or geographic area offered. Any exceptions to this provision must be clearly stated as an exception to this document.

#### 6.5.3. On-line Ordering

6.5.3.1	Successful	offeror	shall	provide	Internet	Catalogs	for	all
	agencies as	descrit	ed be	elow.		,		

On-line	Catalogs	available?	Yes	No

- 6.5.3.2 Provide a descriptive narrative for the type of internet catalog offered, and a URL link.
- 6.5.3.3 Offerors must designate market basket items in their online catalogs for ease of ordering. What symbol or marking will you use to identify market basket items?
- 6.5.3.4 Offerors shall designate all environmental preferable products (EPP) in their on-line catalogs. Describe the designation (symbol) that you will use to identify these EPP products.
- 6.5.3.5 Offerors shall provide accurate and meaningful labeling of environmentally preferable products offered in the on-line catalog when applicable.
- 6.5.3.6 Offerors shall explain or describe what they do to clearly identify in their online catalogs and on their shelves how they designate all environmentally preferable products (EPP) that have received any of the following appropriate 3d-party designation certifications:

- (1) Biodegradable Products Institute (compostable bags, food service ware);
- (2) Consortium for Energy Efficiency (lamps);
- (3) Cradle to Cradle (building materials, construction adhesives, etc.);
- (4) Design Lights Consortium (LED lighting equipment);
- (5) ENERGY STAR (HVAC and lighting equipment);
- (6) Forest Stewardship Council (wood and paper products);
- (7) Green Seal (cleaners, hand soap, janitorial paper products, paint);
- (8) Master Painters Institute (MPI) Green Performance Standard (paints and coatings);
- (9) NEMA Premium Efficiency (motors, ballasts);
- (10) Scientific Certification Systems (SCS) Indoor Advantage Gold (building materials, furniture);
- (11) Scientific Certification Systems (SCS) FloorScore (carpet, flooring, flooring adhesives, underlayment, etc.);
- (12) UL GREENGUARD (adhesives, flooring, insulation, sealants, etc.);
- (13) UL EcoLogo (cleaners, deodorizers, hand soaps and sanitizers, floor polish and strippers, etc.);
- (14) USDA Biobased (lubricants, building materials, etc.);
- (15) USDA Organic;
- (16) US EPA Safer Choice (cleaners, hand soaps, deicers, floor maintenance chemicals);
- (17) WaterSense (water efficient fixtures, toilets, etc.);

Offerors shall also explain or describe how products meet the following standards are clearly identified:

- (18) Restriction of hazardous Substances (RoHS)
  Directive;
- (19)South Coast Air Quality Management District (SCAQMD) limits on volatile organic compounds (VOCs, which apply to adhesives, sealants, coatings, etc.)
- (20) US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs);
- (21) Rechargeable Batteries; and
- (22) Solar Powered Equipment.

Offerors may suggest other 3rd party certifications as applicable and include a description.

In addition, offer shall describe the designation (symbol) that you will use to identify these EPP products provided, including the certification or standard that it meets, and where a buyer would find clarification on the website about what the designation means.

#### 6.5.4. E-commerce description

The successful offeror shall have a proven record of E Commerce capabilities, with the technology and support personnel to provide content deployment or punch out access to their online catalog, for the purpose of supporting the purchasing web sites of the Participating States. Provide a clear narrative addressing the statement above. Integration of a punch out site is required per Section 9d of the NASPO ValuePoint eMarket Center Section of Attachment B, NASPO ValuePoint Master Agreement Terms and Conditions.

- 6.5.5. E- Commerce and Web Catalog Capabilities
  - (1) Multiple search options from narrow options to specific search criteria:
  - (2) Display contract pricing;
  - (3) Have workflow management controls;

(4) On-line ordering capability;
(5) Order status and order tracking capabilities;
(6) Order history;
(7) Allow users to develop personal lists and profiles, and a secure means for storing procurement card information;
(8) Online help to use site should be available at minimum during normal work hours.
(9) Technical data, illustrations, Material Safety Data Sheets, parts availability, and access to web-based product sourcing is required;
(10) Allow viewers to view on line Offeror's product availability by location;
(11) Ability to block certain items or categories.
(12)Ability to accept "P-Card" payments.
(13)Web-based Catalog available?
YesNo
(14)Contract pricing available on line?
YesNo
(15)Online workflow management?
_YesNo
(16)Order Status/Tracking Online?
YesNo
(17)Order History?
YesNo
(18) Personal Lists?
Yes No

(19)Online Availability?
YesNo
(20)What are you doing to ensure that your EPP products are properly identified and labeled in your Catalogs?
(21)Offeror is able to highlight EPP products either through prioritizing the EPP products in the online catalog, or by offering to substitute conventional with greener products? YesNo
5.5.6. Storage Of Electronic Data
6.5.6.1 Describe in detail how the electronic information for each Participating State shall be stored.
6.5.6.2 Do you have a dual system as a backup in the unlikely even that the main information storehouse becomes unusable?
6.5.6.3 Provide a general description of security protocol including storage of data, ordering security and data file security.
5.5.7. Catalogs
The successful offeror must provide paper and/or computer media catalogs to all agencies upon request for the duration of this contract. Offeror to explain if catalog identifies environmentally preferable products with associated EPP certifications.
5.5.8. Procurement Card Policy
6.5.8.1 The successful offeror must offer the capability to accept procurement cards as an acceptable form of payment Level III reporting is preferred.
Procurement Cards Accepted? Yes No
6.5.8.2 Explain in detail your reporting capabilities for procurement card transactions.
5.5.9. Forced Substitutions
6.5.9.1 Forced substitutions are not allowed. If an ordered item is out of stock, the Offeror must notify the purchasing entity

for prior approval before substituting for the out of stock item. Explain your methodology for items that are discontinued or out of stock. This must include your substitution policy.

6.5.9.2 Explain how you will notify customers about out of stock items and how you will provide information about how the substituted product compares with the product that is out of stock.

#### 6.5.10. Customer Service Representatives

- 6.5.10.1 Offerors shall provide each authorized purchaser with customer service representatives assigned to handle questions and resolve all problems that arise.
- 6.5.10.2 Service representatives shall be available, at a minimum, from 8:00 am to 5:00 pm in EACH time zone, Monday through Friday. Service representatives shall be available by phone (via local or toll free number), fax, or email during the required times for each participating state.
- 6.5.10.3 This solicitation is for all States and all time zones.

  Describe how you will manage the servicing of the contract for each time zone.
- 6.5.10.4 Provide an Emergency number and contact for afterhours use.
- 6.5.10.5 All service representatives shall have online access to account information and provide a timely response to inquiries concerning the status of orders (shipped or pending), delivery information, back-order information, contract pricing, category discounts, product availability, product information, account and billing questions, and contract compliance requirements.
- 6.5.10.6 Describe in detail the process that shall be used to ensure adequate service representatives will be available.

#### 6.6. Administration and Marketing

6.6.1. Return Policy

What is your standard return policy?

#### 6.6.2. Distribution Points

It is desirable that a successful offeror has inside and outside sales staff and distribution facilities located in all Participating States or geographic area offered. Offerors must provide the locations of their distribution points and information regarding sales staff for each Participating States or geographic area offered.

#### 6.6.3. Contract Management

- 6.6.3.1 Describe the Offeror's strategy for contract management and sales support including roles and responsibilities as they relate to each participating state for each of the proposed account teams that will handle contract management issues.
- 6.6.3.2 It is desired that offerors have a representative(s) that has the sole responsibility of management of this NASPO ValuePoint contract. Provide a list the name(s) and title(s) of the dedicated representative(s) per region or State.
- 6.6.3.3 Does your contract management include customer training? Please provide a detailed narrative including, at a minimum, the following:
- 6.6.3.4 Sustainable Products (e.g., energy efficient, water efficient, low toxicity, recycled content, etc.);
- 6.6.3.5 Review of environmentally preferable products with third party certifications (see section 6.5.3.6 above for a list of some of the 3rd party certifications).
- 6.6.3.6 New products:
- 6.6.3.7 Equipment and operation- Manufacturer/certified set up and training;
- 6.6.3.8 Seminars and other learning opportunities;

#### 6.6.4. Delivery

6.6.4.1 Delivery time for in-stock items should not exceed 24-48 hours for all points within in the Participating States. Non-stocked items must be delivered within 10 working days. The Participating States reserve the right to impose restrictions. Explain in detail your delivery policy.

- 6.6.4.2 Specify Guaranteed Delivery Time for In-Stock Items.
- 6.6.4.3 Specify Guaranteed Delivery Time for Non-Stock Items.
- 6.6.4.4 SDS must accompany all orders at the time of delivery (where applicable).
- 6.6.4.5 The Participating States expect high delivery standards from all contractors. Penalties may be imposed on contractors that have continual late deliveries. These penalties may include but are not limited to cancellation of orders, request for discounted pricing, non-use of an offending contractor or cancellation of the contractor's participating addendum(s).

#### 6.6.5. Shipping

6.6.5.1 All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package:

> Authorized Purchaser; Delivery Address; Purchasing entity and floor; Contact; and Telephone number.

6.6.5.2 A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order:

Line item description;
Date ordered;
Quantity ordered;
Quantity included in shipment;
Any backordered items;
Unit Price and extension;
Number of parcels;
Purchase Order Number;
Purchasing entity name; and
F.O.B. Destination.

6.6.5.3 Describe in detail how your company has implemented environmentally sound shipping and transportation

#### practices. For example:

- Is your company a US EPA SmartWay Partner?
- Does your company use alternative fuel vehicles (e.g., electric, battery hybrid electric, bio-based diesel, etc.?
- Does your company reduce energy usage or other environmental impacts during shipping?

#### 6.6.6. Implementation

- 6.6.6.1 Implementation of this contract is vital to the Participating States. Describe in detail your implementation program including an estimated time line to include at minimum the following points.
- 6.6.6.2 Describe in detail the Offeror's implementation plan, including all process steps.
- 6.6.6.3 Detail the specific information, resources, and assistance the offeror will require from each Participating State to implement the contract.
- 6.6.6.4 Describe how soon from execution of the Participating Addendum the online ordering system will be available to each Participating State. If a phased implementation is planned in terms of limited functionality vs. complete functionality, please specify.
- 6.6.6.5 Describe in detail the Offeror's experience when implementing customer relationships of equivalent size and complexity.
- 6.6.6.6 Describe any customization abilities for different States or political subdivisions within a Participating State.

#### 6.6.7. Reporting Capabilities

6.6.7.1 The offeror shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. If there are other reports available at additional pricing, information on these reports is also required. Please note the reporting requirement in the NASPO ValuePoint terms and conditions; in addition states may have additional reporting requirements.

- 6.6.7.2 Explain your company auditing policy to ensure that pricing and services are in compliance with the contract. Explain your policy for revenue recovery in the event that any auditing reveals incorrect pricing.
- 6.6.7.3 Does your company provide a green product spend report? Please describe how your company reports environmentally preferable product purchases.

#### 6.6.8. Sustainability/Environmental Practices

Sustainability and sound environmental practices are important to many of the Participating States. Thoroughly describe your sustainability and environmental practices that you currently have in place. This description should include the following:

#### (1) Sustainability Program

- a. Does your company have a corporate-wide sustainability policy? If yes, attach or provide a link to your sustainability policy as well as any related policy initiatives such as a Climate Action Plan, a Zero Waste Policy, a Toxics Reduction Strategy, or a Green Fleet Policy. Also, please summarize what your corporate sustainability policy directs your company to do.
- b. Describe the key elements of your company's sustainability program including sustainability staff positions, qualifications and training.
- c. Describe Proposer's environmental practices that are applicable to items that Proposer markets. Provide links to your published statements, policies and reports and summarize key accomplishments.

#### (2) Product Take Back/End of Life:

- a. Provide a list of products for which you provide end of life take-back and recycling (e.g. fluorescent lamps, batteries, solvents, metals, etc.). List subcontractors if any you use for these services. List any fees or conditions for these services. Certificates of Disposal must be provided for hazardous waste. This is an EPA requirement.
- b. Proposers are to minimize or eliminate the use of disposable containers; is made from recycled content or other bio-based fibers; is easily recyclable, contains a minimum of 25% by weight of post-consumer materials;

and/or meets or exceeds the minimum post-consumer content level for respective packaging in the U.S. Environmental Protection Agency Comprehensive Procurement Guidelines.

- c. Proposers are to provide packaging that does not contain inks, dyes, pigments, adhesives, stabilizers, or any other additives to which any lead, cadmium, mercury or hexavalent chromium has been included as an element during manufacture or distribution in such a way that the sum of the concentrations levels of such lead, cadmium, mercury or hexavalent chromium exceed the following concentration level: 100 parts per million by weight (0.01%).
- d. All drums shall remain the property of the supplier. Empty drums shall not become the property of the affected state entity under any circumstance or condition. All empty drums, including their respective caps, plugs, or bungs, shall be collected by the supplier within a reasonable time frame specified by the affected state entity for reuse or recycling via the most reasonable transport method.

#### (4) Product Choice:

a. Proposers green claims are consistent with the Federal Trade Commission's Green Guides. (for more information visit: <a href="https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides">https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides</a>)

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- (5) Other Sustainability Practices:
  - Offerors may provide additional information their company's sustainability policies, practices and/or achievements. Attach appropriate documentation to substantiate claim.
- 6.6.9. Emerging Small Business, Minority Business Enterprise, Women Business Enterprise, And Disabled Veteran Owned Business.
  - 6.6.9.1 Some Participating States, may desire to purchase products and services from ESB/MBE/WBE/DV & DBE companies. Some Participating States may or may not have an ESB/MBE/WBE/DV & DBE program and therefore each state will integrate this desirable into its Participating Addendum, if applicable. In some Participating States, to qualify as an ESB/MBE/WBE/DV

& DBE supplier the listed companies must be registered with either the government or a recognized certifying entity and provide a certification type and number. Registered ESB/MBE/WBE/DV & DBE companies must be operating from a legitimate commercial site, carry all applicable insurance policies, required business licenses, and have operated continuously for at least two years. Please explain how the Offeror will provide opportunity for, ESB/MBE/WBE/DV & DBE companies.

- 6.6.9.2 At a minimum, the following policies and practices must be described in detail:
- 6.6.9.3 Describe in detail how the Offeror will work with the registered companies to determine what products can be a part of the contract.
- 6.6.9.4 Describe in detail how the Offeror will track all ESB/MBE/WBE/DV & DBE Products and services, including ordering, delivery, and invoicing.
- 6.6.9.5 Provide a list of Products that may be available to be purchased from ESB/MBE/WBE/DV & DBE companies under the proposed Contract.
- 6.6.9.6 Describe how Offeror will make best efforts to increase the number of Products available to Authorized Purchasers under the Contract acquired from ESB/MBE/WBE/DV & DBE businesses.
- 6.6.9.7 Describe what other products or services the Offeror can offer within a category that supports ESB/MBE/WBE/DV & DBE suppliers.
- 6.6.10. Community Rehabilitation Program (CRP) / Qualified Rehabilitative Facilities (QRF):

Describe how the Offeror supports the use of products and/or services sourced from QRF and the CRP programs.

- 6.6.11. Retail Store Purchases/Will Call:
  - 6.6.11.1 Describe the availability of contracted items through Offeror's branch locations. Please provide a list of branch

locations that provide a will call service in each of the Participating States.

6.6.11.2 Provide a narrative that explains how authorized purchasers will be able to make purchases at will call branch locations, make payment for those items and have those items included in the reporting.

#### 6.6.12. Growth Incentives:

- 6.6.12.1 Describe in detail any contract growth incentives, e.g. larger revenue, different levels of discounts for large orders that may be offered to the Participating States/purchasing agency.
- 6.6.12.2 Describe in detail any incremental pricing incentives for on-line ordering verses fax or call in ordering.

#### 6.7. Additional Services

#### 6.7.1. Training

- 6.7.1.1. Offeror shall provide all training as necessary at no additional pricing to all Participating States on all aspects of ordering, online ordering, product delivery, product returns, EPP's, and customer service processes.
- 6.7.1.2 Describe in detail the Offeror's ability to offer training that may be required to ensure purchasing entities have a thorough understanding of all ordering processes including any online systems. No pricing for product training, safety training, or travel and per Diem.

#### 6.7.2. Disaster Recovery

Please describe your emergency management plan to aid States during an emergency or disaster recovery. Be specific as to response time, supplies availability and other goods and services that you offer.

6.7.3. Installation, if applicable

Please describe Offeror's ability to provide installation services of products or equipment that Participating States may chose, if applicable to their States rules.

#### 6.7.4. Value added solutions

Offerors are encouraged to suggest value added solutions that may improve the States use of the contracts and products offered. One such value-add is product sourcing.

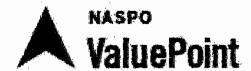
#### 6.7.4.1 Sourced Products

- (1) Supplier sourced products is a product which is not currently listed in the suppliers contract catalog or on-line ordering system at the time of order receipt but is capable of being supplied through the offeror.
- (2) If the offeror is capable of supplying sourced products they must be direct line extension products which have a similar item to an established product category and the offeror must already have a publically recognized business partnership with the "brand".
- (3) The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge.

#### 6.7.4.2 Vending Machines

- (1) Vending style machines that can dispense singular or multiple products with control type methods.
- (2) Offerors are encouraged to list their vending solutions.

#### Attachment B



## **NASPO ValuePoint Master Agreement**

This NASPO ValuePoint Master Agreement ("Master Agreement") is between the State of Oregon, acting by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("DAS PS"), as the Lead State, on behalf of the member states of the NASPO ValuePoint Cooperative Purchasing Program and other Participating Entities and ______ ("Contractor"). This Master Agreement is effective on the date that it has been signed by the parties and has been approved as required by applicable law ("Effective Date").

#### 1. Master Agreement Order of Precedence

- a. Any Order placed under this Master Agreement shall consist of the following documents:
  - (1) A Participating Entity's Participating Addendum ("PA"), substantially in the form attached hereto as Exhibit A;
  - (2) NASPO ValuePoint Master Agreement and its exhibits:

eMarket Center Addendum

Exhibit A - Sample Participating Addendum

Exhibit B - Description of Products and Services

Exhibit C - Provisions Required by Federal Law

Exhibit D - NASPO ValuePoint Detailed Sales Data Report Form

- (3) A Purchase Order issued against the Master Agreement;
- (4) Any terms and conditions provided electronically or online or as part of Product materials or descriptions or guidelines; and
- (5) Any Offeror's online or third party terms and conditions.
- b. These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above. Contractor terms and conditions that apply to this Master Agreement are only those that are expressly accepted by the Lead State and must be in writing and attached to this Master Agreement as an Exhibit or Attachment.

#### 2. Definitions

Acceptance means a written notice from a Purchasing Entity to Contractor advising Contractor that the Product has passed its Acceptance Testing. Acceptance of a Product for which acceptance testing is not required shall occur following the completion of delivery, installation, if required, and a reasonable time for inspection of the Product, unless the Purchasing Entity provides a written notice of rejection to Contractor.

Acceptance Testing means the process for ascertaining that the Product meets the standards set forth in the section titled Standard of Performance and Acceptance, prior to Acceptance by the Purchasing Entity.

Contract means any Order or Purchase Order or other agreed upon ordering instrument issued by a Purchasing Entity under this Master Agreement, together with the terms and conditions of this Master Agreement.

Contractor means the person or entity delivering Products or performing services under the terms and conditions set forth in this Master Agreement.

Embedded Software means one or more software applications which permanently reside on a computing device.

Environmentally Preferable Product means products and services that have a lesser or reduced effect on human health and the environment when compared to competing products or services that serve the same purpose.

Intellectual Property means any and all patents, copyrights, service marks, trademarks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.

Lead State means the State centrally administering any resulting Master Agreement(s).

**Master Agreement** means the underlying agreement executed by and between the Lead State, acting on behalf of the members of the NASPO ValuePoint Cooperative Purchasing Program, and the Contractor, as now or hereafter amended.

NASPO ValuePoint is the NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, a 501(c)(3) limited liability company that is a subsidiary organization the National Association of State Procurement Officials (NASPO), the sole member of NASPO ValuePoint. NASPO ValuePoint facilitates administration of the NASPO cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. NASPO ValuePoint is identified in the Master Agreement as the recipient of reports and may perform contract administration functions relating to collecting and receiving reports as well as other contract administration functions as assigned by the Lead State.

Order or Purchase Order means any purchase order, sales order, contract or other document used by a Purchasing Entity to order the Products.

Participating Addendum means a bilateral agreement executed by a Contractor and a Participating Entity incorporating this Master Agreement and any other additional Participating Entity specific language or other requirements, e.g. ordering procedures specific to the Participating Entity, other terms and conditions.

Participating Entity means a state, or other legal entity, properly authorized to enter into a Participating Addendum.

Participating State means a state, the District of Columbia, or one of the territories of the United States that is listed in the Request for Proposal as intending to participate. Upon execution of the Participating Addendum, a Participating State becomes a Participating Entity; however, a Participating State listed in the Request for Proposals is not required to later participate in the Master Agreement

Product means any equipment, software (including embedded software), supplies, materials, commodities, goods, documentation or other deliverable supplied, offered, or created by the Contractor pursuant to this Master Agreement. The term Products, supplies, and products are used interchangeably in this Master Agreement.

Purchasing Entity means a state (as well as the District of Columbia and U.S territories), city, county, district, other political subdivision of a State, and a nonprofit organization under the laws of some states if authorized by a Participating Addendum, who issues a Purchase Order against the Master Agreement and becomes financially committed to the purchase.

Services means installation and additional services as defined in the Master Agreement.

#### 3. Term of the Master Agreement; Non-exclusivity

- a. The initial term of this Master Agreement is for one (1) year. This Master Agreement may be extended beyond the original contract period for four (4) additional years at the Lead State's discretion and by mutual agreement and upon review of requirements of Participating Entities, current market conditions, and Contractor performance.
- b. This Master Agreement is not exclusive. Purchasing Entities retain the right to contract for Products or Services or both through any selection process authorized by law, or to perform the Services themselves. Neither NASPO ValuePoint nor the Lead State guarantees that any specific number of Contracts will be issued or that any specific amount of Products or Services will be required.

#### 4. Amendments

The terms of this Master Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of the Lead State and Contractor.

### 5. Participants and Scope

- a. Contractor may not deliver Products under this Master Agreement until a Participating Addendum acceptable to the Participating Entity and Contractor is executed. The NASPO ValuePoint Master Agreement Terms and Conditions are applicable to any Order by a Participating Entity (and other Purchasing Entities covered by their Participating Addendum), except to the extent altered, modified, supplemented or amended by a Participating Addendum. By way of illustration and not limitation, this authority may apply to unique delivery and invoicing requirements, confidentiality requirements, defaults on Orders, governing law and venue relating to Orders by a Participating Entity, indemnification, and insurance requirements. Statutory or constitutional requirements relating to availability of funds may require specific language in some Participating Addenda in order to comply with applicable law. The expectation is that these alterations, modifications, supplements, or amendments will be addressed in the Participating Addendum or, with the consent of the Purchasing Entity and Contractor, may be included in the ordering document (e.g. purchase order or contract) used by the Purchasing Entity to place the Order.
- b. Use of specific NASPO ValuePoint cooperative Master Agreements by state agencies, political subdivisions and other Participating Entities (including cooperatives) authorized by individual state's statutes to use state contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the respective State Chief Procurement Official.
- c. Obligations under this Master Agreement are limited to those Participating Entities who have signed a Participating Addendum and Purchasing Entities within the scope of those Participating Addenda. States or other entities permitted to participate may use an informal competitive process to determine which Master Agreements to participate in through execution of a Participating Addendum. Financial obligations of Participating Entities who are states are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating Entities who are states incur no financial obligations on behalf of other Purchasing Entities. Contractor shall email a fully executed PDF copy of each Participating Addendum to PA@naspovaluepoint.org to support documentation of participation and posting in appropriate data bases.
- d. NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint, is not a party to the Master Agreement. It is a nonprofit cooperative purchasing organization assisting states in administering the NASPO cooperative purchasing program for state government departments, institutions, agencies and political subdivisions (e.g., colleges, school districts, counties, cities, etc.) for all 50 states, the District of Columbia and the territories of the United States.
- e. Participating Addenda shall not be construed to amend the following provisions in this Master Agreement between the Lead State and Contractor that prescribe NASPO ValuePoint Program requirements: Term of the Master Agreement; Amendments; Participants and Scope; Administrative Fee; NASPO ValuePoint Summary and Detailed Usage Reports; NASPO ValuePoint Cooperative Program Marketing and Performance

Review; NASPO ValuePoint eMarketCenter; Right to Publish; Price and Rate Guarantee Period; and Individual Customers. Any such language shall be void and of no effect.

- f. Participating Entities who are not states may under some circumstances sign their own Participating Addendum, subject to the consent to participation by the Chief Procurement Official of the state where the Participating Entity is located. Coordinate requests for such participation through NASPO ValuePoint. Any permission to participate through execution of a Participating Addendum is not a determination that procurement authority exists in the Participating Entity; they must ensure that they have the requisite procurement authority to execute a Participating Addendum.
- g. Resale. "Resale" means any payment in exchange for transfer of tangible goods, software, or assignment of the right to services. Subject to any specific conditions included in the solicitation or Contractor's proposal as accepted by the Lead State, or as explicitly permitted in a Participating Addendum, Purchasing Entities may not resell Products (the definition of which includes services that are deliverables). Absent any such condition or explicit permission, this limitation does not prohibit: payments by employees of a Purchasing Entity for Products; sales of Products to the general public as surplus property; and fees associated with inventory transactions with other governmental or nonprofit entities and consistent with a Purchasing Entity's laws and regulations. Any sale or transfer permitted by this subsection must be consistent with license rights granted for use of intellectual property.

#### 6. Administrative Fees

- a. The Contractor shall pay to NASPO ValuePoint, or its assignee, a NASPO ValuePoint Administrative Fee of one-quarter of one percent (0.25% or 0.0025) no later than sixty (60) days following the end of each calendar quarter. The NASPO ValuePoint Administrative Fee shall be submitted quarterly and is based on all sales of products and services under the Master Agreement (less any charges for taxes or shipping). The NASPO ValuePoint Administrative Fee is not negotiable. This fee is to be included as part of the pricing submitted with proposal.
- b. Additionally, some states may require an additional fee be paid directly to the state only on purchases made by Purchasing Entities within that state. For all such requests, the fee level, payment method and schedule for such reports and payments will be incorporated into the Participating Addendum that is made a part of the Master Agreement. The Contractor may adjust the Master Agreement pricing accordingly for purchases made by Purchasing Entities within the jurisdiction of the state. All such agreements shall not affect the NASPO ValuePoint Administrative Fee percentage or the prices paid by the Purchasing Entities outside the jurisdiction of the state requesting the additional fee. The NASPO ValuePoint Administrative Fee in subsection 6a shall be based on the gross amount of all sales (less any charges for taxes or shipping) at the adjusted prices (if any) in Participating Addenda.

#### 7. NASPO ValuePoint Summary and Detailed Usage Reports

In addition to other reports that may be required by this solicitation, the Contractor shall provide the following NASPO ValuePoint reports:

- a. Summary Sales Data. The Contractor shall submit quarterly sales reports directly to NASPO ValuePoint using the NASPO ValuePoint Quarterly Sales/Administrative Fee Reporting Tool found at http://www.naspo.org/WNCPO/Calculator.aspx. Any/all sales made under this Master Agreement shall be reported as cumulative totals by state. Even if Contractor experiences zero sales during a calendar quarter, a report is still required. Reports shall be due no later than thirty (30) days following the end of the calendar quarter (as specified in the reporting tool).
- b. Detailed Sales Data. Contractor shall also report detailed sales data by: (1) state; (2) entity/customer type, e.g. local government, higher education, K12, non-profit; (3) Purchasing Entity name; (4) Purchasing Entity bill-to and ship-to locations; (4) Purchasing Entity and Contractor Purchase Order identifier/number(s); (5) Purchase Order Type (e.g. sales order, credit, return, upgrade, determined by industry practices); (6) Purchase Order date; (7) Ship Date; (8) and line item description, including product number if used. The report shall be submitted in any form required by the solicitation. Reports are due on a quarterly basis and must be received by the Lead State and NASPO ValuePoint Cooperative Development Team no later than thirty (30) days after the end of the reporting period. Reports shall be delivered to the Lead State and to the NASPO ValuePoint Cooperative Development Team electronically through a designated portal, email, CD-ROM, flash drive or other method as determined by the Lead State and NASPO ValuePoint. Detailed sales data reports shall include sales information for all sales under Participating Addenda executed under this Master Agreement. The format for the detailed sales data report is in shown in Exhibit D.
- c. Reportable sales for the summary sales data report and detailed sales data report includes sales to employees for personal use where authorized by the solicitation and the Participating Addendum. Report data for employees should be limited to ONLY the state and entity they are participating under the authority of (state and agency, city, county, school district, etc.) and the amount of sales. No personal identification numbers, e.g. names, addresses, social security numbers or any other numerical identifier, may be submitted with any report.
- d. Contractor shall provide the NASPO ValuePoint Cooperative Development Coordinator with an executive summary each quarter that includes, at a minimum, a list of states with an active Participating Addendum, states that Contractor is in negotiations with and any Participating Addendum roll out or implementation activities and issues. NASPO ValuePoint Cooperative Development Coordinator and Contractor will determine the format and content of the executive summary. The executive summary is due thirty (30) days after the conclusion of each calendar quarter.
- e. Timely submission of these reports is a material requirement of the Master Agreement. The recipient of the reports shall have exclusive ownership of the media containing the reports. The Lead State and NASPO ValuePoint shall have a perpetual, irrevocable, non-exclusive, royalty free, transferable right to display, modify, copy, and otherwise use reports, data and information provided under this section.

## 8. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review

- a. Contractor agrees to work cooperatively with NASPO ValuePoint personnel. Contractor agrees to present plans to NASPO ValuePoint for the education of Contractor's contract administrator(s) and sales/marketing workforce regarding the Master Agreement contract, including the competitive nature of NASPO ValuePoint procurements, the Master agreement and participating addendum process, and the manner in which qualifying entities can participate in the Master Agreement.
- b. Contractor agrees, as Participating Addendums become executed, if requested by ValuePoint personnel to provide plans to launch the program within the participating state. Plans will include time frames to launch the agreement and confirmation that the Contractor's website has been updated to properly reflect the contract offer as available in the participating state.
- c. Contractor agrees, absent anything to the contrary outlined in a Participating Addendum, to consider customer proposed terms and conditions, as deemed important to the customer, for possible inclusion into the customer agreement. Contractor will ensure that their sales force is aware of this contracting option.
- d. Contractor agrees to participate in an annual contract performance review at a location selected by the Lead State and NASPO ValuePoint, which may include a discussion of marketing action plans, target strategies, marketing materials, as well as Contractor reporting and timeliness of payment of administration fees.
- e. Contractor acknowledges that the NASPO ValuePoint logos may not be used by Contractor in sales and marketing until a logo use agreement is executed with NASPO ValuePoint.
- f. The Lead State expects to evaluate the utilization of the Master Agreement at the annual performance review. Lead State may, in its discretion, cancel the Master Agreement pursuant to section 28, or not exercise an option to renew, when Contractor utilization does not warrant further administration of the Master Agreement. The Lead State may exercise its right to not renew the Master Agreement if vendor fails to record or report revenue for three consecutive quarters, upon 60-calendar day written notice to the Contractor. Cancellation based on nonuse or under-utilization will not occur sooner than two years after award (or execution if later) of the Master Agreement. This subsection does not limit the discretionary right of either the Lead State or Contractor to cancel the Master Agreement pursuant to section 28 or to terminate for default pursuant to section 30.
- g. Contractor agrees, within 30 days of their effective date, to notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-part contracts or agreements that may affect the promotion of this Master Agreements or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this master agreement. Upon request of the Lead State or NASPO

ValuePoint, Contractor shall provide a copy of any such provisions.

#### 9. NASPO ValuePoint eMarket Center

- a. In July 2011, NASPO ValuePoint entered into a multi-year agreement with SciQuest, Inc. (doing business as JAGGAER) whereby JAGGAER will provide certain electronic catalog hosting and management services to enable eligible NASPO ValuePoint's customers to access a central online website to view and/or shop the goods and services available from existing NASPO ValuePoint Cooperative Contracts. The central online website is referred to as the NASPO ValuePoint eMarket Center.
- b. The Contractor will have visibility in the eMarket Center through Ordering Instructions. These Ordering Instructions are available at no cost to the Contractor and provide customers information regarding the Contractors website and ordering information. The Contractor is required at a minimum to participate in the eMarket Center through Ordering Instructions.
- c. At a minimum, the Contractor agrees to the following timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin Ordering Instruction process. The Contractor shall have thirty (30) days from receipt of written request to work with NASPO ValuePoint to provide any unique information and ordering instructions that the Contractor would like the customer to have.
- d. If the solicitation requires either a catalog hosted on or integration of a punchout site with eMarket Center, or either solution is proposed by a Contractor and accepted by the Lead State, the provisions of the eMarket Center Appendix to these NASPO ValuePoint Master Agreement Terms and Conditions apply.

#### 10. Right to Publish

Throughout the duration of this Master Agreement, Contractor must secure from the Lead State prior approval for the release of information that pertains to the potential work or activities covered by the Master Agreement. This limitation does not preclude publication about the award of the Master Agreement or marketing activities consistent with any proposed and accepted marketing plan. The Contractor shall not make any representations of NASPO ValuePoint's opinion or position as to the quality or effectiveness of the services that are the subject of this Master Agreement without prior written consent. Failure to adhere to this requirement may result in termination of the Master Agreement for cause.

#### 11. Price and Rate Guarantee Period

All prices and rates must be guaranteed for the initial term of the Master Agreement. Following the initial Master Agreement period, any request for price or rate adjustment must be for an equal guarantee period, and must be made at least (30) days prior to the effective date. Requests for price or rate adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the Master Agreement shall not be effective unless approved by the Lead State. No retroactive adjustments to prices or rates will be allowed.

#### 12. Individual Customers

Except to the extent modified by a Participating Addendum, each Purchasing Entity shall follow the terms and conditions of the Master Agreement and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement, including but not limited to, any indemnity or right to recover any costs as such right is defined in the Master Agreement and applicable Participating Addendum for their purchases. Each Purchasing Entity will be responsible for its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Purchasing Entity individually.

#### Administration of Orders

#### 13. Ordering

- a. Master Agreement order and purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.
- b. Purchasing Entities may define entity or project-specific requirements and informally compete the requirement among companies having a Master Agreement on an "as needed" basis. This procedure may also be used when requirements are aggregated or other firm commitments may be made to achieve reductions in pricing. This procedure may be modified in Participating Addenda and adapted to the Purchasing Entity's rules and policies. The Purchasing Entity may in its sole discretion determine which Master Agreement Contractors should be solicited for a quote. The Purchasing Entity may select the quote that it considers most advantageous, cost and other factors considered.
- c. Each Purchasing Entity will identify and utilize its own appropriate purchasing procedure and documentation. Contractor is expected to become familiar with the Purchasing Entities' rules, policies, and procedures regarding the ordering of supplies and/or services contemplated by this Master Agreement.
- d. Contractor shall not begin work without a valid Purchase Order or other appropriate commitment document under the law of the Purchasing Entity.
- e. Orders may be placed consistent with the terms of this Master Agreement during the term of the Master Agreement.
- f. All Orders pursuant to this Master Agreement, at a minimum, shall include:
  - (1) The Products, Services or Supplies being delivered;
  - (2) The place and requested time of delivery;
  - (3) A billing address;
  - (4) The name, phone number, and address of the Purchasing Entity representative:
  - (5) The price per hour or other pricing elements consistent with this Master Agreement and the contractor's proposal;

- (6) A ceiling amount of the order for services being ordered; and
- (7) The Master Agreement identifier.
- g. All communications concerning administration of Orders placed shall be furnished solely to the authorized purchasing agent within the Purchasing Entity's purchasing office, or to such other individual identified in writing in the Order.
- h. Orders must be placed pursuant to this Master Agreement prior to the termination date thereof, but may have a delivery date or performance period up to 120 days past the then-current termination date of this Master Agreement. Contractor is reminded that financial obligations of Purchasing Entities payable after the current applicable fiscal year are contingent upon agency funds for that purpose being appropriated, budgeted, and otherwise made available.
- i. Notwithstanding the expiration, cancellation or termination of this Master Agreement, Contractor agrees to perform in accordance with the terms of any Orders then outstanding at the time of such expiration or termination. Contractor shall not honor any Orders placed after the expiration, cancellation or termination of this Master Agreement, or otherwise inconsistent with its terms. Orders from any separate indefinite quantity, task orders, or other form of indefinite delivery order arrangement priced against this Master Agreement may not be placed after the expiration or termination of this Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.

#### 14. Shipping and Delivery

- a. The prices are the delivered price to any Purchasing Entity. All deliveries shall be F.O.B. destination, freight pre-paid, with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage shall remain the Contractor's until final inspection and acceptance when responsibility shall pass to the Purchasing Entity except as to latent defects, fraud and Contractor's warranty obligations. The minimum shipment amount, if any, will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an Order to be shipped without transportation charges that is back ordered shall be shipped without charge.
- b. All deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the Order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order. Any damage to the building interior, scratched walls, damage to the freight elevator, etc., will be the responsibility of the Contractor. If damage does occur, it is the responsibility of the Contractor to immediately notify the Purchasing Entity placing the Order.
- c. All products must be delivered in the manufacturer's standard package. Costs shall include all packing and/or crating charges. Cases shall be of durable construction, good condition, properly labeled and suitable in every respect for storage and handling of contents. Each shipping carton shall be marked with the commodity, brand, quantity, item code number and the Purchasing Entity's Purchase Order number.

#### 15. Laws and Regulations

Any and all Products offered and furnished shall comply fully with all applicable Federal and State laws and regulations, including the Federal Terms and Conditions set forth in Exhibit C.

#### 16. Inspection and Acceptance

- a. Where the Master Agreement or an Order does not otherwise specify a process for inspection and Acceptance, this section governs. This section is not intended to limit rights and remedies under the applicable commercial code.
- b. All Products are subject to inspection at reasonable times and places before Acceptance. Contractor shall provide right of access to the Lead State, or to any other authorized agent or official of the Lead State or other Participating or Purchasing Entity, at reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance requirements under this Master Agreement. Products that do not meet specifications may be rejected. Failure to reject upon receipt, however, does not relieve the contractor of liability for material (nonconformity that substantial impairs value) latent or hidden defects subsequently revealed when goods are put to use. Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked.
- c. If any Services do not conform to contract requirements, the Purchasing Entity may require the Contractor to perform the services again in conformity with contract requirements, at no increase in Order amount. When defects cannot be corrected by reperformance, the Purchasing Entity may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and reduce the contract price to reflect the reduced value of services performed.
- d. The warranty period shall begin upon Acceptance.
- e. Acceptance Testing may be explicitly set out in a Master Agreement to ensure conformance to an explicit standard of performance. Acceptance Testing means the process set forth in the Master Agreement for ascertaining that the Product meets the standard of performance prior to Acceptance by the Purchasing Entity. If Acceptance Testing is prescribed, this subsection applies to applicable Products purchased under this Master Agreement, including any additional, replacement, or substitute Product(s) and any Product(s) which are modified by or with the written approval of Contractor after Acceptance by the Purchasing Entity. The Acceptance Testing period shall be thirty (30) calendar days or other time period identified in this Master Agreement or the Participating Addendum, starting from the day after the Product is delivered or, if installed, the day after the Product is installed and Contractor certifies that the Product is ready for Acceptance Testing. If the Product does not meet the standard of performance during the initial period of Acceptance Testing, Purchasing Entity may, at its discretion, continue Acceptance Testing on a day-to-day basis until the standard of performance is met. Upon

rejection, the Contractor will have fifteen (15) calendar days to cure the standard of performance issue(s). If after the cure period, the Product still has not met the standard of performance, the Purchasing Entity may, at its option: (a) declare Contractor to be in breach and terminate the Order; (b) demand replacement Product from Contractor at no additional cost to Purchasing Entity; or, (c) continue the cure period for an additional time period agreed upon by the Purchasing Entity and the Contractor. Contractor shall pay all costs related to the preparation and shipping of Product returned pursuant to the section. No Product shall be deemed Accepted and no charges shall be paid until the standard of performance is met. The warranty period shall begin upon Acceptance.

#### 17. Payment

Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to a maximum rate of one percent per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge.

#### 18. Warranty

Warranty provisions govern where specified elsewhere in the documents that constitute the Master Agreement; otherwise this section governs. The Contractor warrants for a period of one year from the date of Acceptance that: (a) the Product performs according to all specific claims that the Contractor made in its response to the solicitation, (b) the Product is suitable for the ordinary purposes for which such Product is used, (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgment, (d) the Product is designed and manufactured in a commercially reasonable manner, and (e) the Product is free of defects. Upon breach of the warranty, the Contractor will repair or replace (at no charge to the Purchasing Entity) the Product whose nonconformance is discovered and made known to the Contractor. If the repaired and/or replaced Product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

#### 19. Title of Product

Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Product free and clear of all liens, encumbrances, or other security interests. Transfer of title to the Product shall include an irrevocable and perpetual license to use any Embedded Software in the Product. If Purchasing Entity subsequently transfers title of the Product to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Product title. A subsequent transfer of this software license shall be at no additional cost or charge to either Purchasing Entity or Purchasing Entity's transferee.

#### 20. License of Pre-Existing Intellectual Property

Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the Intellectual Property, and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). The Contractor shall be responsible for ensuring that this license is consistent with any third party rights in the Pre-existing Intellectual Property.

#### **General Provisions**

#### 21. Insurance

- a. Unless otherwise agreed in a Participating Addendum, Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state and having a rating of A, Class VII or better, in the most recently published edition of A.M. Best's Insurance Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a Participating Entity's option, result in termination of its Participating Addendum.
- b. Coverage shall be written on an occurrence basis. The minimum acceptable limits shall be as indicated below:
  - (1) Commercial General Liability covering premises operations, independent contractors, products and completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence/\$2 million general aggregate;
  - (2) Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.
- c. Contractor shall pay premiums on all insurance policies. Contractor shall provide notice to a Participating Entity who is a state within five (5) business days after Contractor is first aware of expiration, cancellation or nonrenewal of such policy or is first aware that cancellation is threatened or expiration, nonrenewal or expiration otherwise may occur.
- d. Prior to commencement of performance, Contractor shall provide to the Lead State a written endorsement to the Contractor's general liability insurance policy or other documentary evidence acceptable to the Lead State that (1) names Oregon, and the Participating States identified in the Request for Proposal as additional insureds, (2) provides that written notice of cancellation shall be delivered in accordance with the policy provisions, and (3) provides that the Contractor's liability insurance policy shall be primary, with any liability insurance of any Participating State as secondary and noncontributory. Unless otherwise agreed in any Participating Addendum, other state Participating Entities' rights and Contractor's obligations are the same as those specified

in the first sentence of this subsection except the endorsement is provided to the applicable state.

- e. Contractor shall furnish to the Lead State copies of certificates of all required insurance in a form sufficient to show required coverage within thirty (30) calendar days of the execution of this Master Agreement and prior to performing any work. Copies of renewal certificates of all required insurance shall be furnished within thirty (30) days after any renewal date to the applicable state Participating Entity. Failure to provide evidence of coverage may, at the sole option of the Lead State, or any Participating Entity, result in this Master Agreement's termination or the termination of any Participating Addendum.
- f. Coverage and limits shall not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Purchase Order.

#### 22. Records Administration and Audit

- a. The Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Agreement and Orders placed by Purchasing Entities under it to the extent and in such detail as shall adequately reflect performance and administration of payments and fees. Contractor shall permit the Lead State, a Participating Entity, a Purchasing Entity, the federal government (including its grant awarding entities and the U.S. Comptroller General), and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers and records directly pertinent to this Master Agreement or orders placed by a Purchasing Entity under it for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of five (5) years following termination of this Agreement or final payment for any order placed by a Purchasing Entity against this Agreement, whichever is later, or such longer period as is required by the Purchasing Entity's state statutes, to assure compliance with the terms hereof or to evaluate performance hereunder.
- b. Without limiting any other remedy available to any governmental entity, the Contractor shall reimburse the applicable Lead State, Participating Entity, or Purchasing Entity for any overpayments inconsistent with the terms of the Master Agreement or Orders or underpayment of fees found as a result of the examination of the Contractor's records.
- c. The rights and obligations herein exist in addition to any quality assurance obligation in the Master Agreement requiring the Contractor to self-audit contract obligations and that permits the Lead State to review compliance with those obligations.

#### 23. Confidentiality, Non-Disclosure, and Injunctive Relief

a. Confidentiality. Contractor acknowledges that it and its employees or agents may, in the course of providing a Product under this Master Agreement, be exposed to or acquire information that is confidential to Purchasing Entity or Purchasing Entity's clients. Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Master Agreement, including, but not necessarily limited to (1) any Purchasing Entity's records, (2) personnel records, and (3) information concerning

individuals, is confidential information of Purchasing Entity ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information. Confidential Information does not include information that (1) is or becomes (other than by disclosure by Contractor) publicly known; (2) is furnished by Purchasing Entity to others without restrictions similar to those imposed by this Master Agreement; (3) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement; (4) is obtained from a source other than Purchasing Entity without the obligation of confidentiality, (5) is disclosed with the written consent of Purchasing Entity or; (6) is independently developed by employees, agents or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

 b. Non-Disclosure. Contractor shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance of Orders placed under this Master Agreement. Contractor shall advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise Purchasing Entity, applicable Participating Entity, and the Lead State immediately if Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Master Agreement, and Contractor shall at its expense cooperate with Purchasing Entity in seeking injunctive or other equitable relief in the name of Purchasing Entity or Contractor against any such person. Except as directed by Purchasing Entity, Contractor will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at Purchasing Entity's request, Contractor shall turn over to Purchasing Entity all documents, papers, and other matter in Contractor's possession that embody Confidential Information. Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits and evidence of the performance of this Master Agreement.

c. Injunctive Relief. Contractor acknowledges that breach of this section, including disclosure of any Confidential Information, will cause irreparable injury to Purchasing Entity that is inadequately compensable in damages. Accordingly, Purchasing Entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Purchasing Entity and are reasonable in scope and content.

- d. Purchasing Entity Law. These provisions shall be applicable only to extent they are not in conflict with the applicable public disclosure laws of any Purchasing Entity.
- e. The rights granted Purchasing Entities and Contractor obligations under this section shall also extend to the cooperative's Confidential Information, defined to include Participating Addenda, as well as Orders or transaction data relating to Orders under this Master Agreement that identify the entity/customer, Order dates, line item descriptions and volumes, and prices/rates. This provision does not apply to disclosure to the Lead State, a Participating State, or any governmental entity exercising an audit, inspection, or examination pursuant to section 23. To the extent permitted by law, Contractor shall notify the Lead State of the identify of any entity seeking access to the Confidential Information described in this subsection.

#### 24. Public Information

This Master Agreement and all related documents are subject to disclosure pursuant to the Purchasing Entity's public information laws.

#### 25. Assignment/Subcontracts

- a. Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Master Agreement, in whole or in part, without the prior written approval of the Lead State.
- b. The Lead State reserves the right to assign any rights or duties, including written assignment of contract administration duties to NASPO Cooperative Purchasing Organization LLC, doing business as NASPO ValuePoint and other third parties.

#### 26. Changes in Contractor Representation

The Contractor must notify the Lead State of changes in the Contractor's key administrative personnel managing the Master Agreement in writing within 10 calendar days of the change. The Lead State reserves the right to approve changes in key personnel, as identified in the Contractor's proposal. The Contractor agrees to propose replacement key personnel having substantially equal or better education, training, and experience as was possessed by the key person proposed and evaluated in the Contractor's proposal.

#### 27. Independent Contractor

The Contractor shall be an independent contractor. Contractor shall have no authorization, express or implied, to bind the Lead State, Participating States, other Participating Entities, or Purchasing Entities to any agreements, settlements, liability or understanding whatsoever, and agrees not to hold itself out as agent except as expressly set forth herein or as expressly agreed in any Participating Addendum.

#### 28. Cancellation

Unless otherwise stated, this Master Agreement may be canceled by either party upon 60 days written notice prior to the effective date of the cancellation. Further, any Participating Entity may cancel its participation upon 30 days written notice, unless otherwise limited or stated in the Participating Addendum. Cancellation may be in whole

or in part. Any cancellation under this provision shall not affect the rights and obligations attending orders outstanding at the time of cancellation, including any right of a Purchasing Entity to indemnification by the Contractor, rights of payment for Products delivered and accepted, rights attending any warranty or default in performance in association with any Order, and requirements for records administration and audit. Cancellation of the Master Agreement due to Contractor default may be immediate.

#### 29. Force Majeure

Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, unusually severe weather, other acts of God, or war which are beyond that party's reasonable control. The Lead State may terminate this Master Agreement after determining such delay or default will reasonably prevent successful performance of the Master Agreement.

#### 30, Defaults and Remedies

- a. The occurrence of any of the following events shall be an event of default under this Master Agreement:
  - (1) Nonperformance of contractual requirements; or
  - (2) A material breach of any term or condition of this Master Agreement; or
  - (3) Any certification, representation or warranty by Contractor in response to the solicitation or in this Master Agreement that proves to be untrue or materially misleading; or
  - (4) Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
  - (5) Any default specified in another section of this Master Agreement.
- b. Upon the occurrence of an event of default, the Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of 15 calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure shall not diminish or eliminate Contractor's liability for damages, including liquidated damages to the extent provided for under this Master Agreement.
- c. If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Master Agreement and the Lead State shall have the right to exercise any or all of the following remedies:
  - (1) Exercise any remedy provided by law; and
  - (2) Terminate this Master Agreement and any related Contracts or portions thereof; and

- (3) Impose liquidated damages as provided in this Master Agreement; and
- (4) Suspend Contractor from being able to respond to future bid solicitations; and
- (5) Suspend Contractor's performance; and
- (6) Withhold payment until the default is remedied.
- d. Unless otherwise specified in the Participating Addendum, in the event of a default under a Participating Addendum, a Participating Entity shall provide a written notice of default as described in this section and shall have all of the rights and remedies under this paragraph regarding its participation in the Master Agreement, in addition to those set forth in its Participating Addendum. Unless otherwise specified in a Purchase Order, a Purchasing Entity shall provide written notice of default as described in this section and have all of the rights and remedies under this paragraph and any applicable Participating Addendum with respect to an Order placed by the Purchasing Entity. Nothing in these Master Agreement Terms and Conditions shall be construed to limit the rights and remedies available to a Purchasing Entity under the applicable commercial code.

#### 31. Waiver of Breach

Failure of the Lead State, Participating Entity, or Purchasing Entity to declare a default or enforce any rights and remedies shall not operate as a waiver under this Master Agreement or Participating Addendum. Any waiver by the Lead State, Participating Entity, or Purchasing Entity must be in writing. Waiver by the Lead State or Participating Entity of any default, right or remedy under this Master Agreement or Participating Addendum, or by Purchasing Entity with respect to any Purchase Order, or breach of any terms or requirements of this Master Agreement, a Participating Addendum, or Purchase Order shall not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement, Participating Addendum, or Purchase Order.

#### 32. Debarment

The Contractor certifies 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. This certification represents a recurring certification made at the time any Order is placed under this Master Agreement. If the Contractor cannot certify this statement, attach a written explanation for review by the Lead State.

#### 33. Indemnification

a. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, and Purchasing Entities, along with their officers and employees, from and against third-party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to tangible property arising from act(s), error(s), or omission(s) of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to the performance under the Master Agreement.

b. Indemnification – Intellectual Property. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, Purchasing Entities, along with their officers and employees ("Indemnified Party"), from and against claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of the claim that the Product or its use, infringes Intellectual Property rights ("Intellectual Property Claim") of another person or entity.

- (1) The Contractor's obligations under this section shall not extend to any combination of the Product with any other product, system or method, unless the Product, system or method is:
  - (a) provided by the Contractor or the Contractor's subsidiaries or affiliates;
  - (b) specified by the Contractor to work with the Product; or
  - (c) reasonably required, in order to use the Product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available product, system or method capable of performing the same function; or
  - (d) It would be reasonably expected to use the Product in combination with such product, system or method.
- (2) The Indemnified Party shall notify the Contractor within a reasonable time after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party fails to provide reasonable notice, the Contractor shall not be relieved from its obligations unless the Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to the Contractor. If the Contractor promptly and reasonably investigates and defends any Intellectual Property Claim, it shall have control over the defense and settlement of it. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible. The Indemnified Party shall furnish, at the Contractor's reasonable request and expense, information and assistance necessary for such defense. If the Contractor fails to vigorously pursue the defense or settlement of the Intellectual Property Claim, the Indemnified Party may assume the defense or settlement of it and the Contractor shall be liable for all costs and expenses, including reasonable attorneys' fees and related costs, incurred by the Indemnified Party in the pursuit of the Intellectual Property Claim. Unless otherwise agreed in writing, this section is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.

#### 34. No Waiver of Sovereign Immunity

In no event shall this Master Agreement, any Participating Addendum or any contract or any Purchase Order issued thereunder, or any act of the Lead State, a Participating Entity, or a Purchasing Entity be a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh

Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

This section applies to a claim brought against the Participating Entities who are states only to the extent Congress has appropriately abrogated the state's sovereign immunity and is not consent by the state to be sued in federal court. This section is also not a waiver by the state of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

#### 35. Governing Law and Venue

- a. The procurement, evaluation, and award of the Master Agreement shall be governed by and construed in accordance with the laws of the Lead State sponsoring and administering the procurement. The construction and effect of the Master Agreement after award shall be governed by the law of the state serving as Lead State. The construction and effect of any Participating Addendum or Order against the Master Agreement shall be governed by and construed in accordance with the laws of the Participating Entity's or Purchasing Entity's State.
- b. Unless otherwise specified in the RFP, the venue for any protest, claim, dispute or action relating to the procurement, evaluation, and award is in the Lead State. Venue for any claim, dispute or action concerning the terms of the Master Agreement shall be in the state serving as Lead State. Venue for any claim, dispute, or action concerning any Order placed against the Master Agreement or the effect of a Participating Addendum shall be in the Purchasing Entity's State.
- c. If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): the Lead State for claims relating to the procurement, evaluation, award, or contract performance or administration if the Lead State is a party; a Participating State if a named party; the state where the Participating Entity or Purchasing Entity is located if either is a named party.

#### 36. Assignment of Antitrust Rights

Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or a Participating Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided in that state for the purpose of carrying out the Contractor's obligations under this Master Agreement or Participating Addendum, including, at the Participating Entity's option, the right to control any such litigation on such claim for relief or cause of action.

#### 37. Contract Provisions for Orders Utilizing Federal Funds

Pursuant to Appendix II to 2 Code of Federal Regulations (CFR) Part 200, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Orders funded with federal funds may have additional contractual requirements or certifications that must be

satisfied at the time the Order is placed or upon delivery. These federal requirements may be proposed by Participating Entities in Participating Addenda and Purchasing Entities for incorporation in Orders placed under this Master Agreement.

#### 38. Leasing or Alternative Financing Methods

Authorized Signatures:

The procurement and other applicable laws of some Purchasing Entities may permit the use of leasing or alternative financing methods for the acquisition of Products under this Master Agreement. Where the terms and conditions are not otherwise prescribed in an applicable Participating Addendum, the terms and conditions for leasing or alternative financing methods are subject to negotiation between the Contractor and Purchasing Entity.

Contractor:								
Ву:								
Title:	Date:							
The State of Oregon acting by and through Administrative Services, Enterprise Goods Procurement Services								
Ву:								
Title:	Date:							
Approved pursuant to ORS 291.047	,							
Oregon Department of Justice								
By: Sr. Assistant Attorney General								
Date:								

#### eMarket Center Appendix

- a. This Appendix applies whenever a catalog hosted by or integration of a punchout site with eMarket Center is required by the solicitation or either solution is proposed by a Contractor and accepted by the Lead State.
- b. Supplier's Interface with the eMarket Center. There is no cost charged by JAGGAER to the Contractor for loading a hosted catalog or integrating a punchout site.
- c. At a minimum, the Contractor agrees to the following:
- (1) Implementation Timeline: NASPO ValuePoint eMarket Center Site Admin shall provide a written request to the Contractor to begin enablement process. The Contractor shall have fifteen (15) days from receipt of written request to work with NASPO ValuePoint and JAGGAER to set up an enablement schedule, at which time JAGGAER's technical documentation shall be provided to the Contractor. The schedule will include future calls and milestone dates related to test and go live dates. The contractor shall have a total of Ninety (90) days to deliver either a (1) hosted catalog or (2) punch-out catalog, from date of receipt of written request.
- (2) NASPO ValuePoint and JAGGAER will work with the Contractor, to decide which of the catalog structures (either hosted or punch-out as further described below) shall be provided by the Contractor. Whether hosted or punch-out, the catalog must be strictly limited to the Contractor's awarded contract offering (e.g. products and/or services not authorized through the resulting cooperative contract should not be viewable by NASPO ValuePoint Participating Entity users).
  - (a) Hosted Catalog. By providing a hosted catalog, the Contractor is providing a list of its awarded products/services and pricing in an electronic data file in a format acceptable to JAGGAER, such as Tab Delimited Text files. In this scenario, the Contractor must submit updated electronic data [Insert Time Frame Here] to the eMarket Center for the Lead State's approval to maintain the most upto-date version of its product/service offering under the cooperative contract in the eMarket Center.
  - (b) Punch-Out Catalog. By providing a punch-out catalog, the Contractor is providing its own online catalog, which must be capable of being integrated with the eMarket Center as a. Standard punch-in via Commerce eXtensible Markup Language (cXML). In this scenario, the Contractor shall validate that its online catalog is up-to-date by providing a written update every six months to the Lead State stating they have audited the offered products/services and pricing listed on its online catalog. The site must also return detailed UNSPSC codes (as outlined in line 3) for each line item. Contractor also agrees to provide e-Quote functionality to facilitate volume discounts.
- d. Revising Pricing and Product Offerings: Any revisions to product/service offerings (new products, altered SKUs, new pricing etc.) must be pre-approved by the Lead State and shall be subject to any other applicable restrictions with respect to the frequency or

amount of such revisions. However, no cooperative contract enabled in the eMarket Center may include price changes on a more frequent basis than once per quarter. The following conditions apply with respect to hosted catalogs:

- (1) Updated pricing files are required by the 1st of the month and shall go into effect in the eMarket Center on the 1st day of the following month (i.e. file received on 1/01/13 would be effective in the eMarket Center on 2/01/13). Files received after the 1st of the month may be delayed up to a month (i.e. file received on 11/06/09 would be effect in the eMarket Center on 1/01/10).
- (2) Lead State-approved price changes are not effective until implemented within the eMarket Center. Errors in the Contractor's submitted pricing files will delay the implementation of the price changes in eMarket Center.
- e. Supplier Network Requirements: Contractor shall join the JAGGAER Supplier Network (SQSN) and shall use JAGGAER's Supplier Portal to import the Contractor's catalog and pricing, into the JAGGAER system, and view reports on catalog spend and product/pricing freshness. The Contractor can receive orders through electronic delivery (cXML) or through low-tech options such as fax. More information about the SQSN can be found at: www.sciquest.com or call the JAGGAER Supplier Network Services team at 800-233-1121.
- f. Minimum Requirements: Whether the Contractor is providing a hosted catalog or a punch-out catalog, the Contractor agrees to meet the following requirements:
- (1) Catalog must contain the most current pricing, including all applicable administrative fees and/or discounts, as well as the most up-to-date product/service offering the Contractor is authorized to provide in accordance with the cooperative contract; and
- (2) The accuracy of the catalog must be maintained by Contractor throughout the duration of the cooperative contract; and
  - (3) The Catalog must include a Lead State contract identification number: and
  - (4) The Catalog must include detailed product line item descriptions; and
  - (5) The Catalog must include pictures when possible; and
- (6) The Catalog must include any additional NASPO ValuePoint and Participating Addendum requirements. Although suppliers in the SQSN normally submit one (1) catalog, it is possible to have multiple contracts applicable to different NASPO ValuePoint Participating Entities. For example, a supplier may have different pricing for state government agencies and Board of Regents institutions. Suppliers have the ability and responsibility to submit separate contract pricing for the same catalog if applicable. The system will deliver the appropriate contract pricing to the user viewing the catalog.

- g. Order Acceptance Requirements: Contractor must be able to accept Purchase Orders via fax or cXML. The Contractor shall provide positive confirmation via phone or email within 24 hours of the Contractor's receipt of the Purchase Order. If the Purchasing Order is received after 3pm EST on the day before a weekend or holiday, the Contractor must provide positive confirmation via phone or email on the next business day.
- h. UNSPSC Requirements: Contractor shall support use of the United Nations Standard Product and Services Code (UNSPSC). UNSPSC versions that must be adhered to are driven by JAGGAER for the suppliers and are upgraded every year. NASPO ValuePoint reserves the right to migrate to future versions of the UNSPSC and the Contractor shall be required to support the migration effort. All line items, goods or services provided under the resulting statewide contract must be associated to a UNSPSC code. All line items must be identified at the most detailed UNSPSC level indicated by segment, family, class and commodity.
- i. Applicability: Contractor agrees that NASPO ValuePoint controls which contracts appear in the eMarket Center and that NASPO ValuePoint may elect at any time to remove any supplier's offering from the eMarket Center.
- j. The Lead State reserves the right to approve the pricing on the eMarket Center. This catalog review right is solely for the benefit of the Lead State and Participating Entities, and the review and approval shall not waive the requirement that products and services be offered at prices (and approved fees) required by the Master Agreement.
- k. Several NASPO ValuePoint Participating Entities currently maintain separate JAGGAER eMarketplaces, these Participating Entities do enable certain NASPO ValuePoint Cooperative Contracts. In the event one of these entities elects to use this NASPO ValuePoint Cooperative Contract (available through the eMarket Center) but publish to their own eMarketplace, the Contractor agrees to work in good faith with the entity and NASPO ValuePoint to implement the catalog. NASPO ValuePoint does not anticipate that this will require substantial additional efforts by the Contractor; however, the supplier agrees to take commercially reasonable efforts to enable such separate JAGGAER catalogs.

(August 2017)

#### **Exhibit A to NASPO ValuePoint Master Agreement**

#### SAMPLE PARTICIPATING ADDENDUM

MASTER AGREEMENT # _____
Exhibit ___
FORM PARTICIPATING ADDENDUM

NASPO ValuePoint
PARTICIPATING ADDENDUM

Maintenance and Facilities Repair & Operations (MRO) and Industrial Supplies Lead by the State of Oregon



Master Agreement #:	
Contractor:	(Contractor)
Participating Entity:	State of XXXXX

The following Goods or services are included in this Addendum:

 <u>Removable Example</u>: All Goods and accessories listed on the Contractor page of the NASPO ValuePoint website.

The following Goods or services are not included in this Addendum:

- Removable Example: Product modifications.
- Removable Example: Installation services.

#### Master Agreement Terms and Conditions:

 Scope: This addendum covers the Maintenance and Facilities Repair & Operations and Industrial Supplies led by the State of Oregon for use by state agencies and other entities located in the Participating State [or State Entity] authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.

[Removable Instruction: Participating States should ensure that paragraph 2 properly defines the scope of participation. The model language in paragraph enables participation by all political subdivisions, institutions of higher education, and other entities included in the state's statewide contract program.]

 Participation: This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of [xxxxxxx]. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3.	Primary Contacts: The primary contact individuals for this Participating Addendum a	re
	as follows (or their named successors):	

<u>Contractor</u>	
Name:	
Address:	
Telephone:	
Fax:	
Email:	
Participating Entity	
Name:	
Address:	
Telephone:	
Fax:	
Email:	

4. Participating Entity Modifications Or Additions To The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

] No	changes	to t	he terms	and	conditions	of the	Master	Agreement	are required.	

[__] The following changes are modifying or supplementing the Master Agreement terms and conditions.

[Removable Instruction: Insert text here to address specific changes to the terms and conditions. Indicate which section numbers of the Master Agreement are modified. If no changes are required, check the box above and delete this paragraph.]

- 5. <u>Lease Agreements</u>: [If applicable, insert a statement about whether or not equipment lease agreement terms and conditions included in the Master Agreement have been approved for use by the Participating State and any restrictions or requirements for the use of the lease agreement language in the Master Agreement. If not applicable, mark Section 4 as "Reserved".]
- 6. <u>Subcontractors</u>: All contactors, dealers, and resellers authorized in the State of [xxxxxx], as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.

7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity:	Contractor:
Signature:	Signature;
Name:	Name:
Title:	Title:
Date:	Date:

[Additional signatures may be added if required by the Participating Entity]
For questions on executing a participating addendum, please contact:

#### NASPO ValuePoint

Cooperative Development Coordinator:	Shannon Berry
Telephone:	775-720-3404
Email:	sberrry@naspovaluepoint.org

[Please email fully executed PDF copy of this document to

<u>PA@naspovaluepoint.org</u>

to support documentation of participation and posting in appropriate data bases.]

# Exhibit B to NASPO ValuePoint Master Agreement Description of Products and Services

### Exhibit C to NASPO ValuePoint Master Agreement PROVISIONS REQUIRED BY FEDERAL LAW

Without limiting the generality of Section 15 of the Master Agreement, if applicable, Contractor shall comply and, as indicated, cause all subcontractors to comply with the following federal requirements. For purposes of this Master Agreement, all references to federal laws are references to federal laws as they may be amended from time to time.

- 1. Equal Employment Opportunity. If this Master Agreement, including amendments, is for more than \$10,000, then Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- 2. Clean Air, Clean Water, EPA Regulations. If this Master Agreement, including amendments, exceeds \$100,000 then Contractor shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)), the Federal Water Pollution Control Act as amended (commonly known as the Clean Water Act) (33 U.S.C. 1251 to 1387), specifically including, but not limited to Section 508 (33 U.S.C. 1368). Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15), which prohibit the use under nonexempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to the Participating Entity or Purchasing Entity, HHS and the appropriate Regional Office of the Environmental Protection Agency. Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving more than \$100,000 in Federal Funds, language requiring the subcontractor to comply with the federal laws identified in this section.
- 3. Energy Efficiency. Contractor shall comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163).
- 4. Truth In Lobbying. The Contractor certifies, to the best of the Contractor's knowledge and belief that:
  - 4.1. No federal appropriated funds have been paid or will be paid, by or on behalf of Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
  - 4.2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or

cooperative agreement, the Contractor shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

4.3. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this Master Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Master Agreement imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 5. HIPAA Compliance. If the work performed under this Master Agreement are covered by the Health Insurance Portability and Accountability Act or the federal regulations implementing the Act (collectively referred to as HIPAA), Contractor agrees to perform the work in compliance with HIPAA. Without limiting the generality of the foregoing, work performed under this Master Agreement is covered by HIPAA. Contractor shall comply and cause all subcontractors to comply with the following:
  - 5.1. Privacy and Security Of Individually Identifiable Health Information. Individually Identifiable Health Information about specific individuals is confidential. Individually Identifiable Health Information relating to specific individuals may be exchanged between Contractor and Participating Entity or Purchasing Entity for purposes directly related to the provision of services to clients which are funded in whole or in part under this Master Agreement. However, Contractor shall not use or disclose any Individually Identifiable Health Information about specific individuals in a manner that would violate the Participating Entity or Purchasing Entity Privacy Rules, OAR 407-014-0000 et. seq., or the Participating Entity or Purchasing Entity Notice of Privacy Practices, if done by Participating Entity or Purchasing Entity. A copy of the most recent Participating Entity or Purchasing Entity Notice of Privacy may be obtained from Participating Entity or Purchasing Entity
  - 5.2. Data Transactions Systems. If Contractor intends to exchange electronic data transactions with Participating Entity or Purchasing Entity in connection with claims or encounter data, eligibility or enrollment information, authorizations or other electronic transaction, Contractor shall execute an EDI Trading Partner Agreement with Participating Entity or Purchasing Entity and shall comply with the Participating Entity or Purchasing Entity EDI Rules.
  - 5.3. Consultation and Testing. If Contractor reasonably believes that the Contractor's or the Participating Entity's or Purchasing Entity's data transactions system or other application of HIPAA privacy or security compliance policy may result in a violation of HIPAA requirements, Contractor shall promptly consult the Participating Entity's or Purchasing Entity's HIPAA officer. Contractor or Participating Entity or Purchasing

Entity may initiate a request for testing of HIPAA transaction requirements, subject to available resources and the Participating Entity's or Purchasing Entity's testing schedule.

- 5.4. If Contractor is deemed to be a business associate of Participating Entity or Purchasing Entity under HIPAA's Privacy Rule, 45 CFR Parts 160 and 164, Contractor hereby provides Participating Entity or Purchasing Entity with satisfactory assurances that if it receives from Participating Entity or Purchasing Entity or any trading partner any protected health information of any individual, it shall maintain the security and confidentiality of such information as required by the HIPAA's Privacy Rule, and other applicable laws and regulations. Without limiting the foregoing, Contractor agrees that:
  - 5.4.1. Contractor will not use or further disclose Protected Health Information otherwise than as permitted or required by this Master Agreement or as required by law;
  - 5.4.2. Contractor will use appropriate safeguards to prevent use or disclosure of PHI otherwise than as provided for by this Master Agreement;
  - 5.4.3. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of the requirements of the Master Agreement;
  - 5.4.4. Contractor will report to Participating Entity or Purchasing Entity any use or disclosure of PHI not provided for by this Master Agreement of which Contractor becomes aware:
  - 5.4.5 Contractor agrees to ensure that any agents, including subcontractors, to whom it provides PHI, agree to the same restrictions and conditions that apply to Contractor with respect to such information;
  - 5.4.6. Contractor shall make available to Participating Entity or Purchasing Entity such information as they may require to fulfill their obligations to account for disclosures of such information:
  - 5.4.7. Contractor shall make its internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from the Participating Entity or Purchasing Entity or trading partner (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partner) available to Participating Entity or Purchasing Entity and to the Secretary of the United States Department of Health and Human Services, for purposes of determining Participating Entity's or Purchasing Entity's or trading partners' compliance with HIPAA; and
  - 5.4.8. If feasible, upon termination of this Master Agreement, Contractor shall return or destroy all PHI received from Participating Entity or Purchasing Entity or trading partners (or created or received by Contractor on behalf of Participating Entity or Purchasing Entity or trading partners) that Contractor still maintains in any form, and shall retain no copies of such information or, if return or destruction is not feasible, Contractor shall continue to extend the protections of this Master Agreement to such information, and limit further use of the information to those purposes that make the return or destruction of the information infeasible.

Subject to the foregoing restrictions, Participating Entity or Purchasing Entity agrees that

Contractor may use such PHI in the process of providing transaction mapping, trading partner profiling and training and mentoring services for Participating Entity or Purchasing Entity and trading partners under this Master Agreement.

- 6. Resource Conservation and Recovery. Contractor shall comply and cause all subcontractors to comply with all mandatory standards and policies that relate to resource conservation and recovery pursuant to the Resource Conservation and Recovery Act (codified at 42 USC 6901 et. seq.). Section 6002 of that Act (codified at 42 USC 6962) requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency. Current guidelines are set forth in 40 CFR Parts 247-253.
- 7. Substance Abuse Prevention and Treatment. Contractor shall comply with federal rules and statutes pertaining to the Substance Abuse, Prevention, and Treatment Block Grant, including the reporting provisions of the Public Health Services Act (42 USC 300x through 300x-64).
- 8. Audits. Contractor shall comply and, if applicable, cause a subcontractor to comply, with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."
- 9. Debarment and Suspension. Contractor shall not permit any person or entity to be a subcontractor if the person or entity is listed on the non-procurement portion of the General Service Administration's "List of Parties Excluded from Federal Procurement or Nonprocurement Programs" in accordance with Executive Orders No. 12,549 and No. 12,689, "Debarment and Suspension". (See 45 CFR part 76). This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory authority other than Executive Order No. 12549. Subcontractors with awards that exceed the simplified acquisition threshold shall provide the required certification regarding their exclusion status and that of their principals prior to award.
- 10. Medicaid Compliance. To the extent Contractor performs any work whose costs are paid in whole or in part by Medicaid, Contractor shall comply with and cause its subcontractors to comply with the federal and State Medicaid statutes and regulations applicable to the work, including but not limited to:
  - 10.1.Keeping such records as may be necessary to disclose the extent of services furnished to clients and, upon request, furnish such records or other information to Participating Entity or Purchasing Entity, the Secretary of Health and Human Services, and as otherwise directed by Participating Entity or Purchasing Entity;
  - 10.2.Complying with all applicable disclosure requirements set forth in 42 CFR Part 455, Subpart B;
  - 10.3.Complying with any applicable advance directive requirements specified in 42 CFR section 431.107(b)(4); and

10.4.Complying with the certification requirements of 42 CFR sections 455.18 and 455.19.

Contractor shall include and cause all subcontractors to include in all contracts with subcontractors receiving Medicaid, language requiring the subcontractor to comply with the record keeping and reporting requirements set forth in this section and with the federal laws identified in this section.

- 11. Americans with Disabilities Act. Contractor shall comply and cause all subcontractors to comply with Title II of the Americans with Disabilities Act of 1990 (codified at 42 USC 12131 et. seq.) in the construction, remodeling, maintenance and operation of any structures and facilities, and in the conduct of all programs, services and training associated with the performance of work.
- 12. Pro-Children Act. Contractor shall comply and cause all subcontractors to comply with the Pro-Children Act of 1995 (codified at 20 USC section 6081 et. seq.).
- 13. Federal Tax Information. Contractor shall comply with the provisions of Section 6103(b) of the Internal Revenue Code, the requirements of IRS Publication 1075, and the Privacy Act of 1974, 5 U.S.C. §552a et. seg. related to federal tax information.
- 14. Educational Records. Contractor shall comply with the provisions of the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99).

### EXHIBIT D to NASPO VALUEPOINT MASTER AGREEMENT NASPO ValuePoint DETAILED SALES DATA REPORT FORM

Field Name	Field Description							
VENDOR	The awarded Contractor's name							
VENDOR CONTRACT NUMBER	Lead State assigned contract number (using Lead State's numbering protocol)							
STATE	State postal abbreviation code (Alaska = AK, Missouri = MO, etc.)							
CUSTOMER TYPE (SEGMENT)	State Gov't, Education-K12, Education-HED, Local Gov't, Medical, Other - are acceptable segments. [determined by industrial practice for each contract - uniform for each contract]							
BILL TO NAME	Customer (agency) Bill to name							
BILL TO ADDRESS	Customer (agency) Bill to address							
BILL TO CITY	Customer (agency) Bill to city							
BILL TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]							
SHIP TO NAME	Customer (agency) Ship to name							
SHIP TO ADDRESS	Customer (agency) Ship to address							
SHIP TO CITY	Customer (agency) Ship to city							
SHIP TO ZIPCODE	Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]							
ORDER NUMBER	Vendor assigned order number							
CUSTOMER PO NUMBER	Customer provided Purchase Order Number							
CUSTOMER NUMBER	Vendor assigned account number for the purchasing entity							
ORDER TYPE	Sales order, Credit/Return, Upgrade/Downgrade, etc. [determined by industrial practice for each contract - uniform for each contract]							
PO DATE (ORDER DATE)	(mm/dd/ccyy)							
SHIP DATE	(mm/dd/ccyy)							
INVOICE DATE	(mm/dd/ccyy)							
INVOICE NUMBER	Vendor assigned invoice Number							
PRODUCT NUMBER	Product number of purchased product							
PRODUCT DESCRIPTION	Product description of purchased product							
UNSPSC	Commodity-level code based on UNSPSC code rules (8 Digits)							
LIST PRICE/MSRP/CATALOG PRICE	Ust Price - US Currency (\$99999.999) [determined by industrial practice for each contract - uniform for each contract]							
NASPO ValuePoint PRICE	NASPO ValuePoint Price- US Currency (\$99999.999)							
QUANTITY	Quantity Invoiced (99999,999)							
TOTAL PRICE	Extended Price (unit price multiplied by the quantity invoiced) - US Currency (\$9999999999999)							
Discount Percentage	Percent off of List Price- example=20%							
NASPO ValuePoint ADMIN FEE	Administrative Fee based on Total Price - US Currency (\$999999.999)							
VAR/Reseller/Distributor	If a VAR/Reseller/Distributor, name of VAR/Reseller/Distributor and state where located							
Optional	More information							

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### Attachment C HISTORICAL SALES

Fee's deposited for WSC/	GED (M2 butus	way Taala I labelon		chiment C - Historic	al Seles Report				1
Quarter	Codale	Consenitivit	Pastona)	Onlinger	industrial Sply	MSC	No.Goust	Gross Bales Total	Admin fee Yotale
Q. 2- Apr-Jul 2011 Apr-Jul 2011 A. Fee	\$304,122.11 \$1,620.61	80.00 80.08	\$1,857,983,33 \$9,289,92	\$35,917,005.08 \$179,586,03	\$272,622.68 \$1,963.11	\$689,092,00 \$3,300,48	\$145,0\$3.56 \$926.42	\$25,196,969,32	\$195,944.85
2. 3 Jul - Sep 2011 Jul - Sep 2011 A. Fee	\$347,484.00 \$1,739.27	\$178,619.28 \$892.60	\$3,780,118,66 \$18,760,59	859,618,683.26 8349,078,42	\$118,908,80 \$564,54	\$1,742,823.16 \$9,713.12	\$276,644.01 \$1,378.22	\$78,230,351,06	\$381,144.76
O. 4 Oct-Dec 2011 Oct-Dec 2011 A. Fex Total calendar sales yes	\$387,065.05 \$1,786.33	\$265,446,00 \$1,277,25	\$5,879,818.17 \$29,389.08	\$74,850,856.83 \$374,753.48	\$147,250.23 \$738.25	\$2,528,488.91 \$12,642.44	\$236,429.94 \$1,182.18	884,984,182,44 8189,782,463,88	\$424,778.86
Yotal admin fees year on Guarter		1	Fastenal			MBC			\$993,607.37
Calendar Year 2012		Consera/Aut		Gminger	Industrial Sply			Gross Bales Total	Admin fon Yotals
C. f Jan-Mai 2012 Jan-Mar 2012 A, Fee	\$512,801.61 \$2,564.01	\$409,687.00 \$2,047,83	\$7,948,306.07 \$37,741.63	\$5,080,819,080,38 \$434,690.40	\$194,495.46 \$872.48	\$3,387,089.81 \$16,935.46	\$240,969.64 \$1,205.60	\$99,211,240,74	\$480,0MI.74
Q. 2- Apr-Ain 2012 Apr-Jun 2012 A. Fee	\$486,832.63 \$2,334.17	\$416,417.03 \$2,082.00	649,356.35	\$103,016,439,88 \$515,062.20	\$169,721,20 \$798.61	\$17,512.44	\$169,818,18 9799.09	\$117, <b>8</b> 93,334, <b>4</b> 5	8657,964,63
Q. 3-Jul Sep 2012 Jul - Sep 2012 A. Fee	\$331,990,94 81,859.88	\$218,788.69 \$1,078.04	\$11,263,194.78 \$55,265.87	6115,900,429,99 6529,442.15	\$121,565.80 \$607.82	\$5,066,780.22 \$26,333,78	\$178,884.61 \$684.42	\$187,874,8 <b>6</b> 2,74	<b>8418,873.</b> 01
Q. 4 Dot-Dec 2012 Oct-Dec 2012 A Fee	\$352,029,65 \$1,850.16	\$257,809,83 \$1,189.05	\$9,918,848,70 \$49,594,24	\$69,709,095,74 \$448,615,18	\$193,340.00 \$988,70	\$4,597,622.24 \$21,987,61	\$154,772,20 \$773.86	\$104,637,266,53	\$324,684.79
Total colonder sales year Total admin fees year her								\$484,718,884,87	\$2,223, <b>98</b> 2,49
Quarter	Codela	Conservieu	Festenal	Grainger	Industrial Sply	MSC	No.Gossi	Gross Bales Total	Admin fee Totals
Galendar Year 2013 G. 1 Jan-Mar 2013 Jan-Mar 2013 A. Fan	\$274,889.41 \$1,374.98	\$326,985,06 \$1,634.93	\$11,257,458.29 \$66,287.29	\$96,726,262.21 \$478,631.46	\$124,098.72 \$520.48	84,649,939,77 822,749,70	888,986,23 \$434,95	\$112,346,747,68	4661,722.7 <b>8</b>
Q. 2- Apr-Jun 2013 Apr-Jun 2013 A. Fee	\$275,821.26 \$1,379.16	\$596,890.17 \$2,963,46	\$12,929,085.30 \$64,645.33	\$116,766,093,64 \$383,830,47	\$178,898.10 \$854.10	\$6,807,264.96 \$34,096,27	\$1 18,931.87 \$594.86	\$137,672,704. <del>09</del>	\$400,582.50
Q. 3- Jul Bep 2013 Jul - Sep 2013 A. Fee	\$267,506.19 \$1,787,69	\$366,637.25 \$1,925,19	\$13,814,740.84 \$89,872.70	\$118,460,828,22 \$692,304,14	78.621,121.87 78.6302	\$7,240,029.37 \$1,048,868	\$180,432.66 \$902.16	8188,601,808,10	\$632,006.64
O. 6 Oct-Dec 2013 Oct-Dec 2013 A Fee	\$291,135.52 \$1,436.68	\$489,041,74 \$2,446,21	\$14,393,061.83 \$71,625.31	\$102,669,695,90 8512,647,98	\$152,751.53 \$783.81	\$5,739,484.17 \$28,697,42	8122,301.70 8911.81	\$123,699,342,38	\$6,644,92
Total calendar came year Total edge fees year the								\$812,210,143.17	\$ C.018,1 M, S.\$
Quarter	Codale	Conservivati	Fastonal	<b>Oraloger</b>	Industrial Sply	MSC	No.Coast	Gross SpiesTotal	Admo fee Yolals
Calender Year 2014 Cr. 1 Jan-Mar 2014 Jan-Mar 2014 A. Fee	8339,848.76 \$1,699.24	\$362,049.46 \$1,780.25	\$18,672,684.63 \$77,862.92	\$102,609,596,90 \$512,547.86	\$120,063.80 \$600.32	88,812,137.48 \$34,050.89	84.295,691 84.288	\$124,808,876.84	48.440,664
Q, 2- Apr-Am 2014 Apr-Am 2014 A. Fee	\$277,074.37 \$1,386,37	\$377,398.05 \$1,898.89	\$16,695,313.01 \$93,476.57	\$118,645,113.02 \$582,726.57	\$216,307.80 \$1,081.84	\$7,956,690.93 \$39,783.46	\$73,635.29 \$367.68	8142,741,432.32	\$710, <del>70</del> 7.17
O. 3-Jul Sep 2014 Jul - Sep 2014 A. Fee	\$357,605,25 \$1,766,03	\$424,776.3\$ \$2,129,\$6	\$17,891,485.80 \$89,867,31	\$112,530,808,05 \$62,054,04	\$117,416.95 4587.08	88,846,428.26 \$44,732.14	\$121,711.22 \$608.56	8140,490,210,73	8702,481.04
0, 4 Oct-Dec 2014 Oct-Dec 2014 A. Fee	\$385,847.81 \$1,829.24	\$460,048.36 \$2,300.23	\$18,421,281,10 \$82,106,26	\$98,453,890.21 \$492,269.46	\$118,854.53 \$694.27	\$7,614,027.82 \$37,670.14	\$96,507.00 \$461,54	\$123,480,224.86	\$617,281.13
Total calendar sales year Total admir fees year fou								8631,890,743.74	\$2,6 PD,4\$3.72
Quarter	Codele	ConsernWett	Fastenal	<b>Omingar</b>	industrial Sply	MBC	Na.Gonet	Gross Males Yotal	Admes fee Totals
Calendar Yeer 2018 Q. 1 Jan-Alfr 2016 Jan-Mar 2018 A. Fee	8208,657,22 81,543,29	\$327,409.83 \$1,837.05	\$17,244,622.48 \$86,223.11	\$101,024,301.18 \$305,121.51	\$97,279.46 \$484.40	\$8,649,649.61 \$42,747.74	\$112,638.17 \$564,68	\$127,664,784,82	\$530,820.76
Q. 2- Aprilim 2015 Aprilim 2015 A. Fee	\$392,600,21 \$1,882.65	8241,859,28 81,708,30	\$19,618,960,07 \$98,094,50	\$120,386,385.94 \$601,926.93	\$181,164.12 \$805.77	\$11,366,616,48 \$66,827.68	\$100,814.62 \$802.67	9162,306,839.72	\$791,828.60
Q. 3- Jul Bep 2015 Jul - Bep 2015 A. Fee	\$378,228,48 \$1,891.14	\$394,069,07 \$1,970.35	18,193,494,91 74,778,588	\$114,195,029.89 \$570,976.16	\$167,296.97 \$786.50	811,438,937,71 857,184,89	\$85,642.17 \$427.71	\$145,784,802.10	\$724,823.01
Q. A Cel-Dac 2018 Oct-Dec 2018 A. Fee	\$204,491,80 \$1,472.46	\$321,103.78 \$1,606.82	\$17,955,089,60 \$89,238,43	\$100,669,677,88 \$603,348.59	\$148,307,42 \$741.84	\$6,613,790.74 \$43,068.95	\$91,140.94 \$455.70	\$127,983,801.13	\$430,030.00
Total calendar union year Total admin face year five								\$463,740,687.67	42,764,708.23
Gustler		Contemilian	Factors)	Ontre	Industrial Actu	MSC	No firsts	Genes SpinsTol-1	Admin fee Totals
Cularities Year 2015 O. 1 Jan-Mar 2018 Jan-Mar 2018 A. Fee	Codele 8349,270,16 81,746.35	\$397,682.87 \$1,987.91	\$18,955,014,04 \$94,778.87	999,903,752.26 8499,515.76	######################################	\$10,321,193,68 \$51,606.97	No.Co461 847,832.15 \$297.56		9440,224.50
Q. 2-Apr-Am 2016 Apr-Jun 2016 A. Fee	\$375,786.10 \$1,678.33	#289,#51.42 #1,449.73	\$20,438,114,61 \$102,180.67	\$117,006,718.96 \$585,933.60		\$11,741,030,00 \$58,705.16	\$83,064.03 \$415.32	\$150,070,027.16	\$7.50,700.48
Q, 3- Ari Bep 2018 Jul - Sep 2016 A, Fee	8391,823.59 81,859.12	4514,782.54 81,879.78	\$20,338,870.03 \$101,694.35	\$112,650,928.46 \$563,404.62		\$13,588,901.87 \$67,944.60	\$140,743.24 \$703.72	\$147,366,387,08	\$737,864.24
Q. 4 Och-Dep 2018 Oct-Dec 2016 A. Fee	\$263,221.61 61,415.11	\$326,879.25 \$1,634.18	\$18,657,288,13 \$93,286,44	\$98,822,021.81 \$494,610.11	\$100,836.84 \$502.70	\$14,943,012.82 \$74,717,50	\$143,8\$1.53 \$7\$8.41	\$193,377,084.6a	<b>PARE</b> ,881/48
Total calendar sales yes. Total admin feet year six	  -							\$841,073,901.76	\$2,004,719.65
Dinities	Codale	Consequent	Fastenal	Ondoger	industrial Sply	MBC	No.Cossi	Gross Sales Total	Admin fee Yotals
Calendar Year 2017 Q. 1 Jan-Mar 2017 Jan-Mar 2017 A. Fee	\$340,174.22 \$1,700.87	6319,396.61 88.898,18	\$20,641,607,62 \$103,209.04	850,163,672,67 8488,818.34	\$103,924.28 \$619.82	\$10,731,998.81 \$53,658.99	\$88,062.36 \$440.31	\$131,289,036.67	9956,945.17
Q. 2- Aprilun 2017 Aprilun 2017 A. Fea	1	\$1,621,069.17 \$8,106.30	\$21,020,614.08 \$105,103,07			\$11,297,376.20		\$34,442,028.3X	\$172,810.13
O. 3-Jul Sep 2017 Jul - Bep 2017 A. Feb								90.08	\$0.00
Cr. 4 Det-Dec 2017 Cot-Dec 2017 A. Fee								90.09	\$6,00
Total talendar sules yes Total admin fees year set								8166,881,001,69	0425,265,20
								-	76 .5

### Attachment D COST PROPOSAL and MARKET BASKET COST PROPOSAL

Offeror must submit cost, prices and rates as required by Attachment D-1, Cost Spread sheets. Prices and rates shall include all anticipated charges, including but not limited to, freight and delivery, cost of materials and product, travel expenses, transaction fees, overhead, profits, and other costs or expenses incidental to the Contractor's performance.

In addition, Offeror shall complete and submit the below discount information:

#### Percentage off list per category

Company Name	
Please provide the percentage off of list pricing for any of the categories Offeronthe table below. The proposed discount percentage must not exceed 4 digits the decimal point (i.e.10.3729% is acceptable while 10.37292% is not).	•
Category  1. Janitorial Equipment & Supplies (does not include Sanitation Cleaning Chemicals)  2. Sanitation Cleaning Chemicals & Supplies (does not include Janitorial Equipment & Supplies  3. Fasteners	Discount
4. Material Handling 5. Plumbing 6. Power Source	
7. Outdoor Garden 8. Lamps & Lighting and Ballasts	
9. HVAC 10. Hand Tools 11. Review Tools (controlled a substantial and tools and anadysts)	
<ul><li>11. Power Tools (excluding automotive related tools and products)</li><li>12. Electrical</li><li>13. Paint</li></ul>	
<ul><li>14. Security</li><li>15. Safety (does not include any public safety equipment)</li></ul>	

Note: This Price Schedule must be submitted together with Attachment D-1 (Market Basket Pricing Schedule) to the State as a <u>separate</u>, sealed package and clearly marked: "Pricing Proposal in Response to RFP No. DASPS-2183-17" per the Submittal Instructions.

The Offerors Percentage off list discount will not be reduced throughout the life of the Master Agreement except, Offeror can however provide a higher percentage off list discount by providing the Lead State a thirty (30) day notice and Lead State approving the discount.

### Attachment E OFFEROR INFORMATION AND CERTIFICATION SHEET

This form must be completed and returned with the Proposal in response to Section 2.21 of this RFP. Failure to submit this form with the Proposal may result in disqualification for non-responsiveness.

1. Offeror Information:		
Offeror/Firm Name (Printed):		Mary discount of the control of the
Address:		
WINDSHIP STORE TO THE STORE ST		
Citizenship, if applicable: Non-resid	dent alien Yes No	
Business Designation (Check One)	:	,
☐ Professional Corporation☐ Liability Company☐ Other	□Ltd. Liability Partnership	□Ltd. Partnership Ltd. □Sole Proprietorship
Federal Tax ID #:		
State Tax #:		<b></b>
Secretary of State Corporations		
2. Identify Individual with Author	ority to Obligate the Offeror	Contractually:
Name/Title:		
Telephone Number:		
Fax Number:		
E-mail Address:		
3. Identify Person Authorized to Offeror:	o Negotiate the Master Agree	ement on Behalf of
Name/Title:		
Telephone Number:	Fax Number:	
E-mail Address:		

4.	Identify Person	Authorized to	be	Contacted for	Clarification	of Proposal:
----	-----------------	---------------	----	---------------	---------------	--------------

Name/Title:	
Telephone Number:	Fax Number:
E-mail Address:	

#### 5. CONTRACTOR CERTIFICATION CLAUSES IN RESPONSE TO RFP

- a. Offeror understands and accepts the requirements of this RFP. By Proposal submission, the Successful Offeror(s) agree(s) to be bound by the Master Agreement attached hereto as (Attachment B), as modified by Addendum, except for those terms and conditions that DAS PS has reserved for negotiation in the RFP.
- b. Offeror acknowledges receipt of any and all Addendum to this RFP.
- c. Proposal is FIRM for 180 days following the Closing.
- d. If awarded a Master Agreement, Offeror agrees to perform the scope of work and meet the performance standards set forth in the final negotiated scope of work of the Contract.
- e. Offeror does not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation or national origin. Nor has Offeror or will Offeror discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.
- f. Offeror certifies that, to the best of its knowledge, there exists no actual or potential conflict between the business or economic interests of Offeror, its employees, or its agents, on the one hand, and the business or economic interests of the State, on the other hand, arising out of, or relating in any way to, the subject matter of the RFP. Offeror shall provide prompt written notification to the State of any change occurring with respect to Offeror's business or interests which is reasonably likely to result in (or has resulted in) an actual or potential conflict between the business or economic interests of the Offeror and those of the State, arising out of, or relating in any way to, the subject matter of the RFP. In its notice, Offeror will describe the nature of such actual or potential conflict of interest or remuneration in question in reasonable detail.

Offeror and Offeror's employees and agents are not included on the list titled "Specially Designated Nationals and Blocked Persons" maintained by the Office of Foreign Assets Control of the United States Department of the Treasury and currently found at http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf.

- g. Offeror certifies that all contents of the Proposal (including any other forms or documentation, if required under this RFP) and this Proposal Certification Sheet, are truthful and accurate and have been prepared independently from all other Offerors, and without collusion, fraud, or other dishonesty. Offeror acknowledges these certifications are in addition to any certifications required in the Master Agreement (Attachment B) at the time of Master Agreement execution.
- h. Participating Entity Only: While the primary purpose of this RFP is to select one or more contractor(s) who can offer the Parks and Recreation Equipment and Related Services for all Participating States, Offerors are permitted to submit a Proposal for one or more State(s). However, if a Offeror elects to submit a Proposal for one or more State(s), then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) resulting from this RFP, including all optional renewals. Offerors must propose to all RFP Mandatory Requirements.

I, the undersigned,	certify that I am duly	authorized to l	egally bind the	Offeror to
the provisions of th	e RFP and the Maste	r Agreement.		

Authorized Signature	Date

### Attachment F AFFIDAVIT OF TRADE SECRET

State of) ss:
County of)
(Affiant), being first duly sworn under oath, and representing [insert Offeror Name] (hereafter "Offeror"), hereby deposes and swears or affirms under penalty of perjury that:
<ol> <li>I am an employee of the Offeror, I have knowledge of the Request for Proposals referenced herein, and I have full authority from the Offeror to submit this affidavit and accept the responsibilities stated herein.</li> </ol>
2. I am aware that the Offeror has submitted a Proposal, dated on or about [insert date] (the "Proposal"), to the State of Oregon (State) in response to Request for Proposals [insert number], for [insert brief description of the goods and/or services sought in the RFP] and I am familiar with the contents of the RFP and Proposal.

- 3. I have read and am familiar with the provisions of Oregon's Public Records Law, Oregon Revised Statutes ("ORS") 192,410 through 192,505, and the Uniform Trade Secrets Act as adopted by the State of Oregon, which is set forth in ORS 646,461 through ORS 646,475. I understand that the Proposal is a public record held by a public body and is subject to disclosure under the Oregon Public Records Law unless specifically exempt from disclosure under that law.
- 4. I have reviewed the information contained in the Proposal. The Offeror believes the information listed in Exhibit A is exempt from public disclosure (collectively, the "Exempt Information"), which is incorporated herein by this reference. It is my opinion that the Exempt Information constitutes "Trade Secrets" under either the Oregon Public Records Law or the Uniform Trade Secrets Act as adopted in Oregon because that information is either:
  - A. A formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information that:
    - i. is not patented,
    - ii. is known only to certain individuals within the Offeror's organization and that is used in a business the Offeror conducts.
    - iii. has actual or potential commercial value, and
    - iv. gives its user an opportunity to obtain a business advantage over competitors who do not know or use it.

OI

- B. Information, including a drawing, cost data, customer list, formula, pattern, compilation, program, device, method, technique or process that:
  - i. Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and
  - ii. Is the subject of efforts by the Offeror that are reasonable under the circumstances to maintain its secrecy.

judicial determinations made in accordance	of the information referenced in Exhibite with the Public Records Law.	oit A may depend on official o
Affiant's Signature		
Signed and sworn to before me onname).	(date) by	(Affiant's
Notary Public for the State of  My Commission Expires:		

### Attachment G OREGON SAMPLE PARTICIPATING ADDENDUM

PARTICIPATING ADDENDUM NO. _____ ("Addendum") to

## NASPO VALUEPOINT FACILITIES MAINTENANCE AND REPAIR & OPERATIONS (MRO), INDUSTRIAL SUPPLIES

Administered by the State of Oregon (hereinafter "Lead State")

Master Agreement No:
(Insert Contractor Name)

(Hereinafter "Contractor")

for

State of Oregon, by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("Participating State")

On, the State of Oregon issued an Request for Proposal, #DASPS-2138-17, on behalf of
the member states of the NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint"),
and other purchasing entities seeking offers from qualified and responsible proposers to provide
Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material
Handling, Plumbing, Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating
Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and
products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment)
under executed Master Agreement No ("Master Agreement"), which consists
of contract terms and conditions and other attachments.

The State of Oregon ("State" or "Oregon") is a member of NASPO ValuePoint. The State, by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services ("DAS PS"), on behalf of the State of Oregon and its agencies and the Oregon Cooperative Procurement Program ("ORCPP") members (collectively "Authorized Purchasers" as defined in Exhibit No. 1), has elected to participate in the Master Agreement, subject to the terms and conditions of this Participating Addendum ("Addendum" or "Participating Addendum"). This Addendum is effective when all necessary approvals have been obtained and signed by the parties ("Effective Date").

 Scope; Order of Precedence. This Addendum covers the purchase of Janitorial Equipment & Supplies, Sanitation Cleaning Chemicals & Supplies, Fasteners, Material Handling, Plumbing,

Power Sources, Outdoor Garden, Lamps & Lighting and Ballasts, Heating Ventilation Air Conditioning (HVAC), Hand Tools, Power Tools (excluding automotive related tools and products), Electrical, Paint, Security, and Safety (does not include any Public Safety Equipment) products available to Authorized Purchasers under the Master Agreement. This Addendum consists of the following documents, which are incorporated herein as part of this Addendum:

- a) Exhibit No. 1 State Specific Terms and Conditions
- b) Exhibit No. 2 Insurance
- c) Exhibit No. 3 Contractor Tax Certification
- d) Exhibit No. 4 Form of Purchase Order
- e) Exhibit No. 5 Report form for Vendor Collected Administrative Fee (VCAF)/Volume Sales Report (VSR)

This Addendum contains additional terms and conditions specifically applicable to individual Contracts between Contractor and Authorized Purchasers. In the event of a conflict between the terms and conditions of this Addendum, the Master Agreement and Purchase Orders, the following descending order of precedence applies:

- a) This Addendum, less its exhibits;
- b) Exhibit No. 1 of this Addendum (State Specific Terms and Conditions);
- c) Exhibit No. 2 of this Addendum (Insurance) and Exhibit No. 3 of this Addendum (Contractor Tax Certification);
- d) Exhibit No. 5 (Vendor Collected Administrative Fee (VCAF)/Volume Sales Report (VSR); and
- f) Exhibit No. 4 of this Addendum (Purchase Order).

Nothing in this Addendum limits the Contractor's obligations under the Master Agreement unless otherwise noted herein. If a Contractor obligation in this Addendum conflicts with a Contractor obligation of the Master Agreement, the order of precedence in this Section 1 applies.

- 2. <u>Participation</u>: Use of specific NASPO ValuePoint cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use state/entity contracts are subject to the prior approval of the respective state chief procurement official. Issues of interpretation and eligibility for participation are solely within the authority of the respective state chief procurement official.
- 3. Participating State Modifications or Additions to Master Agreement:

(These modifications or additions apply only to actions and relationships within the Participating Entity.)

Participating Entity to check one box.

RFP DASPS-2183-17 – (MRO), Industrial Supplies  [] No changes to the terms and conditions of the Master Agreement are required	
[X] In addition to the Exhibits identified above, the following changes are modifying supplementing the Master Agreement terms and conditions.	ог

#### 4. Authorized Purchaser - Contractor Selection:

This Addendum is not exclusive, Authorized Purchasers may acquire the products and services from other contractors. In the event DAS PS awards Addenda to more than one contractor under this solicitation, Authorized Purchasers who are State Agencies shall follow the selection process below.

Authorized Purchasers who are not State Agencies may select the Contractor of the Authorized Purchaser's choice in compliance with applicable statute and rules.

4.1 Contractor Selection Process, Large Purchases. From time to time, Authorized Purchasers (or Purchasing Entities), who are State Agencies, may purchase Products or Services from Contractor or other contractors and shall use one of the following three selection processes for all purchases over \$10,000:

#### 4.1.1 Brand Name Justification

A documented brand name justification in compliance with applicable statute and rule.

OR

#### 4.1.2 Best Value Analysis

Authorized Purchaser may conduct a comparison of the offers based upon a best value analysis. Authorized Purchaser shall:

- Contact at least 3 different Master Agreement Contractors via phone, e-mail or facsimile and request a quote for the anticipated Goods. Quoted rates must not exceed the most competitive rates and discounts set forth in the Master Agreement. However, a Contractor may agree to extend specialized, discounted pricing based on the requirements by providing a specific quote to the Authorized Purchaser.
- Determine which Contractor provides the best value for Authorized Purchaser based on Authorized Purchaser's application of some or all of the following factors:
  - Applicable discounts and incremental pricing options;
  - Shipping costs;
  - Delivery process and service levels;
  - · FPP
  - Applicable warranties;

- o Contractor's past performance record through reference checks;
- Contractor's service area:
- Price comparison of the current market value of Good and services similar to the Products;
- Price comparison to past purchases and the goods similar to the products, taking the inflation rate into account;
- Cost analysis through an element-by-element examination of the estimated or actual cost
  of proposed goods to determine whether the supplier's costs are in line with what
  reasonably economical and efficient performance should cost. Some of the cost elements
  examined for necessity and reasonableness are materials' costs, labor costs, equipment
  and overhead;
- Comparison of pricing to MSRP;
- Market conditions and competition levels;
- General economic conditions;
- Life cycle costing including expected life, salvage value and discounted total cost of ownership.
- Document its procurement files describing the process, considerations, findings, and decisions used for determining the Contractor selected through the Best Value Analysis.
- 4.1.3 Contractor Selection Process, Small Purchases. For purchases under \$10,000, Authorized Purchaser who are State Agencies may select the Contractor of its choice in compliance with applicable statute and rule.

## INTENTIONALY LEFT BLANK

5. <u>Primary Contacts</u>: The primary contact individuals for this Addendum are as follows (or their named successors):

Contractor

Name	
Address	
Telephone	
Fax	
E-mail	

Oregon, Contract Administrator

Name	Shirley A. Smith
	State of Oregon, Department of Administrative Services, Procurement Services
Address	1255 SE Ferry Street, Salem, OR 97301
Telephone	503-378-5395
Fax	503-373-1626
E-mail	Shirey.Smith@oregon.gov

- 6. <u>Subcontractors</u>: All Contractor dealers and resellers authorized in the State of Oregon, as shown on the dedicated ______ (cooperative contract) website, are approved to provide products and service support to Authorized Purchasers. The Contractor's authorized dealers and reseller's participation shall be in accordance with the terms and conditions set forth in this Addendum and the Master Agreement.
- 7. Orders: All Purchase Orders issued by Authorized Purchasers must include a reference to the Master Agreement, _____, and this Addendum, #____. All valid Purchase Orders issued by Authorized Purchasers are subject to the terms and conditions of this Addendum. All Authorized Purchasers issuing valid purchase orders shall be obligated to pay Contractor for goods and services when the terms of the Purchase Order have been completed and payment has been approved by the Authorized Purchaser.
- 8. <u>Tax Compliance</u>: As set forth on Exhibit No. 3, Contractor has complied with the tax laws of this state and the applicable tax laws of any political subdivision of this state. Contractor shall, throughout the duration of this Addendum and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of this state. For the purposes of this Section, "tax laws" includes: (i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Any violation of this Section 8 constitutes a material breach of this addendum and any contract issued under this Addendum. Further, any violation of Contractor's warranty set forth in Exhibit No. 3 also shall constitute a material breach of this Addendum and any Contract issued under this Addendum. Any violation shall entitle DASPS or Authorized Purchaser to terminate this Addendum or the applicable Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Addendum or the

applicable Contract, and to pursue any or all of the remedies available under this Addendum, a Contract, at law, or in equity, including but not limited to:

Termination of this Addendum or the applicable Contract, in whole or in part; Exercise of the right of setoff, and withholding of amounts otherwise due and owing to Contractor, in an amount equal to Authorized Purchaser's setoff right, without penalty; and Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. DASPS or Authorized Purchaser may recover any and all damages suffered as the result of Contractor's breach of this Addendum or the applicable Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement Goods or Services or both.

These remedies are cumulative to the extent the remedies are not inconsistent, and DASPS or Authorized Purchaser may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

8. Participating Addendum Integration: This Addendum and the Master Agreement set forth the entire agreement between Contractor and Participating State with respect to the subject matter. There are no understandings, agreements, or representations, oral or written, not specified herein. Any attempt to modify or add or incorporate terms and conditions inconsistent with, and contrary to, the terms and conditions of this Addendum and the Master Agreement through a Contract or other document is null and void and hereby rejected. The terms and conditions of this Addendum and the Master Agreement shall prevail and govern in case of any attempted modifications or inconsistent terms.

IN WINESSWHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating State: STATE OF OREGON, acting by and through the Department of Administrative Services	Contractor:
Ву:	Ву:
Name:	Name:
Title:	Title:
Date:	Date:
Approved Pursuant to ORS 291.047	FEID:
By: Date:	
Sr. Assistant Attorney General	

#### EXHIBIT NO. 1

## Changes to Master Agreement State-Specific Constitutional, Statutory and Other Requirements

1, Definitions. The following terms have the meanings set forth below. Capitalized terms not defined in this Addendum have the meaning ascribed to them in the Master Agreement and its exhibits.

"Authorized Purchaser" means an agency of the State of Oregon or any ORCPP member that submits a Purchase Order to Contractor.

"DAS PS" means the State of Oregon acting by and through the Department of Administrative Services, Enterprise Goods and Services, Procurement Services.

"ORCPP" means the Oregon Cooperative Purchasing Program Members, which recognizes certain agencies and organizations within the State of Oregon as authorized to purchase the goods and services available under a price agreement entered into by the State.

"Master Agreement" means the State of Oregon Master Agreement #______between Contractor and the State of Oregon, on behalf of the member states of the National Association of State Procurement Officials and the NASPO ValuePoint, and its attachments, which together with this Addendum sets forth terms, conditions and requirements for purchase by Authorized Purchasers of the goods and services described therein.

"Purchase Order" means the purchase order document / order document submitted to Contractor by an Authorized Purchaser that incorporates this Addendum by reference and specifies the quantity and type of goods or services that Contractor will provide to the Authorized Purchaser under the terms of the Master Agreement and this Addendum.

"State" for the purposes of this Participating Addendum, means the State of Oregon.

## 2. Purchase Orders.

2.1 Purchase Orders. Authorized Purchasers may use their own forms for Purchase Orders. State agencies may also use the general State-approved Purchase Order referencing the Master Agreement Number, substantially in the form attached hereto as Exhibit No. 4. To the extent that the terms of any form differ from the terms of this Addendum, the terms of this Addendum supersede such contrary terms. Each Purchase Order from an Authorized Purchaser that is not a State agency must contain, on the front page, the following language:

THIS PURCHASE IS PLACED AGAINST THE STATE OF OREGON MASTER AGREEMENT NO.____
THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT AND THE ASSOCIATED PARTICIPATING ADDENDUM ENTERED INTO BY THE STATE OF OREGON, CONTRACT NO.____
APPLY TO THIS PURCHASE AND SUPERSEDE ALL CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED.

- 2.2 Effect of Purchase Orders. The State is only liable for purchases made by State of Oregon agencies that issue Purchase Orders. Other Authorized Purchasers are responsible for any purchases under Purchase Orders they issue. The State expressly disclaims any liability for purchases made by non-State agency Authorized Purchasers or any other entity.
- 2.3 Verification of Authorized Purchasers. Contractor shall verify that it provides goods and services under this Addendum only to Authorized Purchasers. Contractor may verify that a particular entity is an ORCPP member on-line at <a href="http://www.oregon.gov/das/Procurement/Pages/Orcppmember.aspx">http://www.oregon.gov/das/Procurement/Pages/Orcppmember.aspx</a> or by using the Oregon Procurement Information Network (ORPIN) at <a href="http://orpin.oregon.gov/open.dil/welcome">http://orpin.oregon.gov/open.dil/welcome</a>.
- 3. Payment Provisions; Buy Down Incentive Program. All payments are subject to ORS 293.462.

In addition to the prices or discounts offered in the Master Agreements, the State of Oregon may wish to participate with Contractors for specific energy efficient products and addition discounts that may be offered by the Energy Trust of Oregon for the Buy Down incentive program. The Buy Down incentive program provides instant pricing discounts for specific energy efficient products. Initially participation in the Buy Down program may be limited to State Agencies Authorized Purchasers ONLY, but DAS PS may elect to include other Authorized Purchasers (ORCPP members) if eligible for Energy Trust's Buy Down program at a later date. An Authorized Purchaser's participation will be subject to Energy Trust's terms and conditions and must include the Efficient Lighting Instant Incentives form "PI 190ELI currently v01."

#### Authorized Purchasers make note: 3.3 of current PI 190ELI v01 which states:

"Energy Trust may include some or all of the following information in reports or other documentation submitted to the Energy Trust Board of Directors, the Oregon Public Utility Commission, the Oregon Legislature or such State of Oregon agencies as necessary to meet Energy Trust responsibilities: Purchaser's name, city or county of business, a description of any Energy Trust services or incentives provided, or any resulting energy-savings or generation."

"Purchaser will be installing the Promotion-qualifying lighting products at an existing building site receiving electric service from Portland General Electric or Pacific Power where the State owns the site or Purchaser otherwise has authority to perform the installation at the site..."

4. Funds available and authorized/non-appropriation. The State of Oregon's and its agencies' payment obligations under this Addendum are conditioned upon Authorized Purchaser's receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to meet its payment

obligations under any Purchase Order issued under this Addendum. Contractor is not entitled to receive payment under this Addendum or any Purchase Order from any part of Oregon state government other than Authorized Purchaser. Nothing in this Addendum or Purchase Order is to be construed as permitting any violation of Article XI, section 7 of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon. Authorized Purchaser represents that it has sufficient appropriations and limitation for the current biennium to make payments under any Purchase Order issued under this Addendum.

- 5. Volume Sales Reports (VSRs) / Vendor Collected Administrative Fee (VCAF)
- 5.1 Volume Sales Reports (VSRs):
- **5.1.1** Contractor shall submit a Volume Sales Report (VSR), in the form attached hereto as Exhibit No. 5, no later than thirty (30) calendar days from the end of each calendar quarter, which contains:

Complete and accurate details of all receipts (sales and refunds) for the reported period:

- The information as identified in the DAS PS document titled Volume Sales Report Template Data Requirement, Format and Layout (Exhibit 5); and
- Such other information as DAS PS may reasonably request.

Contractor shall send a VSR to DAS PS each quarter, whether or not there are sales. When no sales have been recorded for the quarter a report must be submitted stating "No Sales for the Quarter."

- **5.1.2** Data Medium and Delivery Medium: Contractor shall provide VSRs in MS Excel (.xls) format. VSRs must be submitted by e-mail. Delivered print outs of VSRs are not acceptable. Hard copies of VSRs on CDs are only acceptable if the size of the file precludes transmission by email. Approval from the Contract Administrator must be obtained for deviations from these requirements.
- **5.1.3** Receipt/Acceptance: The first VSR submitted by the Contractor must be submitted to the DAS PS Contract Administrator for review and approval. Approved first VSRs and subsequent VSRs must be submitted to <a href="mailto:vcaf.reporting@state.or.us">vcaf.reporting@state.or.us</a>. A separate section follows describing the administrative charge if it is applicable. The Contract Administrator's receipt or acceptance of any of the VSRs furnished pursuant to this Price Agreement shall not preclude DAS PS from challenging the validity thereof at any time.
- **5.1.4** DAS PS reserves the right to terminate this price agreement if volume sales reports are not received as scheduled on in the prescribed format.
- 5.2 Vendor Collected Administrative Fee (VCAF):
- 5.2.1 Vendor Collected Administrative Fee (VCAF) PERCENTAGE:

The Vendor Collected Administrative Fee (VCAF), is a charge equal to Two Percent (2.0 %) of

Contractor's Gross total sales, less any credits, made to Authorized Purchasers during the calendar quarter.

- **5.2.2 VCAF Amount / Payment Due Date:** During the term of this Price Agreement and for the sales during the last calendar quarter of the term of this Price Agreement, the Contractor shall remit VCAF payment to DAS PS within forty-five (45) calendar days after the end of each calendar quarter.
- **5.2.3** Contractors may not reflect the VCAF fee as a separate line item charge to Authorized Purchasers. Contractor's proposed prices shall reflect all Contractor's charges to Authorized Purchasers. For the purposes of this Price Agreement, quarters end March 31, June 30, September 30, and December 31. DAS PS will invoice the Contractor for the VCAF on a State generated invoice from the information submitted on the VSR. Contractor is responsible for timely reporting and payment, regardless of entity that actually reports or makes VCAF payment to DAS PS.
- 5.2.3.1 Payment Format: The fee shall be in the form of a check remitted to:

State of Oregon
Department of Administrative Services
Attn: Shared Financial Services/PS
155 Cottage Street NE
Salem, Oregon 97301

Any other form of payment must be specifically approved by the Contract Administrator.

- **5.2.3.2 Interest**: Any payments Contractor makes or causes to be made to DAS PS after the due date as indicated on the invoice shall accrue interest at a rate of 18% per annum or the maximum rate permitted by law, whichever is less, until such overdue amount shall have been paid in full. DAS PS's right to interest on late payments shall not preclude DAS PS from exercising any of its other rights or remedies pursuant to this Price Agreement or otherwise with regards to Contractor's failure to make timely remittances.
- **5.3 Audit:** DAS PS, as its own expense (except as provided herein), shall have the right during regular business hours, at Contractor's premises, and upon reasonable notice, by itself or by a person authorized by it, to audit Contractor's Records, as defined herein, and other pertinent data, to determine and verify the figures reported in any VSRs furnished by Contractor. In the event that any such audit reveals underpayment of administrative fees, Contractor shall immediately pay the amount of deficiency, together with interest thereon at the rate provided in Section 5.2.3.2. At DAS PS'S request, Contractor shall pay the reasonable cost of an audit, but only if such audit reveals that an underpayment may exist as determined by DAS PS.
- **5.4 Limitation of Liability**: Contractor acknowledges and agrees that the State shall bear no liability on Purchase Orders entered into for purchases by non-State Agencies, which liability the State expressly disclaims. With regard to non-State Agencies, Contractor agrees to look solely to the respective contracting party for any rights and remedies Contractor may have at law or in equity arising out of the sale and purchase of Contractor's Goods or Services and the resulting contractual relationship, if any, with each such contracting party.

- 6. Warranties. Authorized Purchasers are entitled to the warranties, rights, remedies, and benefits under the Master Agreement, including but not limited to those set forth in Section 18, and this Addendum for any purchases made by such Authorized Purchasers pursuant to Purchase Orders. Without limiting the generality of the warranty provisions of the Master Agreement, Contractor represents and warrants to Authorized Purchaser that:
- **6.1.** Contractor has the power and authority to enter into and perform this Addendum and that this Addendum, when executed and delivered, will be a valid and binding obligation of Contractor enforceable in accordance with its terms:
- 6.2 All Services to be performed under this Addendum will be performed in accordance with the highest applicable professional or industry standards, and that only workmanship of the first quality shall be employed in the performance of this Addendum;
- **6.3.** Contractor shall transfer to Authorized Purchaser all manufacturer warranties covering Goods or Products, if any at time of delivery at no charge, and
- 6.4. All Goods or Products, if any, are free and clear of any liens or encumbrances, and that Contractor has full legal title to such Goods or Products, and that no other person has any right, title or interest in the Goods or Products which is superior to or infringe upon the rights granted to Authorized Purchaser hereunder.

The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided in the Master Agreement. All warranties provided in this Addendum are cumulative and will be interpreted expansively so as to afford Authorized Purchaser the broadest warranty protection available.

### 7. Indemnities.

- 7.1 General Indemnity. Contractor will defend, save, hold harmless and indemnify the Authorized Purchaser and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever resulting from, arising out of or relating to the activities of Contractor or its officers, employees, subcontractors or agents under the Addendum.
- 7.2 Infringement Indemnity. Contractor will, at Contractor's sole expense, defend, save, hold harmless and indemnify Authorized Purchasers and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against any and all costs, damages, attorneys' fees, and any and all costs incurred in any settlement negotiation or final settlement agreement resulting from, relating to, or arising out of a claim that any aspect of the goods or services furnished under a Purchase Order infringes a patent, utility model, industrial design, copyright, mask work, trademark, trade dress, or any other legally cognizable intellectual property right of any third party (an "Infringement Claim").

- 7.3 Participation. Control of Defense and Settlement. Contractor's obligation to indemnify Authorized Purchaser as set forth in Sections 7.1 and 7.2 is conditioned on Authorized Purchaser providing to Contractor prompt notification of any claim or potential claim of which Authorized Purchaser becomes aware that may be the subject of those Sections. Contractor shall have control of the defense and settlement of any claim that is subject to Section 7.1 or Section 7.2; however, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of Oregon or any Authorized Purchaser of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the approval of the Attorney General, nor shall Contractor settle any claim on behalf of the State of Oregon without the approval of the Attorney General. The State of Oregon may, at its election and expense, assume its own defense and settlement in the event that the State of Oregon determines that Contractor is prohibited from defending the State of Oregon, is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue and the State of Oregon desires to assume its own defense.
- 7.4 Remedies. If any goods or services furnished by Contractor are, in Contractor's opinion, likely to become the subject of an Infringement Claim, or if an Authorized Purchaser is prevented from exercising its rights under this Addendum based on any Infringement Claim or court order arising from any Infringement Claim, then Contractor may, at its option and expense, procure for the Authorized Purchaser the right to continue using the allegedly infringing goods or services, or replace or modify the goods or services so that they become non-infringing; provided that the replacement or modified good or service meets the specifications set forth in the applicable Purchase Order to the satisfaction of the Authorized Purchaser. If the foregoing remedies are not available, then Authorized Purchaser will return the allegedly infringing goods or services, and Contractor will refund Authorized Purchaser's payments, in full, for the allegedly infringing goods or services.

## 8. Term and Termination of Participating Addendum.

- 8.1 Term. This Addendum remains in effect until the earlier of (a) the expiration or termination of the Master Agreement, or (b) termination of this Addendum in accordance with its terms.
- **8.2** Termination. DAS PS may terminate this Addendum, in whole or in part, at any time upon thirty (30) days prior notice to Contractor. In addition, DAS PS may terminate this Addendum, in whole or in part, immediately upon notice to Contractor, or at such later date as DAS PS may establish in such notice, for any reason, or upon the occurrence of any of the following events:
- 8.2.1 State fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for the goods to be purchased under the Addendum; or
- 8.2.2 Federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of goods under this Addendum is prohibited or the State is prohibited from paying for such goods from the planned funding source.

Upon receipt of written notice of termination, Contractor will stop performance under all Purchase Orders as directed by State.

8.3 Termination under any provision of this Addendum does not extinguish or prejudice State's or an Authorized Purchaser's right to enforce this Addendum or a Purchase Order with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of the State or an Authorized Purchaser to indemnification by Contractor. If this Addendum or a Purchase Order is so terminated, the State or an Authorized Purchaser will pay Contractor in accordance with the terms of this Addendum for goods delivered and accepted by the Authorized Purchaser.

### 9. Termination of Individual Purchase Orders.

- **9.1** Individual Purchase Orders may be terminated at any time by written consent of Authorized Purchaser and Contractor or Authorized Purchaser may, at its sole discretion, terminate individual Purchase Orders, in whole or in part, upon 30 days written notice to Contractor.
- 9.2 Authorized Purchaser may terminate individual Purchase Orders, in whole or in part, immediately upon notice to Contractor, or at such later date as Authorized Purchaser may establish in such notice, upon the occurrence of any of the following events:
- 9.2.1 Authorized Purchaser fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for the goods to be purchased under the Purchase Order;
- 9.2.2 Federal or State laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of goods under the Purchase Order is prohibited or Authorized Purchaser is prohibited from paying for such goods from the planned funding source; or
- 9.2.3 Contractor commits any material breach of this Addendum or a Purchase Order.
- **9.3** Upon receipt of written notice of termination, Contractor will stop performance under the Purchase Order as directed by Authorized Purchaser.
- 9.4 Termination of a Purchase Order does not extinguish or prejudice Authorized Purchaser's right to enforce the Purchase Order with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of Authorized Purchaser to indemnification by Contractor. In addition, termination of a Purchase Order does not extinguish or prejudice Authorized Purchaser's right to enforce the warranty, indemnification, governing law, venue and consent to jurisdiction provisions of this Addendum. If a Purchase Order is so terminated, Authorized Purchaser will pay Contractor in accordance with the terms of this Addendum for goods delivered and accepted by Authorized Purchaser.
- 10. Compliance with Law. Contractor will comply with all federal, state and local laws, rules, regulations, executive orders and ordinances applicable to the Work under this Addendum or any Purchase Order, and an Authorized Purchaser's performance under a Purchase Order is conditioned on Contractor's compliance with the provisions of ORS 279B.220, 279B.235, 279B.230. and 279B.270. In addition, Contractor warrants good and services provided under this Addendum will comply with all

federal Occupational Safety and Health Administration (OSHA) requirements and with all Oregon safety and health requirements, including those of the State Workers' Compensation Division. Contractor also agrees to comply with (a) Title VI of the Civil Rights Act of 1964, (b) Section v of the Rehabilitation Act of 1973, (c) the Americans with Disabilities Act of 1990 and ORS 659.425, (d) all regulations and administrative rules established pursuant to the foregoing laws and (e) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

- 11. Application of Public Records Law. Contractor acknowledges that any disclosures Contractor makes to Authorized Purchaser under this Addendum are subject to application of the Oregon Public Records Law, including but not limited to ORS 192.410 192.505, the provisions for the Custody and Maintenance of Public Records, ORS 192.005 192.710, and of ORS 646.461 646.475. The non-disclosure of documents or of any portion of a document submitted by Contractor to Authorized Purchaser may depend upon official or judicial determinations made pursuant to the foregoing laws. Contractor will be notified prior to Authorized Purchaser's release of documents to Entities other than participating agencies or other State agencies. Contractor shall be exclusively responsible for defending Contractor's position concerning the confidentiality of the requested documents, at its own expense.
- 12. Recycled Products. Contractor will use, to the maximum extent economically feasible in the performance of this Addendum or any Purchase Order, recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh), and other recycled plastic resin products and recycled products (as "recycled product" is defined in ORS 279A.010(1)(ii).
- 13. Notices. Except as otherwise provided in a Purchase Order, any formal communications between the parties to or notices to be given under a Purchase Order will be given in writing by personal delivery of a facsimile transmission or the notice or mailing the notice, postage prepaid, at the address or number set forth on the Purchase Order. Any communication so addressed and mailed will be deemed to have been received five (5) calendar days after mailing. Any communication delivered by facsimile will be deemed to be given when a confirming report for the transmission is generated by the transmitting machine. To be effective against the receiving party, such facsimile transmission must be confirmed by telephone notice to the receiving party's authorized representative, as set forth in the Purchase Order. Any communication or notice by personal delivery will be deemed to be given when actually received by the appropriate authorized representative.

As between Contractor and State with respect to this Addendum, the Primary Contacts of Contractor and State are set forth above.

- 14. Governing Law. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Addendum and resulting Purchase Orders, including, without limitation, their validity, interpretation, construction, performance, and enforcement.
- 15. Jurisdiction and Venue. Any claim, action, suit or proceeding (collectively, "Claim") between State or any other agency or department of the State of Oregon, and Contractor, that arises from or relates to this Addendum or a Purchase Order under this Addendum, will be brought and conducted solely and exclusively in the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively in the United States District Court of the District of Oregon. CONTRACTOR, BY EXECUTION OF THIS

ADDENDUMOR ACCEPTANCE OF A PURCHASE ORDER SUBMITTED PURSUANT TO THIS ADDENDUM HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS. Nothing in this section will be construed as a waiver of the State of Oregon's sovereign immunity with respect to any Claim, whether brought under State or Federal law, or consent to jurisdiction in State or Federal Court.

Any Claims between Contractor and an Authorized Purchaser other than the State of Oregon or State agency that arise from or are related to individual Purchase Orders or this Addendum will be brought and conducted solely and exclusively within the Circuit Court of the county in the State of Oregon in which such Authorized Purchaser resides or has its principal office, or at Authorized Purchaser's option, within such other county as Authorized Purchaser will be entitled to proceed under the venue laws of Oregon to bring or defend Claims. If any such Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.

- 16. Foreign Contractor. If Contractor is not domiciled in or registered to do business in the State of Oregon as of the effective date of this Addendum, Contractor will promptly provide to the Oregon Department of Revenue all information required by that Department relative to the Addendum or any Purchase Order. An Authorized Purchaser may withhold final payment under a Purchase Order until Contractor has provided the Oregon Department of Revenue with the required information.
- 17. Merger Clause; Waiver. This Addendum, including the Master Agreement and the exhibits attached to this Addendum, constitutes the entire agreement between the parties on the subject matter hereof, and supersede all prior agreements, oral or written. There are no understandings, agreements, or representations, oral or written, between these parties that are not specified in this Addendum. No waiver, consent, modification or change of terms of this Addendum binds either party unless in writing and signed by both parties and all necessary State approvals have been obtained. Such waiver, consent, modification or change, if made is effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Addendum does not constitute a waiver by the State of that or any other provision.
- 18. Independent Contractor. Contractor shall act at all times as an independent contractor and not as an agent or employee of Authorized Purchaser. Contractor has no right or authority to incur or create any obligation for or legally bind Authorized Purchaser in any way. Contractor is not an "officer", "employee", or "agent" of Authorized Purchaser (or any other agency, office, or department of the State of Oregon), as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary. Neither party shall make any statements, representations, nor commitments of any kind or to take any action binding on the other except as provided for herein or authorized in writing by the party to be bound.
- 19. Access to Records. Contractor will maintain all fiscal records relating to Purchase Orders in accordance with generally accepted accounting principles and will maintain any other records relating to Purchase Orders in such a manner as to clearly document Contractor's performance thereunder. The Authorized Purchaser, the State and its agencies, the Oregon Secretary of State Audits Division and their duly authorized representatives will have access to such fiscal records and to all other books, documents, papers, plans and writings of Contractor which relate to this Addendum to perform examination and audits and make excerpts and transcripts. To the extent provided by law, the federal government will be entitled

to the same access as the State of Oregon and Authorized Purchasers. Contractor will retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of six years, or such longer period as may be required by applicable law following final payment and termination of this Addendum, or until the conclusion of any audit, controversy or litigation arising out of or related to this Addendum, whichever date is later.

- **20.** Severability. If any term or provision of this Addendum is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the parties will be construed and enforced as if the Addendum did not contain the particular term or provision held to be invalid.
- 21. Survival. Any terms of this Addendum, which by their nature are intended to survive termination or expiration including but not limited to warranty, indemnification, access to records, governing law, venue, consent to jurisdiction, termination and remedies provisions survive the termination or expiration of this Addendum.
- 22. Insurance. Within ten (10) days of the Effective Date, Contractor must provide insurance as set forth on Exhibit No. 2. No Purchase Orders may be placed or accepted until proof is provided that these requirements have been met.
- 22. Amendments. This Addendum may be modified in writing once agreed to and signed by all parties.

## Exhibit No. 2 - INSURANCE

Contractor shall obtain at Contractor's expense the insurance specified in this Exhibit No. 2 prior to performing under this Addendum and shall maintain it in full force and at its own expense throughout the duration of this Addendum and all warranty periods. Contractor shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in State and that are acceptable to DAS PS. Coverage shall be primary and non-contributory with any other insurance and self-insurance. Contractor shall pay for all deductibles, self-insured retention and self- insurance, if any.

### **WORKERS' COMPENSATION & EMPLOYERS' LIABILITY**

All employers, including Contractor, shall provide workers' compensation insurance as required by applicable workers' compensation laws for persons performing work under this Addendum including Employers' Liability Insurance with limits not less than \$500,000 each accident. Contractor shall require and ensure that each of its subcontractors complies with these requirements.

COMMERCIAL GENERAL LIABILITY:
☑ Required by DAS PS ☐ Not required by DAS PS.
Commercial General Liability Insurance covering bodily injury, death and property damage in a form and with coverage that are satisfactory to the State. This insurance shall include personal injury liability, products and completed operations, and contractual liability coverage. Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000.00 per occurrence. Annual aggregate limit shall not be less than \$2,000,000.00.
AUTOMOBILE LIABILITY INSURANCE:
⊠ Required by DAS PS □Not required by DAS PS.
Automobile Liability Insurance covering all owned, non-owned, or hired vehicles with a combined single limit of not less than \$1,000,000.00 for bodily injury and property damage.
PROFESSIONAL LIABILITY:
☐ Required by DAS PS   ☑ Not required by DAS PS.
Professional Liability insurance covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Addendum in an amount not less than \$_per

### ADDITIONAL INSURED:

The Commercial General Liability insurance and Automobile Liability insurance required under this Addendum shall include the State of Oregon, its officers, employees and agents as Additional

occurrence. Annual aggregate limit shall not be less than \$. If coverage is on a claims made basis, then either an extended reporting period of not less than 24 months shall be included in the Professional

Liability insurance coverage, or the Contractor shall provide Tail Coverage as stated below.

Insureds but only with respect to Contractor's activities to be performed under this Addendum.

#### **TAIL COVERAGE:**

If any of the required insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, Contractor shall maintain either tail coverage or continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of this Addendum, for a minimum of 24 months following the later of (i) Contractor's completion and DAS PS's acceptance of all Services required under this Addendum, or, (ii) The expiration of all warranty periods provided under this Addendum.

## **CERTIFICATE(S) AND PROOF OF INSURANCE:**

Contractor shall provide to DAS PS Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Addendum. The Certificate(s) shall list the State of Oregon, its officers, employees and agents as a Certificate holder and as Additional Insured, specify that Contractor shall pay for all deductibles, self-insured retention and self-insurance, if any, that all coverage shall be primary and non-contributory with any other insurance and self-insurance, and confirm that either an extended reporting period of at least 24 months is provided on all claims made policies or that tail coverage is provided. As proof of insurance DAS PS has the right to request copies of insurance policies relating to the insurance requirements in this Addendum.

### NOTICE OF CHANGE OR CANCELLATION:

The contractor or its insurer must provide at least 30 days' written notice to DAS PS before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

## **INSURANCE REQUIREMENT REVIEW:**

Contractor agrees to periodic review of insurance requirements by DAS PS under this Addendum and to provide updated requirements as mutually agreed upon by Contractor and DAS PS.

## INTENTIONALY LEFT BLANK

#### **EXHIBIT NO. 3**

#### CONTRACTOR TAX CERTIFICATION

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury to the best of the individual's knowledge that:

1. The number shown on this form is Contractor's correct taxpayer identification;

Federal Tax	Number	
Oregon Tax	Number	

- 2. Contractor is not subject to backup withholding because:
  - (i) Contractor is exempt from backup withholding,
  - (ii) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or
  - (iii) The IRS has notified Contractor that Contractor is no longer subject to backup withholding.
- 3. S/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes,
- 4. For a period of no fewer than six calendar years preceding the Effective Date of this Addendum and any Contract, Contractor faithfully has complied with:
  - (i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
  - (ii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor;
  - (iii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and
  - (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Contractor:	
Signature	
Date	

## EXHIBIT NO. 4 SAMPLE PURCHASE ORDER

		SI	AVESS.	01.01		ŅŅ	PURCHASE ORDER (PO) NO.	PAGE#
Autho	orized Purchase	er's Authorized l	Representative	Purchase Order	Date	1	Requisition No.	
Contractor Name and Address				Authorized Purchaser's Invoicing Address				
Contr	actor FEIN		Price Agreement MA #XXXX, P.		Authorized Pu Representative			
Deliv	er to Address				Authorized Purchaser's Authorized Representative Phone and Fax Number			
					Delivery Scheo	lule or Del	ivery Date	
Item		o <b>D</b>	escripti on		Countily	ÚМ	<b>UNIVICE</b>	Ne Proc
							Sub Total	
							Freight	
						The same of the same of	Total	
This Purchase Order is subject to Master Agreement #XXXX, and Participating Addendum #XXXX. The terms and conditions contained in the Participating Addendum apply to this purchase and take precedence over all other conflicting terms and conditions, express or implied. There are no understandings, agreements or representations, oral or written, not specified herein.								
Authorized Purchaser's Authorized Representative to Make Purchase				Date				

## EXHIBIT NO. 5 VENDOR COLLECTED ADMINISTRATIVE FEE (VCAF)/VOLUME SALES REPORT (VSR)

مناسم والمناصف والمستعدد والمناس فيالاستحار المعاور والمعاسر والمهاد والمراد ويهار وسعم واروا	الرواء والقائب وأغا خادوم كالمتحصية أغافاتك أزاحها والراعات والماحد والاختاص والمتحصين والمتحد والمتحاط أ	والمنافذة أوا المعمد المامات والمامات المامات		tiggsperient promoter promoter grander promoter promoter	بار الانجاب بيان عن الاستخدام الانجاب	
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## Attachment H COBID CERTIFIED FIRM / OUTREACH PLAN

"Certified Firm" means a small business certified under ORS 200.055 by the Oregon Certification Office for Business Inclusion and Diversity ("COBID") as "disadvantaged business enterprise", "minority-owned business", "woman-owned business", "emerging small business" or "business that a service-disabled veteran owns".

## Certified Firm Participation

As noted in Governor Kitzhaber's Executive Order 12-03: "Minority-owned and Woman-owned businesses continue to be a dynamic and fast-growing sector of the Oregon economy. Oregon is committed to creating an environment that supports the ingenuity and industriousness of Oregon's Minority Business Enterprise ["MBE"] and Woman Business Enterprise ["WBE"]. Emerging Small Business ["ESB"], Disabled Veteran ["DV"], and Disadvantaged Business Enterprise ["DBE"] firms are also an important sector of the state's economy."

In 2015, HB 3303 revised ORS 200.055 to add "a business that a service-disabled veteran owns" as a business type that may apply to COBID for certification. Contracting agencies shall aggressively pursue a policy of providing opportunities to Certified Small Businesses (hereinafter "Certified Firms") according to ORS 200.090. As such, Oregon Certified firms must have an equal opportunity to participate in the performance of contracts financed with state funds. By submitting its offer, Offeror certifies that it will take reasonable steps to ensure that Certified Firms are provided an equal opportunity to compete for and participate in the performance of any subcontracts resulting from this procurement. Offeror further certifies and agrees that it has not discriminated and will not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation or national origin, and it has not discriminated and will not discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business certified under ORS 200.055.

If there may be opportunities for subcontractors to work on the project, it is the expectation of the DAS and NASPO ValuePoint and its Purchasing Entities that the Offeror will take reasonable steps to ensure that Certified Firms are provided an equal opportunity to compete for and participate in the performance of any contract and/or subcontracts resulting from this procurement.

Following opening of bids and prior to Contract Award, the Offeror with the apparent highest scoring Proposal or lowest Bid must provide, within five days of Notice of Intent to Award, a Certified Firms Outreach Plan using the form on the following page. The information submitted in response to this clause will not be considered in any scored evaluation and no evaluative points will be assigned to the information.

## Certified Small Business Outreach Plan

1. Is Offeror an Oregon Certified Firm? Yes ☐ No ☐
If yes, indicate all certification type(s): MBE  WBE  BSB  DBE  DV
Oregon State Certification number:
2. Does Offeror foresee any subcontracting opportunities for this procurement? Yes ☐ No ☐
If no, do not complete the rest of this form.
3. The Offeror shall provide a narrative description of its experience in obtaining Certified Firms participation as subcontractors, consultants or suppliers on previous projects, and discuss any innovative or particularly successful measures that the Offeror has undertaken. The Offeror shall include a list of those certified firms with which it has had a contractual relationship during the past 24 months immediately preceding the date this solicitation document was issued. If none, mark the following checkbox: No prior experience obtaining participation from Certified Firms.
4. The Offeror shall provide examples where Certified Firms participation was achieved, along with information on Certified Firms subcontracting participation levels for up to three projects/contracts that the Offeror is either currently performing or has completed within the past 24 months immediately preceding the date this solicitation document was issued. Certified Firms participation should be described as the percentage of the dollar value of subcontracts and material or supply contracts awarded to Certified Firms as compared with the total dollar value of subcontracts and material or supply contracts let for each identified project or contract. The Offeror shall describe any technical assistance or mentoring the firm provided to Certified Firms subcontracting on each project. If none, mark the following checkbox:   No prior experience obtaining participation from Certified Firms.
Project 1
Name Award Date/_/ Completion Date/_/ Contract Award Amount \$
Certified Firms goal percentage, if applicable% Certified Firms achievement percentage%

Certified Firms Subcontract Award Amount \$ Achieved \$	Certified Firms Spend
Describe any technical assistance or mentoring provided to on this project.	
Project 2 Name	
Award Date/_/ Completion Date/_/ \$	Contract Award Amount
Certified Firms goal percentage, if applicable	% Certified Firms achievement
percentage% Certified Firms Subcontract Award Amount \$ Achieved \$	Certified Firms Spend
Describe any technical assistance or mentoring subcontracting on this project.	provided to Certified Firms
Project 3 Name	
Award Date/_/ Completion Date/_/	Contract Award Amount
S	% Certified Firms
achievement percentage%  Certified Firms Subcontract Award Amount \$Achieved \$	Certified Firms Spend
Describe any technical assistance or mentoring provided project.	to Firms subcontracting on this

5. If the total cost of the awarded contract is expected to be greater than \$10,000.00, the

Offeror shall describe the outreach and subcontracting plan it will use, if awarded the contract, to provide Oregon Certified Firms certified firms an equal opportunity to perform any subcontracts under the contract. The plan must be realistic and based on Offeror's successful past experience. If Offeror has no previous outreach experience, the Offeror shall describe the outreach plan it intends to use if awarded the contract.

The Offeror must include the following in its plan:

- i. A description of the steps that the Offeror will take to solicit Certified Firms participation;
- ii. A description of the mentoring, technical or other business development assistance the Offeror will provide to subcontractors needing or requesting such services.

If awarded the contract, the Offeror must accept, as contract performance obligations, the outreach and subcontracting plan described in this section. If certified firms are unavailable for type of work to be performed, please indicate in this section.

Company Name:	
Authorized Signature:	
Name of Authorized Representative:	
Title:	

# Attachments I - O ADDITIONAL PARTICIPATING STATES TERMS AND CONDITIONS

## **NASPO ValuePoint**

The State of Oregon
Department of Administrative Services,
Procurement Services

Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

## **TECHNICAL RESPONSE DASPS-2183-17**

Closing Date and Time: January 5, 2018 2:00PM PT

## MASTER REDACTED VERSION

## > SUBMITTED BY:

Chris Porter
Sr. Government Sales Manager
W.W. Grainger, Inc.
Chris.Porter@grainger.com
940-867-7602



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Please note: the Table of Contents numbering matches the numbering in the NASPO ValuePoint RFP #DASPS-2183-17. Sections that do not require responses were omitted to meet our response page limitation.





Cover Letter

January 5, 2018

State of Oregon
Department of Administrative Services
Procurement Services
1225 Ferry Street SE
Salem, Oregon 97301

Attention: Ms. Shirley A. Smith, State Procurement Analyst

State of Oregon Solicitation Number DASPS-2183-17

NASPO ValuePoint

Dear Ms. Smith:

On behalf of Grainger's more than 25,000 employees, we appreciate the opportunity to provide our response to Solicitation Number DASPS-2183-17, the NASPO ValuePoint Master Agreement for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies. Over the past 16 years, we have been privileged to partner with NASPO ValuePoint and its members to help keep citizens and employees safe and facilities well-maintained. We are committed to continuing this relationship.

Grainger understands the challenges public sector agencies face in carrying out their responsibilities. We highly value the important work of public servants and have gained deep insights that helped us develop this proposal to be the most competitive NASPO ValuePoint offer to date. It combines outstanding service and pricing that encompasses a comprehensive exact match market basket, access to Grainger's extensive catalog, and incentives for every participating agency.

Our offer is supported by the deep expertise of Grainger Team members who are committed to assisting NASPO ValuePoint entities find and procure the right MRO products. We are confident that we can fulfill this commitment. It is supported by the breadth of Grainger's inventory, distribution centers and branches and our efficient supply chain that ensures products are available and delivered when needed. Our broad offering is enhanced by sustainable products and promoted by opportunities for small businesses.

Grainger's innovation in e-commerce and digital solutions provide government agencies ever-improving technology that improves day-to-day operational efficiency and ensures compliance levels. As always, we remain a dedicated partner who will deliver the quickest response and reliability in emergencies.

At Grainger, our strategy is to provide value. Our offer is tailored for today's government's requirements and is robust and flexible to be relevant in 5 years as government, industry, markets, technology and workforces continue to evolve.

You have my commitment that Grainger will continue to serve NASPO ValuePoint members by understanding the work of each agency and individual and by delivering each day to earn your trust.

Sincerely,

D.G. Macpherson

Dr. Maggh

Chairman and Chief Executive Officer

W.W. Grainger, Inc.

## Attachment E revised OFFEROR INFORMATION AND CERTIFICATION SHEET

This form must be completed and returned with the Proposal in response to Section 2.21 of this RFP. Failure to submit this form with the Proposal may result in disqualification for non-responsiveness.

1. Offeror Information:
Offeror/Firm Name (Printed):W.W. Grainger, Inc.
Address:100 Grainger Parkway
Lake Forest, IL 60045
Citizenship, if applicable: Non-resident alien
Business Designation (Check One):
☐ Professional Corporation ☐ Partnership ☐ Ltd. Partnership Ltd. ☐ Liability Company ☐ Ltd. Liability Partnership ☐ Sole Proprietorship ☐ Other Public Corporation ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
Federal Tax ID #:36-1150280
State Tax #:017532190-72
Secretary of State Corporations Division Registration #: 396226
2. Identify Individual with Authority to Obligate the Offeror Contractually:
lame/Title: Chris Porter, Sr. Government Sales Manager
elephone Number: <u>940-867-7602</u>
ax Number: NA
-mail Address: <u>Chris.Porter@grainger.com</u>
<ol> <li>Identify Person Authorized to Negotiate the Master Agreement on Behalf of Offeror:</li> </ol>
lame/Title: Chris Porter, Sr. Government Sales Manager
elephone Number: 940-867-7602 Fax Number: NA
-mail Address: Chris.Porter@grainger.com

4. Identify Person Authorized to be Contacted for Clarification of Proposal:

Name/Title: Chris Porter, Sr. Government Sales	Manager
Telephone Number: _940-867-7602	Fax Number: NA
E-mail Address: <u>Chris.Porter@grainger.com</u>	

### 5. CONTRACTOR CERTIFICATION CLAUSES IN RESPONSE TO RFP

- a. Offeror understands and accepts the requirements of this RFP. By Proposal submission, the Successful Offeror(s) agree(s) to be bound by the Master Agreement attached hereto as (Attachment B), as modified by Addendum, except for those terms and conditions that DAS PS has reserved for negotiation in the RFP.
- b. Offeror acknowledges receipt of any and all Addendum to this RFP.
- c. Proposal is **FIRM** for 180 days following the Closing.
- d. If awarded a Master Agreement, Offeror agrees to perform the scope of work and meet the performance standards set forth in the final negotiated scope of work of the Contract.
- e. Offeror does not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation or national origin. Nor has Offeror or will Offeror discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.
- f. Offeror certifies that, to the best of its knowledge, there exists no actual or potential conflict between the business or economic interests of Offeror, its employees, or its agents, on the one hand, and the business or economic interests of the State, on the other hand, arising out of, or relating in any way to, the subject matter of the RFP. Offeror shall provide prompt written notification to the State of any change occurring with respect to Offeror's business or interests which is reasonably likely to result in (or has resulted in) an actual or potential conflict between the business or economic interests of the Offeror and those of the State, arising out of, or relating in any way to, the subject matter of the RFP. In its notice, Offeror will describe the nature of such actual or potential conflict of interest or remuneration in question in reasonable detail.

Offeror and Offeror's employees and agents are not included on the list titled "Specially Designated Nationals and Blocked Persons" maintained by the Office of Foreign Assets Control of the United States Department of the Treasury and currently found at http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf.

- g. Offeror certifies that all contents of the Proposal (including any other forms or documentation, if required under this RFP) and this Proposal Certification Sheet, are truthful and accurate and have been prepared independently from all other Offerors, and without collusion, fraud, or other dishonesty. Offeror acknowledges these certifications are in addition to any certifications required in the Master Agreement (Attachment B) at the time of Master Agreement execution.
- h. Participating Entity Only: While the primary purpose of this RFP is to select one or more contractor(s) who can offer the Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies for all Participating States, Offerors are permitted to submit a Proposal for one or more State(s). However, if a Offeror elects to submit a Proposal for one or more State(s), then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) resulting from this RFP, including all optional renewals. Offerors must propose to all RFP Mandatory Requirements.

I, the undersigned, certify that I am duly authorized to legally bind the Offeror to the provisions of the RFP and the Master Agreement.

Authorized Signature

01/05/18

Date

Chris Porter, Sr. Government Sales Manager

Typed or Printed Name and Title of Signatory





## **Executive Summary**

The State of Oregon's RFP No. 2183, the multi-state contract for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies, is a high priority for Grainger. By focusing on four fundamentals throughout the contract - Competitive, Innovative, Relevant and Compliant we will continue our commitment to support NASPO ValuePoint members:

• Competitive - Grainger's offer is our most comprehensive and competitive NASPO ValuePoint package. Drawn from actual public agency experiences, it is available nationwide and encompasses all categories. It presents the broadest availability of exact match market basket items and access to Grainger's extensive catalog at competitive pricing and meaningful incentives. Comprised of Grainger expertise and value oriented service and product quality, the NASPO ValuePoint MRO contract will continue to expand its reach to State, local government and education agencies.

As part of Grainger's 2017 strategic pricing initiative, Grainger introduced Contract Reference Prices ("CRP") as the new basis for its contract customer pricing. Grainger's CRP prices are market-based and lower than Grainger's historic List Prices. Because CRP prices are lower than Grainger's prior List Prices, contract category discounts are also lower. As a result, a larger category discount percentage offered by a competitor may not yield a lower product price.

Our pricing offer for NASPO ValuePoint includes contract incentives, a fixed category discount structure tied to CRP, pre-paid standard ground shipping, product warranties, inventory management solutions, and market basket pricing that is firm for 12 months.

Innovative - Rapidly changing demands placed on the state and local government workforce, including
digital proficiency and innovation, are critical. Advances in e-procurement, oversight and data analytics,
vital today, must keep pace. Grainger's e-commerce and digital platforms are easier to search, navigate,
check out and access transactional data than a year ago. eCommerce platforms include grainger.com,
mobile applications and e-Procurement integrations.

Our technical expertise extends to assisting agency operations and compliance responsibilities. We embrace the premise that our value is as much in providing quality MRO product and services as being a meaningful resources to drive agency productivity. Grainger possesses the technical innovation, financial strength, and track record to contribute meaningfully to mission effectiveness and efficiency.

Relevant - Grainger serves all agencies, small, medium and large, across all public sector jurisdictions.
We recognize and integrate varying requirements and policies. Our resources are available and
structured for each - the breadth of our \$1.3 billion in US inventory, 1.6 million product (SKUs), 13
Distribution Centers with 16.5 million square feet and 249 US branch locations, each carrying nearly \$1
million of inventory.

A centralized technical product support team with in-depth product expertise is but part of Grainger investment in team member skills, experience and vitality and serves all agencies. This is shown by over 126,000 counter transactions in our local branches and over 943,000 orders shipped to NASPO ValuePoint Members in 2017.

A seamless implementation plan will support legacy and new members across all 50 states, the District of Columbia, political subdivisions and US Territories.

Our commitment to sustainability and green initiatives is reflected in access to 72,000 products and expertise that assists in determining the right green substitute. Grainger holds itself to corporate- wide sustainability efforts that are reported annually. 14 Grainger facilities have been built with or retrofitted to include building management systems coordinating and managing mechanical and electrical equipment for maximum energy efficiency and productivity. The effort includes four distribution centers recently retrofitted with building management systems.





Providing small and disadvantaged businesses opportunities to assist in meeting public sector MRO procurement requirements and in agency small business goals is integrated into our business plans and strategy. We acquire product from diverse suppliers. Our distributor alliance reseller program provides frontline service to public agencies. We assist both diverse suppliers and the distributor alliance resellers in gaining insight and experience in the MRO market and in responsibilities associated with public sector budgets, operations and compliance. Grainger relies on small and disadvantaged suppliers of goods and services to run our business.

We remain a steadfast partner delivering expeditious response and proven reliability in emergencies. Our supplier relationships and supply chain capability assures that product is directed to where and when it is needed. Grainger's reliability, expertise and experience in Continuity and Emergency Response results from participating in first responder and emergency management agency planning exercises. We commit resources throughout all stages of disaster and emergencies. In any emergency, large or small, our pricing and services remain as provided in the contract.

Compliant - Grainger's offering extends beyond core compliance obligations associated with public sector agencies. A comprehensive audit program addresses adherence to total contract requirements, including pricing in accordance to NASPO ValuePoint terms. Employee training, including a mandatory annual ethics curriculum addressing the government sector, is integral to our compliance program. Grainger's SAP Enterprise Resource Planning (ERP) platform provides agency driven requirements that assist internal oversight and supervision. By working closely with agency personnel, reporting and compliance structures can be tailored to reflect workflow management parameters and to establish controls to monitor and limit spend and access.

Grainger is proud of its work supporting NASPO ValuePoint members in the critical responsibilities that serve each end user. We pledge fidelity to the fundamentals of being Competitive, Innovative, Relevant and Compliant. Our offer is tailored for today's government's requirements. It is robust and flexible to be relevant in five (5) years as government, industry, markets, technology and workforces continue to evolve.

Best Regards,

Chris Porter

Sr. Government Sales Manager

W.W. Grainger, Inc.

Chris.Porter@grainger.com

940.867.7602





## SECTION 2: Solicitation Requirements, Information and Instructions to Offerors

## 2.19 Certification of Non-Debarment

Grainger confirms and certifies we have not, nor have our principals presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction (Master Agreement) by any governmental department or agency.





## SECTION 3: Administrative and Technical Response Requirements

### 3.2 NASPO ValuePoint Master Agreement Statement of Compliance

NASPO ValuePoint Master Agreement(s) resulting from this RFP will constitute the final agreement except for negotiated terms and conditions specific to a Participating State's or a Participating Entity's Participating Addendum.

This section highlights particular terms and conditions of NASPO ValuePoint Master Agreement, although Offerors will be bound to all the terms and conditions when executing a Master Agreement as shown in Attachment B. Offeror must include a statement in its Proposal that it has read and understands all of the terms and conditions as shown in the Master Agreement (Attachment B).

Grainger has read and understands all of the terms and conditions as shown in the Master Agreement (Attachment B).

#### 3.4 Technical Requirements

This section contains technical requirements pertaining to the Maintenance and Facilities Repair & Operations (MRO) industrial Supplies. Other sections of this RFP contain additional requirements that must be met in order to be considered responsive. Offeror must identify in its Proposal how it will meet (or exceed) all requirements listed in this Section 3, Section 4, and Attachments A, B, and D-1 of this RFP solicitation.

#### 3.4.1 Offeror Profile

Provide the following information specific to Offeror's company:



- a. Company's full legal name: W.W. Grainger, Inc.
- b. Primary business address: 100 Grainger Parkway, Lake Forest, IL 60045
- c. Describe company ownership structure: Public Corporation
- d. Employee size (number of employees): 25,000+
- e. Website: www.grainger.com
- f. Sales contact information: Chris Porter, Sr. Government Sales Manager, <u>Chris.Porter@grainger.com</u>, Mobile: 940-867-7602
- g. Company's client retention rate during the past 3 years: Grainger's overall customer retention rate for all customers (large and small) 90%
- h. A brief history of the company and the year it was founded

Grainger was founded in 1927 and incorporated in the State of Illinois in 1928, as W.W. Grainger, Inc. Grainger is a publicly held Fortune 500 company with shares traded on the New York Stock Exchange (NYSE). With 2016 sales of over \$10 billion, Grainger is the leading North American provider of maintenance, repair, and operating (MRO) supplies. Grainger's capabilities include:

- A strategic US distribution network of 249 branches and 13 distribution centers supporting NASPO ValuePoint Members for 16 years.
- An extensive product line, now more than 1.6 million products and repair parts and over \$1.3 billion of on-hand inventory that meets every agency's requirements.
- 95% of customers receive next day product delivery; 99.6% of in-stock orders are shipped within 24 hours.
- Proven experience in negotiating and implementing multi-state, complex, nationwide contracts.

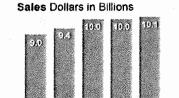
Grainger's continued investment in exceptional service, value-added programs, eProcurement solutions, KeepStock inventory management solutions and physical presence has enabled 38 states, hundreds of political subdivisions, and thousands of end-users across the US to benefit from the NASPO ValuePoint contract. We are





proud to work with NASPO ValuePoint to provide a contract of scope and scale meeting every MRO requirement at a competitive overall value.

Describe the company's growth during the past three years.



Grainger's growth over the past three years is as follows:

2014 growth: 6.4% 2015 growth: 0% 2016 growth: 1%

2017 - projected growth: 3-7%

#### 3.4.2 Customer Service

a. What are Offeror's hours of operation and when are key account people available to Participating States/Entities and Purchasing Entities?

In addition to the normal hours of operation, Grainger key account team members will be available when needed to help government customers in times of need. Just this year, Grainger team members operated 24/7 in support of Hurricane Harvey, Hurricane Irma and the Northern and Southern California Wildfires response and recovery efforts among other natural disasters and emergencies.

Personnel	Hours of Operation
Contact Center (telephone and email)	Monday thru Sunday, 24/7
Grainger Store Personnel (customer walk-in)	8:00am to 5:00pm, Monday thru Friday, within respective US time zones
Government Sales Team Members (Key Account People)	Monday thru Friday, 7:00am to 5:00pm, within respective US time zones
Technical Product Support Representatives	7:00am to 7:00pm, Monday thru Friday, Central Time Zone
Grainger.com	Order processing available 24 hours a day – 7 days a week
Emergency Services Hotline	24 hours a day, 7 days a week

## b. Describe how problem identification and resolution will be handled.

Grainger understands that communication and responsiveness are essential to meeting a member's needs. Grainger's multi-channel approach for problem identification and resolution allows members to communicate in ways that work for the member and Grainger's responsiveness ensures that their issues will be addressed and

resolved. Grainger has invested in sound quality management principles within its operating philosophy such as Lean, Six Sigma and ISO 9001. This innovation in technology and expertise minimizes problems.

Should a problem occur, our goal is to make it right for the NASPO ValuePoint Member. The key to problem identification and resolution is open communication between NASPO ValuePoint Members and Grainger's experienced team. Grainger continuously solicits customer feedback via multiple channels to improve the Member experience and resolve Member issues.







- Grainger Sales Team Members engage Members directly on a daily basis
- Customer Service Associates through phone and email channels
- Multiple feedback links on Grainger.com including on-line chat
- Customer Business Reviews and other direct customer engagement with Grainger sales team Members

Grainger assesses the information Members provide, seek clarification when necessary, and immediately address the Member's needs so that they can continue to serve the public. Grainger will remain engaged with the Member to ensure their issue has been resolved. Grainger also offers an expeditious escalation process that includes senior level leadership engagement thus insuring resolution of a Member's issue to complete satisfaction.

# c. How does Offeror propose to service the NASPO account? Describe the system Offeror will use to manage the account.

Grainger's service centric approach is designed to help Members get the products they need through various channels via a world-class distribution network that builds and maintains reliable Member relationships. Resources include:

- Government Sales Managers State and Agency Levels
- Government Account Managers (AM) and Government Account Relationship Managers (ARM) - Local Level
- Technical Support Product experts, administrative and reporting, eCommerce and eProcurement for all levels of Members
- In-Field Specialists Safety, Lighting, Inventory and Metal Working for all levels of Members

Grainger assesses the information Members provide, seeks clarification when necessary, and immediately address the Member's needs so that they can continue to serve the public. Grainger will remain engaged with the Member to ensure their issue has been resolved. Grainger also offers an expeditious escalation process that includes senior level leadership engagement thus insuring resolution of a Member's issue to complete satisfaction.

## d. How does Offeror respond to customer complaints and service issues?

In response to a Member complaint or service issue, Grainger Government Sales Managers, District Sales Managers, Account Managers and will sales support team first with NASPO collaborate the ValuePoint Member to gain a full understanding of the issue. These experienced resources will assist the Member in identifying available product and service options in order to achieve immediate resolution for the Member. If the issue cannot be resolved promptly, they will escalate the issue to the appropriate Sales or Service Director for additional internal support.

## Online Feedback



NASPO ValuePoint Members can provide direct online feedback to Grainger to improve member experience.

## a. How does Offeror assess customer satisfaction?

The breadth of Grainger's interactions on a daily basis with NASPO ValuePoint Members encourages Member feedback. Grainger's sales team and Customer Service Representatives continually solicit Member's views as to service level and product quality.

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Customer Satisfaction Tracking Surveys are conducted and assessed nearly every business day. The surveys measure customer satisfactions based on most recent transaction, and are conducted in person, by phone, and virtually through Grainger.com and email.

### f. Describe Offeror's quality assurance measures and how are they handled within the organization.

Grainger holds its business functions to the highest quality standards with established quality assurance benchmarks. Grainger's three key focus areas are: **customer service satisfaction**, **supply chain functionality**, **and eCommerce responsiveness and reliability**. Using continuous improvement procedures, targets are established to exceed Member expectations and achieve the highest standards. Improvement and corrective measures are implemented to maintain or advance NASPO ValuePoint Member performance.

Customer Service: Grainger pursues multiple methods to learn of Members' experiences and recommendations. These evaluations are reviewed to improve performance and overall Member satisfaction.

#### Metrics collected and monitored include:

- Overall satisfaction with recent purchase
- Overall expectations of Member effort
- Overall order origination channel satisfaction
- Detailed order origination channel diagnostics
- Overall order fulfillment channel satisfaction
- Detailed order fulfillment channel satisfaction
- Multi-channel impact on satisfaction (how satisfaction differs by what resource they used to research order prior to placing the order)
- Challenges encountered by the Member due to lack of product assortment, availability or price

Metrics collected and monitored ensure that our coaching and process improvements are focused on further enhancing Members' experience. Evaluation and survey feedback is shared with team Members in weekly coaching sessions to ensure prompt response to identified issues and to ensure NASPO ValuePoint Members' needs are being met.

To promote our expeditious and meaningful response to Members' needs, Grainger's Customer Service Representatives (CSRs) are committed to answering phone inquiries in less than nine seconds and to respond to Member emails in less than six hours.

Supply Chain; Distribution Centers: Grainger utilizes SAP's innovation to ensure adequate inventory levels and timely delivery to Members. Rate-of-Sale forecasts are continually updated in context of the available inventory. This end-to-end process allows Grainger to quickly react to increased Members' demands so that disruptions are resolved or mitigated.

Within Grainger's distribution centers and branches, orders are picked, packed and shipped according to establish standards to meet delivery and accuracy requirements established in the RFP. Procedures and protocols are also in place that address damaged product during transit. Similarly, standards are established for timely delivery and confirmation of delivery to ensure Members' orders are fulfilled. Where necessary, orders are drop shipped directly from the manufacturer. The scale of resources committed enables Grainger to meet every NASPO ValuePoint Member's requirements to their satisfaction on a daily basis.

Supplier Responsibilities: Grainger holds its suppliers to the highest standards through our strictly enforced supplier responsibility policy. An integral element to this policy is our Supplier Acceptance Letter (SAL) that requires responsible performance, quality products and compliance with all rules and regulations as to product labeling, design and manufacturing, including environmental laws and Grainger's Corporate, Social Responsibility initiatives.

Additionally, Grainger maintains a supplier handbook that outlines supplier performance requirements. Ongoing supplier performance is tracked on each Supplier's Scorecard during Grainger's operational reviews.





Grainger's expertise and breadth of supplier oversight systems provide NASPO ValuePoint Members assurances as to quality of product and performance. Evaluated data points include on-time shipping, inventory availability, labeling requirements, and exception notification along with other performance measures

eCommerce: Grainger's eCommerce team keeps pace with advancing technologies to ensure that Members have access to a State-of-the-art eCommerce experience. Grainger's experienced eCommerce technical team is dedicated to maintaining and improving site performance, thus providing an effective and safe eCommerce experience. Protocols and procedures addressed focus on ensuring Member data privacy and security, effective and accurate search capability, Member pricing compliance, system stability, and overall Member satisfaction.

# 3.4.3 Technology

a. Describe Offeror's online system that Purchasing Entities would use to place orders and receive results? Include all methods of order submission.

Grainger's innovative online ordering system, <u>www.grainger.com</u>, provides NASPO ValuePoint Members the following features:

- Work Flow Order Management tailored for each agency
- Custom Personal and Shared Lists
- Custom Catalog, Custom Home Page or Landing Page
- Expanding User-Friendly Shopping Tools to find products and prices quickly and easily
- Extensive and updated Product Information including item details and technical specifications
- Comprehensive Product Comparisons
- SDS sheets (formerly MSDS)
- Contract Pricing
- Real-time Product Availability
- Auto-Reorder capabilities
- Online Special Order and Catalog Item quotes
- Customizable Order and Line Level Data Fields
- Order Status and History with download capabilities
- Invoice copies and secure Payment Options
- Online Help with Click to Chat

Grainger's innovative technology solutions help NASPO ValuePoint Members drive efficiencies throughout their agencies. Grainger's digital solutions afford Members time savings via an efficient and effective purchasing process. Grainger has and continues to lead the MRO industry with technological advances. For example, Grainger was the first MRO distributor to make its catalog available to its customers via the internet. We are proud of the innovative technological solutions we have offered our customers and remain committed to leading the MRO industry in providing future innovative and relevant technology solutions to NASPO ValuePoint Members.

## Grainger offers NASPO ValuePoint Members multiple online ordering methods:

- 1. Grainger.com
- 2. eProcurement (Hosted or Punch-Out shopping and electronic transactions)
- KeepStock® (inventory management solutions) at the Member's workplace
- 4. Mobile Offering
- 5. ePro Mobile
- Grainger.com: offers online ordering capabilities from a broad array of product categories structured to support the 15 NASPO ValuePoint MRO categories, with more than 1.6 million items.









2. eProcurement: Grainger is able to offer Hosted or Punch-Out shopping and electronic transactions support for all Electronic Data Interchange (EDI) platforms in use by NASPO ValuePoint Members.

Electronic Marketplaces: Grainger has extensive experience in facilitating Members' purchasing through all major electronic marketplaces such as Jaggaer and Ariba. Members can connect (punch-out) to Grainger's real time online catalog from their system to see NASPO ValuePoint's specific pricing, create a requisition and return the shopping cart back to the marketplace for review and approval.

Direct connections to Members' Enterprise Resource Planning (ERP) systems: Grainger offers the ability to integrate our online catalog with Members' purchasing and ERP systems. Members who wish to punch-out directly from their ERP system can access Grainger's online catalog and return the shopping cart back to their purchasing system to manage the order workflow.

Content File: Grainger offers Members the option of loading a content file which includes all contract products and their contract price into the Member's system thus enabling the Member to shop and purchase Grainger product through their internal systems. Often the content is associated with the Member's webbased purchasing application.



# Shopping:

Punchout Catalogs





#### Ordering:

- · Purchase Order Integration
- Integrated KeepStock
- Integrated Sourcing Quotes



#### invoicing:

- Electronic Invoice Electronic Payment - EFT/ACHv
- 3. KeepStock® Inventory: Grainger offers the ability to integrate Inventory Management orders through our online ordering channels at the Member's workplace. KeepStock® orders can be accessed on Grainger.com and routed through the Order Management System, providing full visibility to their orders. NASPO ValuePoint Members can approve, modify or deny these orders. KeepStock® onsite orders can also be accessed within a Grainger punch-out and returned to NASPO ValuePoint Members purchasing system for order generation.
- 4. Mobile Offering: Grainger makes it easy for NASPO ValuePoint Members to get the products they need no matter what device they use or where their work takes them through use of our mobile offering, which provides Member employees the ability to order from the job site, which results in fewer work interruptions and enhanced productivity.

The Mobile apps and Mobile web offer most of the power of Grainger.com including:

- Search and place orders
- Order Management approval for increased visibility of purchases
- Personal and shared lists for easy reorder of product
- Location based lists to automatically surface products for the closest job site
- Real time product availability
- Barcode scanning for easy reorder
- Click to chat with photo for support
- KeepStock® order scanning
- Find a branch feature for product pick up
- Access to order history







- 5. ePro Mobile: Those Members wishing to route all orders through their procurement system can also take advantage of the Grainger mobile offering. For example, Members utilizing a Jaggaer Public Sector Solution (Jaggaer) purchasing system can use Grainger's mobile apps to generate requisitions directly from the work site, and direct that requisition to the Grainger punch-out. This functionality allows a Member's purchasing agent to access the order and process it through their Jaggaer system.
- b. Describe Offeror's ability and process to support a decentralized system of orders submitted from many end users in multiple States and locations.

Nationally as of December 22, 2017, Grainger shipped over 943,000 total orders to NASPO ValuePoint Members and processed over 126,000 counter transactions via our extensive network of local Grainger branches. Our experience and continued investment in our distribution and branch network system ensures timely service and delivery of product to State and local agencies throughout the US. Grainger's NASPO ValuePoint solution is focused on aligning Members to the NASPO ValuePoint Master Agreement while also identifying specific Member operational requirements such as ship-to addresses, special shipping instructions and other unique requirements.

Additionally, Grainger aligns NASPO ValuePoint Members within a given State to a specific track code in our advanced SAP system. Grainger technology and systems ensure the correct pricing is applied to each of the 1.6 million Grainger products offered in accordance with NASPO ValuePoint Member contractual terms. To further promote compliance, all NASPO ValuePoint Members are aligned to their respective State's specific track code through the Participating Addendum process.

#### 3.4.4 Products and Services

Offeror must review the Product and Services Descriptions and requirements set forth in (Attachment A) and submit with its Proposal. Offeror shall indicate which categories Offeror intends to provide; which Products and Services Offeror intends to provide; and whether Offeror intends to provide the Products and Services on a national, regional or one State only basis.

Grainger intends to provide a catalog solution for all products and services in all categories as presented in the RFP on a national basis.

## 3.5 Data Security

What measures does Offeror take to protect sensitive customer information?

Portions of information within this section are considered confidential and will be redacted. Please see Exhibit A.

Protection of customer data requires information security controls, processes and policies which align with an established information security framework. Grainger manages its customer data in accordance with an internationally accepted information security management framework, ISO/IEC 27001. The framework provides direction for Grainger's information security program and established information security policies and procedures.



Grainger accepts credit cards as a payment method. We are required by the card brands (Visa, MasterCard and American Express) to assess compliance against the PCI DSS standard. We perform that assessment annually and report to the card brands through our acquiring banks, as required by the standard.

Grainger undergoes an annual Information Technology General Controls (ITGC) audit under Section 404 of the US Sarbanes-Oxley Act of 2002.





The resulting audit opinion is filed as an attachment to Grainger's annual report to the Securities and Exchange Commission.





# **SECTION 4: Market Basket Cost Proposal**

Market Basket Cost Proposal will be evaluated independent of the technical evaluation. Offeror shall submit the Market Basket Cost Proposal to the Lead State as a separate document. Do not embed the Market Based Cost Proposal in the technical response.

#### 4.2 Price and Rate Guarantee Period

The prices, rates and costs proposed in the Offeror's response will be valid for an initial term of one year after any resulting Master Agreement is signed. Offeror's cost proposal must describe how future cost increases will be minimized and capped and how both increases and decreases will be passed on to the Lead State If the Master Agreement is renewed after the initial term. The Offeror must explain the proposed process to implement cost changes, and how the Lead State will be notified. Any request for price or rate adjustment following the initial Master Agreement term, is detailed in Section 11 of the Master Agreement.

Grainger's confirms our market basket proposed costs are valid for an initial term of one year (12 months) after a signed Master Agreement. Grainger has read and understands all of the terms and conditions as shown in the Master Agreement, Section 11.





# Attachment A - revised 11-2017 Description of Products and Services- Evaluation Criteria

THESE SECTIONS ARE MANDATORY- OFFERORS MUST MEET THE FOLLOWING CRITERIA FOR THEIR PROPOSAL TO BE ACCEPTED AND SCORED BY THE SOURCING TEAM

6.1 Categories

The scope of work consists of 15 categories. This proposal has been divided into categories with items that generally represent those most frequently purchased during the previous contract period including environmentally preferable options. Proposals will be considered from qualified Offerors that can provide all products at minimum of one entire category listed below and be able to supply the products to a minimum of one entire State.

The United Nations Standard Products and Services Code (UNSPSC) codes are identified on Attachment D-1 to further describe each category.

Janitorial Equip. & Supplies (does not include Sanitation Cleaning Chemicals)
Sanitation Cleaning Chemicals (does not include Janitorial Equipment & Supplies)
Fasteners
Material Handling
Plumbing
Power Sources
Outdoor Garden
Lamps, Lighting, Ballasts
HVAC
Hand Tools
Power Tools (excluding automotive related tools and products)
Electrical
Paint
Security
Safety (does not include any public safety equipment)

Grainger's catalog offer includes pricing for all categories on a national basis.

# 6.2 Experience and Capabilities

This procurement contemplates a multi-state scope and may result in more than one award. The following are the weighted evaluation criteria for this procurement.

## 6.2.1 Experience in Performance of Comparable Engagements/References

References provided in Appendix.

## 6.2.2 Conformance with the terms of this RFP;

- 6.2.2.1 Return Policy;
- 6.2.2.2 Distribution points;
- 6.2.2.3 Delivery;
- 6.2.2.4 Shipping;
- 6.2.2.5 Range of commodities offered;
- 6.2.2.6 Scope of geographical coverage offered;
- 6.2.2.7 Accurate and meaningful marking of green products in the on-line catalog when applicable;

## 6.2.3 Expertise and availability of key personnel;

- 6.2.3.1 Contract Management Retail Store/Will Call Availability;
- 6.2.3.2 The favorability of the terms under which the Offeror will do business;

#### 6.2.4 Demonstrated Competence;





## 6.2.4.1 Reporting Capabilities Disaster Recovery Plan;

6.2.4.2 Web based ordering System;

6.2.4.3 The number of available green environmentally preferable products that meet the solicitations specifications available, showing a robust supply of green products

#### 6.2.5 Reasonableness of pricing

While the primary purpose of this solicitation is to select a Offeror(s) who can offer the supplies for all Participating States, Offerors are permitted to submit a proposal on more limited geographical areas, however, not less than one entire Participating State. Offerors must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all Participating States. However, if a Offeror elects to submit a Proposal for a single State then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the contract or any renewals.

A Participating State may evaluate and select an Offeror for award in more limited geographical areas (e.g. A single State) where judged to be in the best interests of the State or States involved. Administration of any such award(s) will be done by the Participating State(s) involved unless the awarded contract includes the Lead State in its geographical area.

Participating States, and Purchasing Entities reserve the right to competitively solicit for additional sources for commodities during the contract term, where deemed to be in the best interests of the State(s) or entities involved. Further, Participating States may have existing awards for commodities within the scope of this solicitation.

Any Participating State reserves the right to award partial commodity categories or not participate in the award if deemed to not be in the best interests of that Participating State.

All pricing listed shall be ceiling prices with the option for Participating States to negotiate more favorable discounts for large orders.

Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

Products may be changed with thirty (30) day notice every six (6) months after initial term.

The Participating States and Purchasing Entities reserve the right to update product specifications based on changes in regulations, in addition to third party certification criteria.

The Participating State may elect to designate the resulting contracts as permissive, or mandatory.

Grainger acknowledges all statements in section 6.2.

## 6.3 VOLUME DISCOUNTS

#### 6.3.1 General

Additional volume and other price discount options are encouraged, which can distinguish between individual order minimum quantities, cumulative volume discounts, and other discount terms that may be defined by the Offeror. Extensions of additional discounts are not required but may be evaluated if offered.

Grainger's Offer: Our pricing offer for NASPO ValuePoint includes contract incentives, a fixed category discount structure, market basket pricing that is firm for 12 months, pre-paid standard ground shipping, product warranties, and inventory management solutions.

Grainger's New Pricing Structure - Contract Reference Price: As part of Grainger's 2017 strategic pricing initiative, Grainger introduced Contract Reference Prices ("CRP") as the new product pricing basis for its contract customers.





Grainger's CRP is market-based and lower than Grainger's historic List Price. CRP makes more of Grainger's products attractively priced and simplifies the purchasing process for Grainger contract customers. CRP is stable and only subject to change three times per year. Because CRP is lower than Grainger's prior List Price, contract category discounts are also lower. It is therefore important to compare the "final" product prices, as a larger discount percentage offered by a competitor may not yield a lower price.

Grainger's NASPO ValuePoint pricing proposal is tied to CRP. For NASPO ValuePoint Members, CRP is found on Grainger.com when Members log into their Grainger.com account. The CRP at the time of purchase will be the price to which any contract discounts will be applied. Again, because the CRP is lower, the contract category discount percentages we are offering are smaller than the discount percentages historically provided from Grainger's previous List Price structure. It is important to compare actual prices, not discount percentages.

Customized Contract Incentives: Grainger recognizes that each State has unique procurement goals and objectives for contract purchasing incentives, administrative fees and desired additional discounts. To identify which incentive(s), administrative fee(s) and/or additional discount(s) are best aligned with their respective procurement goals and objectives, Grainger will work with each State/purchasing agency during their participating addendum onboarding process. Depending on factors such as contract commitments, single award status, and market competition, our offer of contract incentives, administrative fees and discounts may include the following options:

- Member State Administrative Fee Structure
- Annual Growth incentives (Explained in more detail in Section 6.6.11)

  - ✓ Incremental Sales Growth Incentives✓ Annual Green/Sustainability Growth Incentives
  - ✓ Annual Grainger Choice Product Growth Incentives
  - ✓ eCommerce Growth Incentives
- **Additional Category Discounts**

Customer Specific Pricing (CSP): Grainger recognizes the importance of providing Members with relevant pricing for specific products in special circumstances. As a value-add to the NASPO ValuePoint contract, deeper discounted pricing can be sought in the form of Customer Specific Pricing (CSP) as it relates to a specific opportunity.

Additional Discounting: Grainger recognizes the operational importance of providing Members access to MRO items that fall outside the market basket which may not be aligned to a pre-defined category as listed by the NASPO ValuePoint RFP. Grainger presents a 5% discount off of CRP on items that fall outside the market basket and pre-defined NASPO ValuePoint RFP categories.

Individual State Custom Market Baskets: Grainger offers each State a custom market basket of up to 500 items in addition to the NASPO ValuePoint MRO market basket. To drive additional cost savings while enhancing procurement stability, Grainger's Individual State Custom Market Basket option offers each Member State the ability to define a custom market basket that consists of products that the individual State most frequently procures. Grainger's Government Sales Managers will work with each State to identify this product list and price these products accordingly based on volume procured.

Large Order Discounts: Grainger will continue to work with NASPO ValuePoint Members to leverage additional discounts for large, single orders, based on size and scope. Grainger has many years of experience working with NASPO ValuePoint Members on significant projects and discounted product pricing specific to such projects.

## 6.3.2 Cumulative Ordering Volume Discounts

The Offeror is invited to identify additional percentage discounts if total cumulative ordering volumes (by all Purchasing Entities) exceed an amount specified by the Offeror. If the volume of total orders exceeds that amount in any quarter, the offered discount will apply to future orders during the term of the award(s), as extended through option exercises.

Grainger will offer an additional tiered incentive to all Members tied to annual incremental purchase growth. If the





annual increase in Total Member Purchases meets or exceeds annual calendar year incremental purchase growth by more than 5%,10% or 15%, then each of Grainger's 15 category discounts identified in this proposal will be increased by 1%, 2% or 3% respectively for the term of the following calendar year.

Total Member Purchases is defined as net invoice price of product purchases made by all Members affiliated with this contract less freight, taxes, returned products and credits made by all Members affiliated with this contract during the calendar year. Purchases from Members who affiliate after the start of the calendar year will be included in the following year's baseline. Annually, Grainger will calculate the Total Member Purchases figure for the preceding calendar year. Any adjustment to category discounts associated with this tiered incremental purchase growth incentive made by Grainger will be effective 45 days after the end of the preceding calendar year.

# Example:

Incremental Growth in Total Purchasing Entity Purchases as Compared to Previous Contract Year	Category Discount Increase for Following Contract Year
5%	1%
10%	2%
15%	3%

Contract Year	First	Second	Third	Fourth	Fifth
Total Purchasing Entity Purchases	\$300M	\$330M	\$346.5M	\$398.48M	\$414.42M
Incremental Purchase Growth Percentage as compared to the preceding contract year	N/A	10%	5%	15%	4%
Contract Year Qualified	N/A	Yes	Yes	Yes	No
Additional Discount Start Date	N/A	45 days after the end of the previous Contract Year	45 days after the end of the previous Contract Year	45 days after the end of the previous Contract Year	N/A
Additional Discount	N/A	2%	1%	3%	0%

## 6.3.3 Additional Volume Discount for Minimum Order Quantity

The Offeror is also invited to identify additional discounts for minimum order quantities. Purchasing Entitles may consolidate purchases in order to take advantage of any volume discount extended by Offeror for minimum orders, so long as a single delivery location at the discretion of the Purchasing Entity is specified

Buy More and Save: Grainger's Buy More & Save program offers additional discounts to customers who consolidate purchases into larger orders of select items at one time. Buy More & Save program volume discounts will be displayed on item screens within the customer's Grainger.com online account. See example below:

Qty	Your Price ()
1-3	\$90.00/pkg. of 100
4-11	\$75.32/pkg. of 100 (Save \$14.68/pkg.)
12+	\$67.39/pkg_of 100 (Save \$22.61/pkg.)

Volume Discounts: Grainger may offer volume discounts to customers based upon the quantity of products purchased in a single transaction. Volume discount pricing is subject to product availability and quantity limits may apply.





#### 6.3.4 Minimum Orders

No minimum dollar or item count is allowed on orders from Authorized Purchasers.

Participating States reserves the right to authorize a minimum via their Participating Addendums.

For NASPO ValuePoint Members, there is no minimum order requirement.

### **6.4 ESTIMATED PURCHASES**

The total purchase of any individual item on the contract is not known. The Purchasing Division has attempted to give an accurate estimate of probable purchases of each item for the contract period. The Purchasing Division does not guarantee that the Participating States will buy any or all estimated amounts of any specified item or any total amount.

## 6.5 SCOPE OF WORK

## 6.5.1 Ordering Capabilities

Orders resulting from this contract will be placed directly with the Offeror by the individual Purchasing Entity. The Offeror must have toll free telephone, fax numbers and email address for use by those entities located outside of the Offeror's toll free area. The Offeror will ship and bill as requested by the purchasing agency. The purchasing agency will remit payment directly to the Offeror. As an example, there are approximately 1,000 possible separate delivery locations within the State of Nevada. The number of locations will vary by Participating States.

Grainger acknowledges the Statement in section 6.5.1 and will work with each purchasing entity specific to their unique ordering capabilities and associated requirements.

Please supply your toll free telephone, facsimile number and email address.

Email: Customersupport@Grainger.com

Phone: 800-472-4643 (800-GRAINGER)

Fax: 855-281-3749

In addition to the market basket items, Purchasing Entities will be allowed to order from a successful Offeror's catalog(s) and website for delivery anywhere within the Participating States. NASPO ValuePoint requires internet catalogs.

Grainger will continue to provide an online internet catalog and website for all participating NASPO ValuePoint Members. All Member orders will be delivered anywhere within the Participating State.

### 6.5.2 FOB Destination

Prices for all items associated with this contract are to be FOB Destination anywhere within the Participating State or geographic area offered.

All product pricing submitted by Grainger includes FOB Destination. FOB Destination includes pre-paid, standard, ground delivery for all orders, including orders to Hawaii, Alaska and US Territories.

## 6.5.3 On-line Ordering

6.5.3.1 Successful Offeror shall provide Internet Catalogs for all agencies as described below.

Grainger acknowledges statement 6.5.3.1. On-line Catalogs available? 
Ves_No

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## 6.5.3.2 Provide a descriptive narrative for the type of internet catalog offered, and a URL link.

Grainger's catalog offer is available at <a href="www.grainger.com">www.grainger.com</a>. Grainger's eCommerce platform delivers "Easy to Find", "Easy to Use" and "Easy to Connect" acquisition solutions allowing NASPO ValuePoint Members to save time and money. Grainger.com includes:

Contract Price	Order Management	Customized Shopping Cart	Detailed Product Specifications
Delivery Date	Order History	Personal & Shared Lists	SDS Sheets
Alternate Products	Product Comparisons	Instruction and Training Videos	Order Approvals
Product Selection Tools	Invoice Lookup	Personalized Account Information	Product Reviews
& Payment (coming Jan 2018	Replacement Parts	Click to Chat Help	Real Time Availability 2018

# 6.5.3.3 Offerors must designate market basket items in their on- line catalogs for ease of ordering. What symbol or marking will you use to identify market basket items?

All NASPO ValuePoint market basket products will be clearly identified on Grainger.com with the NASPO ValuePoint logo to help NASPO ValuePoint Members identify market basket products online at Grainger.com.



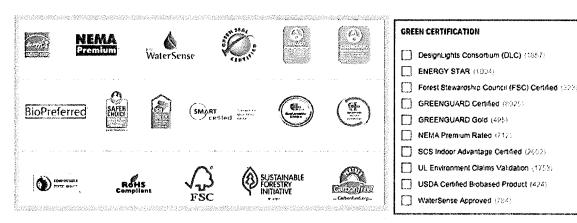
6.5.3.4 Offerors shall designate all environmental preferable products (EPP) in their on-line catalogs. Describe the designation (symbol) that you will use to identify these EPP products.

Environmentally preferable products (EPP) are marked with our green leaf icon for easy identification. The green leaf icon allows Members to identify products with certifications and environmental attributes that meet their requirements.



6.5.3.5 Offerors shall provide accurate and meaningful labeling of environmentally preferable products offered in the on-line catalog when applicable.

Grainger provides NASPO ValuePoint Members with the ability to shop for all certified products by clicking the certification logo provided on the grainger.com/green website. In addition, Members have the ability to narrow search results in order to identify environmentally preferable certifications and attributes that meet their specific requirements. All EPP products on Grainger's shelves will have EPP product labels.



NASPO
Members can
narrow their
search results
by checking
the
environmenttally preferable
certification
and attribute
they are
searching.

6.5.3.6 Offerors shall explain or describe what they do to clearly identify in their online catalogs and on their shelves how they designate all environmentally preferable products (EPP) that have received any of the following appropriate 3d-party designation certifications:

Grainger enables NASPO ValuePoint Members to shop all certified products by clicking the certification logos provided on the grainger.com/green website. In addition, Members have the ability to narrow search results in order to identify the environmentally preferable certifications and attributes that meet their requirements. All EPP





products on Grainger's shelves will have EPP product labels.

Grainger presents third party certification as illustrated below:

## (1) Biodegradable Products Institute (compostable bags, food service ware);

Biodegradable Products Institute products are identified within technical specifications on Grainger.com.

Green Certification or Other Recognition Biodegradable Products Institute Centified

## (2) Consortium for Energy Efficiency (lamps);

Consortium for Energy Efficiency (DLC) products are identified within technical specifications on Grainger.com.

Giéen Environmental Attribute Product Contributes To Reducing Energy Consumption

Green Certification or Other Recognition DesignLights Consortium (DLC)

## (3) Cradle to Cradle (building materials, construction adhesives, etc.);

Reviewing the Cradle to Cradle registry: (<a href="http://www.c2ccertified.org/products/registry">http://www.c2ccertified.org/products/registry</a>, its product range is limited in number and scope specific to MRO. We can identify no Cradle to Cradle product in the market basket nor are we aware of any MRO products in our general catalog offering.

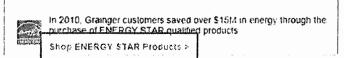
# (4) Design Lights Consortium (LED lighting equipment);

NASPO users can search through Design Lights Consortium certified products by clicking on that selection from the Green Certification Drop down menu.



# (5) ENERGY STAR (HVAC and lighting equipment);

NASPO ValuePoint Members can search through Energy Star products by clicking on an Energy Star link in the Green Products portion of Grainger.com



## (6) Forest Stewardship Council (wood and paper products);

Forest Stewardship Council products are identified within technical specifications on Grainger.com.

Green Environmental Attribute 100% Post-Consumer Recycled Content

Green Certification or Other Recognition Forest Stewardship Council (FSC) Certified

# (7) Green Seal (cleaners, hand soap, janitorial paper products, paint);

NASPO ValuePoint Members can search through Green Seal products by clicking on the Green Seal link in the Green Products portion of Grainger.com.







# (8) Master Painters Institute (MPI) Green Performance Standard (paints and coatings);

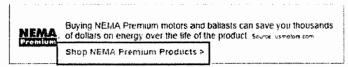
Master Painters Institute products are identified within technical specifications on Grainger.com

maines

Green Promise Compliant: LEED, Greenguard, Greenguard Children & Schools, CHPS, GreenSeal GS 11 2010, MPI Green Performance

## (9) NEMA Premium Efficiency (motors, ballasts);

NASPO ValuePoint Members can search through NEMA products by clicking on an NEMA link in the Green Products portion of Grainger.com



## (10) Scientific Certification Systems (SCS) Indoor Advantage Gold (building materials, furniture)

SCS Indoor Advantage products are identified within technical specifications on Grainger.com

Load Capacity	25 lbs.	
Green Certification or Other Recognition	SCS Indoor Advantage Certific	ke

# (11) Scientific Certification Systems (SCS) FloorScore (carpet, flooring, flooring adhesives, underlayment, etc.);

Grainger is working toward identification of SCS FloorScore certified product offered, but does not identify SCS FloorScore certified items at this time.

# (12) UL GREENGUARD (adhesives, flooring, insulation, sealants, etc.);

NASPO ValuePoint Members can search through UL Greenguard products by clicking on the UL GREENGUARD logo in the Certified Products portion of Grainger.com.

#### Certified Products

Centilind products are products that have been verified by an independent third party to these established envisionmental standards. To were a list of the products Granger others that are centiled by these organizations, such one of the algoss tensor.





# (13) UL EcoLogo (cleaners, deodorizers, hand soaps and sanitizers, floor polish and strippers, etc.);

NASPO ValuePoint Members can search through US Ecologo products by clicking on an UL EcoLogo in the Certified Products portion of Grainger.com.

Certified products are products that have been verified by an independent third party to meet established environmental standards. To view a list of the products Granges offers that are constructly, these organizations, cock one of the logos







## (14) USDA Biobased (lubricants, building materials, etc.);

USDA Biobased products are identified within technical specifications on Grainger.com.

Standards	Biodegradabër, EPA-VGA-EA1 Complian Biodesed
Green Cestiscation e Other Recognision	USDA Certified Biobasen Product





## (15) USDA Organic;

USDA Organic products are identified within technical specifications on Grainger.com.

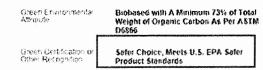
Giver, Environmental Altribute Biobased with A Minimum 73% of Total Weight of Organic Carbon As Per ASTM D6866

Green Centification or Other Recognition

**USDA Certified Biobased Product** 

## (16) US EPA Safer Choice (cleaners, hand soaps, deicers, floor maintenance chemicals);

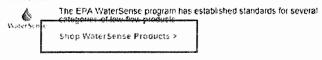
US EPA Safer Choice products are identified within technical specifications on Grainger.com.



## (17) WaterSense (water efficient fixtures, toilets, etc.);

NASPO ValuePoint Members can search through Water Sense products by clicking on a Water Sense link in the Green Products portion of Grainger.com

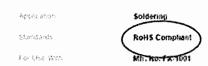
#### WaterSense Products



Offerors shall also explain or describe how products meet the following standards are clearly identified:

# (18) Restriction of hazardous Substances (RoHS) Directive;

Restriction of hazardous Substances (RoHS) Directive products are identified within technical specifications on Grainger.com.



## (19) South Coast Air Quality Management District (SCAQMD) limits on volatile organic compounds (VOCs, which apply to adhesives, sealants, coatings, etc.)

SCAQMD products are identified within technical specifications Grainger.com as shown below. Users can also search those items by entering that keyword.

Aggik abon	Removes Grease and Oil
Standards	ASTM F-945, ARP 1755A, AMS 15260
Grave Certification or Other Recognition	VOC Levels Meet SCAQND Requirements

# (20) US EPA's (recycled content) Comprehensive Procurement Guidelines (CPGs);

EPA's Comprehensive Procurement Guidelines products are identified within technical specifications on Grainger.com

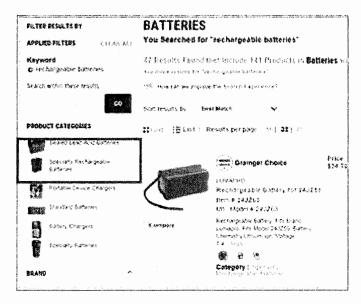
Package Configuration	Coreless Roll
Hags per RollPack	25/10
Green Ebydormenta: Allowb	Contains Post-Consumer and Recovered Fiber Content Per EPA Comprehensive Procurement Guidelines

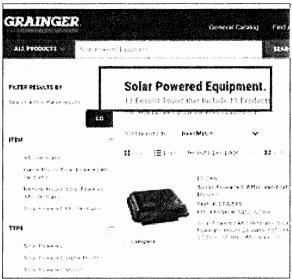




## (21) Rechargeable Batteries; and

NASPO ValuePoint Members can use the search tool on Grainger.com to find Rechargeable Battery products. If a battery offered by Grainger is rechargeable, the product will be designated as such in in the product title or product description on Grainger.com.





### (22) Solar Powered Equipment.

NASPO ValuePoint Members can use the search tool on Grainger.com to find Solar Powered Equipment products. If a product offered by Grainger is solar powered, the product will be designated as such in the product title or product description on Grainger.com.

Offerors may suggest other 3rd party certifications as applicable and include a description.

GREENGUARD GOLD: Grainger also recognizes the certification GreenGuard Gold relating to products for children and schools GREENGUARD Gold Certification (formerly known as GREENGUARD Children & Schools Certification) offers stricter certification criteria, considers safety factors to account for sensitive individuals (such as children and the elderly), and states whether a product is acceptable for use in environments such as schools and healthcare facilities. (Greenguard Gold is not Greenguard listed above in 12). It is referenced by both the Collaborative for High Performance Schools (CHPS) and the Leadership in Energy and Environmental Design (LEED) Building Rating System.

In addition, offer shall describe the designation (symbol) that you will use to identify these EPP products provided, including the certification or standard that it meets, and where a buyer would find clarification on the website about what the designation means.



**GREENGUARD Gold** products are identified by the following symbol:

### 6.5.4 E-commerce description

The successful Offeror shall have a proven record of E Commerce capabilities, with the technology and support personnel to provide content deployment or punch out access to their online catalog, for the purpose of supporting the purchasing web sites of the Participating States. Provide a clear narrative addressing the Statement above. Integration of a punch out site is required per Section 9d of the NASPO ValuePoint eMarket Center Section of Attachment B, NASPO ValuePoint Master Agreement Terms and Conditions.





**Proven Record of eCommerce:** Grainger's web based ordering system (eCommerce purchasing system) has a proven record as the largest e-Retailer in the MRO industry. Grainger has the most comprehensive website platform with user friendly, customer focused, flexible web portals, mobile apps, and eProcurement offerings in the industry. The solutions deliver "Easy to Find", "Easy to Use" and "Easy to Connect" procurement solutions that help NASPO ValuePoint Members save time and money.

Grainger's eCommerce investment continues and has received awards as a result of our eCommerce focus. In 2016, it was recognized by Internet Retailer magazine's B2B E-Commerce as the Website Design of the Year Award the award recognized the website that most effectively guides customers to the products they want, assists new customer acquisitions, offers flexible shipping options, connects approval and workflow systems, and leads to higher online sales.

In 2015 and 2016, Grainger earned the B2B E-Commerce Player of the Year Award and earlier this year Grainger was named 11th on Internet Retailer magazine's list of e-retailers in the US. We are proud of these accomplishments and they are reflective of one of our key pillars of striving to ensure an effortless customer experience.

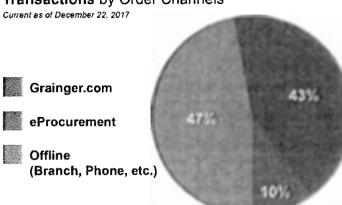
Integration: As an incumbent MRO supplier for NASPO ValuePoint, Grainger works with Jaggaer and other purchasing systems and has successfully integrated many State agencies with content deployment and punch-out access. These integrations support approximately 106,000 eCommerce transactions and \$37 million in purchases from NASPO ValuePoint Members with Grainger in 2016. Below is a summary of the resources supporting integrations with NASPO ValuePoint Members.

**Technology and Support Personnel:** As a NASPO ValuePoint contract holder for the past 15 years, Grainger offers the following internal support to provide punch-out access and content deployment to Members.

eCommerce Solutions Manager (ESM) Team: Grainger's ESM Team is experienced and seasoned.
 ECommerce Solutions Managers perform baseline reviews of NASPO ValuePoint Members' eCommerce platforms. The team works with our Government Sales Managers to identify and prioritize eCommerce

Member electronic connection Member opportunities based on requirements and timelines. Team Members perform technical ensuring Grainger assessments connectivity with Member's software platform and system integration. Technology standards are developed and implemented to ensure Member compatibility with requirements. The Team also provides training customized user via collaborative approach to the system upgrade

Transactions by Order Channels



- eProcurement Implementation & Operations Team: Grainger's
  - eProcurement Operations Team manages customer projects from inception to implementation. These professionals work hand in hand with the Member to create project plans which form the foundation of the integration. Grainger's seasoned team ensures that a customer's content, punch out and transaction integrations are completed efficiently and supported effectively post-implementation. Grainger knows how to get NASPO ValuePoint Members connected
- Enterprise Systems Team: Grainger's Enterprise Systems team focuses on planning, analysis, and developing new software functionality for the Grainger.com and eProcurement sites. The innovation team





also automates and manually tests all releases and provides advanced support for Member issues on Grainger.com. Its operational responsibility centers on continued support and functionality of Member's punch-out access and content deployment

# 6.5.5 E- Commerce and Web Catalog Capabilities

(1) Multiple search options from narrow options to specific search criteria;

# Grainger.com allows NASPO ValuePoint Members to search and filter by the following attributes:

- Keyword(s)
- NASPO ValuePoint Market Basket items
- Manufacturer/brand
- Manufacturer model number
- National Stock Number (NSN)

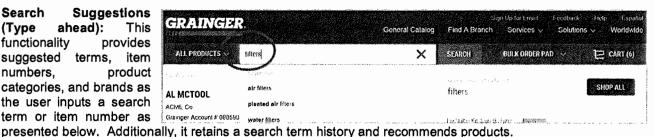
- · Grainger item number
- NASPO Member part number
- Supplier Diversity products
- Green products (Logo for green)
- Categories or product index

# Grainger's extensive investment in technology, specifically "search capability", is further represented by the following Search functionality:

- Wildcard Search: By using an asterisk (*), Members may perform a wildcard search. If a Member is looking for a model number but doesn't reMember the full number, the Member may type in the first three characters followed by an asterisk (*). Grainger's site will search all of the model numbers that start with those three characters.
- Refined Search: Members may further refine their search results by clicking "Search Within these Results". This feature filters the search results by an additional keyword or description. In addition, Members may further refine their search term by "Product Categories", "Brand" or "Price". As refinements are made, detailed technical specifications are shown to allow Members to narrow down to the exact product, quickly procure it, and resume work.

## Once a search result is presented, Members may:

- ✓ Add or remove refinements to their search without leaving the results page
- ✓ Refine their results by product specifications
- ✓ Sort by price, availability, model number, brand name and more
- See additional product information without leaving the results page
- √ View items in table format for easier comparison.
- √ View a Mini-Item Detail Page for quick reference
- ✓ Find Green and Supplier Diversity products quickly
- ✓ Use Search results to compare up to eight products at a time.
- ✓ See product availability in real time during checkout
- Search Suggestions This (Type ahead): functionality provides suggested terms, item numbers, product categories, and brands as the user inputs a search term or item number as



View Previously Purchased: Grainger has a feature allowing users to narrow their search results to those

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NASPO ValuePoint

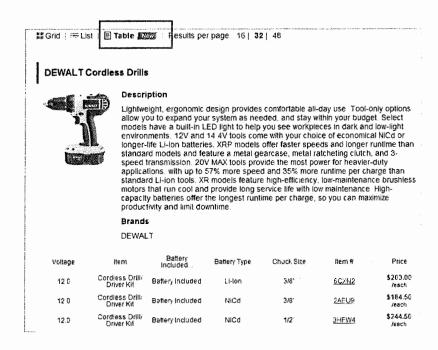




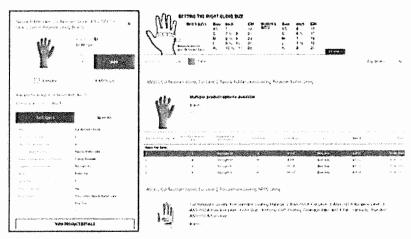
products they have purchased in the past. This makes it easier to find the products you need.

Sort results by: Top Sellers ✓	☐ View Previously Purchased Products Only			
## Grid   :■ List   Results per page: 16   32   48	1 2 3 4 Next			

 Table View: Organizes like products into logical groupings and provides additional product information. The table format facilitates easier comparisons between products.



Mini Item Detail Page (IDP): When viewing like products in table format, users can click on any of the
individual items to view a mini-IDP containing basic information on the product, and an ability to add that
item to the cart.



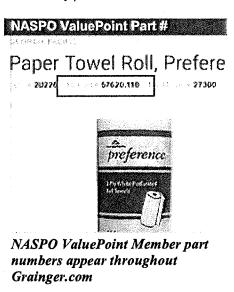
· NASPO ValuePoint Member Part Number: NASPO ValuePoint Members now have the option to search

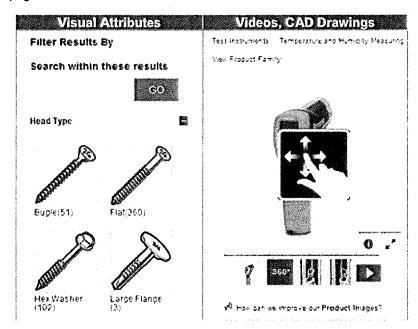




by their own part numbers on Grainger.com and their punch-out. Once a cross reference list is established, Grainger can load the Member part numbers for easy reference on the site. These part numbers appear in multiple item specific sections of Grainger.com and on shipping documents and invoices as well.

- Visual Attributes: Visual attributes help users by displaying imagery in addition to text and technical language. Users can click on an image to refine the search results by the selected value. Supplemental content is also available as banners to further help members with their purchase decision.
- Videos, CAD Drawings, 360° Spins: Users have the ability to see a complete view from various angles of many products from the Item Details page.





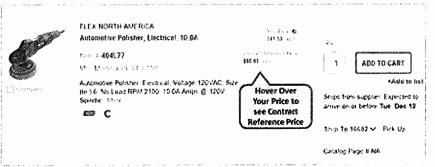
# (2) Display contract pricing;

Once logged on to Grainger.com or if accessing Grainger product via a Grainger punch-out, all NASPO ValuePoint contract pricing will be clearly displayed on item detail pages, within search results and in the shopping cart. Furthermore, all NASPO ValuePoint market basket products will be clearly identified with the NASPO ValuePoint logo.

NASPO ValuePoint Members will also be able to search for products with the NASPO ValuePoint logo in their market basket or search Grainger's entire online general catalog offer, providing Members with the ability to take advantage of their contract benefits. Additionally, NASPO ValuePoint Members can identify the product's Contract Reference Price from which contract discounts are applied by hovering over the product price displayed for each item.







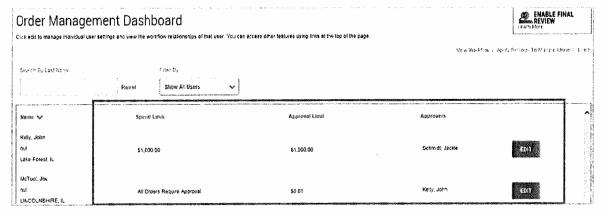
Contract pricing is presented when a member is in an item SEARCH, on the item detail page and in the SHOPPING CART

# (3) Have workflow management controls;

NASPO ValuePoint Members are able to control and manage their workflow and spend management when registered and logged into Grainger.com. Grainger's order management system allows the member greater purchasing control and visibility through customizable and flexible spend management authorizations. The workflow controls described here are administered by the individual Purchasing Entity and do not require centralized administration by the Participating State.

# Grainger's online Order Management System allows NASPO ValuePoint Members to:

- Establish an approval process for orders that exceed NASPO ValuePoint Member-specified dollar limits
- Designate a specific individual for default approvals
- Apply spend limits & default approvers across multiple users or groups of users
- Add notes to the order as it is sent for approval
- Modify delivery and payment information on orders submitted for approval
- Add, remove or change item quantities on orders submitted for approval
- Apply a payment method from your profile to a pending order
- · Set order approval rules based on Market basket items



Set individual user spend limits, approval limits and default approvers on the OMS dashboard







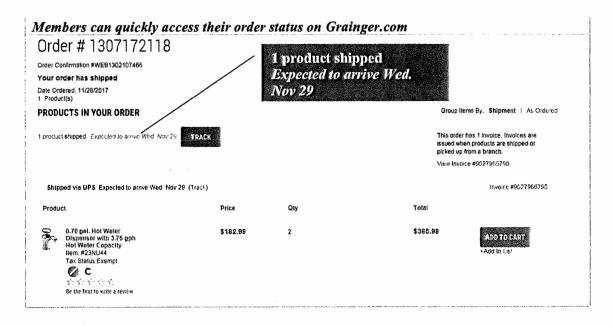
Pending orders can be approved on site or via mobile apps.

# (4) On-line ordering capability;

**Ordering 24/7:** NASPO ValuePoint Members can submit orders 24 hours per day, 7 days a week, and 365 days per year on Grainger.com and mobile applications. This allows for quick and easy ordering for each NASPO ValuePoint Member anytime, anywhere.

## (5) Order status and order tracking capabilities;

NASPO ValuePoint Members can use Grainger.com to track the status of any pending order, regardless of ordering channel (online, phone, fax, e-mail). Members can determine shipment status, backorder status, and partial order shipments, will call order pick-ups and order cancellations for orders placed within the past 36 months by clicking on the Order History link at the top of any Grainger.com page.





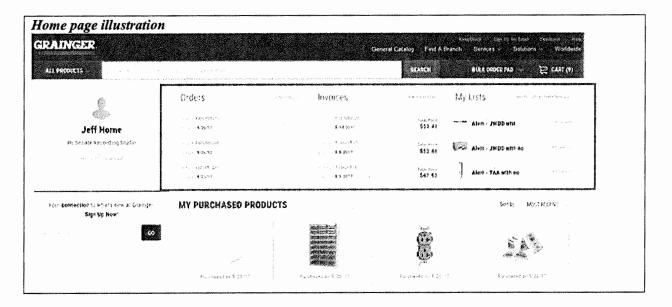


NASPO ValuePoint Members will receive a shipment notification with carrier tracking information once an order has shipped.



# (6) Order history;

The innovative Home Page on Grainger.com includes relevant user information such as order history, invoices, and other useful information in support of efficient procurement management. Order history can be accessed for 36 months.

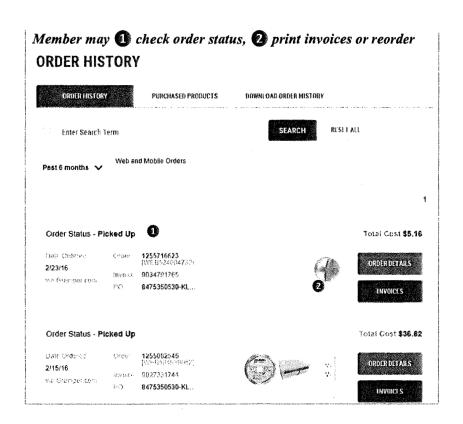








Members can select search criteria to search order history. Order history information is available online for the previous 36 months.







The order history file contains detailed information about each order. Reports may be customized based on the NASPO ValuePoint Member's specific needs. This report includes the following fields:

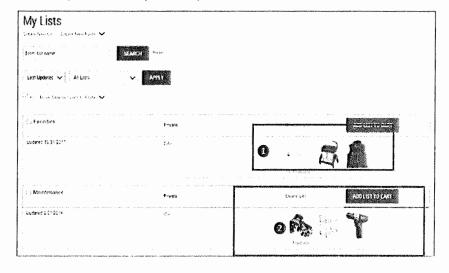
- Item Total Cost
- Item Description Grainger Account Defaults (line level)
- P.O. Line, Member Part, Member Item Notes
- Item Brand UNSPSC Product Category Code
- Quantity
- Categories and Sub-Categories
- Order Date and Order Number Price
- Shipping Information
- Method, First and Last Name, Company,

- Address, City, State, Zip, Country, Phone,
- Fax. Email
- Extended Price
- Grainger Account Defaults (header level)
- P.O or AMEX™ Ref, P.O. Release, Project
- Job, Requisition Name, Department, Phone
- Extension, Attention/Delivery Instructions
- Subtotal
- Payment Method Tax
- Line Item Number Freight

# (7) Allow users to develop personal lists and profiles, and a secure means for storing procurement card information;

**Personal Lists and Profiles**: NASPO ValuePoint Members can create "Personal Lists" on Grainger.com and punch-out integrations for frequently purchased items. Multiple personal lists can be created and shared among Members using the same Grainger account to streamline the acquisition process. This functionality allows Members to:

- Create lists by product category, service location, usage, or specifications and then organize those lists in folders
- Order directly from their list by clicking "Add to Order" next to any item
- Assign a location to a list allowing for easy access of that list from the Grainger Mobile app
- Add min/max quantities, bin locations, and print labels of the items in your list for easy inventory tracking
- Share lists with other people on the same account, so they can view and order from other Members' Personal Lists
- · Add or delete products on the list, combine lists or organize lists in multiple folders
- Shared usage of these easy-to-access lists can assist NASPO Members in consolidating product orders, avoiding duplication and driving product standardization to reduce costs
- To keep a record of previous purchases



Members can easily reorder their entire list or individual items from "My Lists". Note this customer has 11 different products listed in the Maintenance list. 2





Portions of information within this section are considered confidential and will be redacted. Please see Exhibit

Procurement Card Information: Grainger.com has an easy and secure means to use the Personal Profile feature allowing each individual NASPO ValuePoint Member to establish specific user-based profiles to view and edit contact, default payment and delivery information:

## Payment Information

- Select permanent payment method for individual account users
- Establish permanent method of payment (Purchase Order or Credit Card) for all account users
- Expedite check out by enabling express checkout (requires permanent default shipping and payment options)



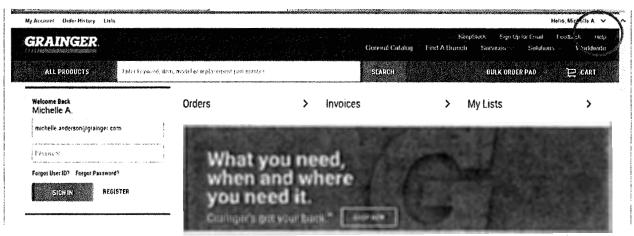
(8) Online help to use site should be available at minimum during normal work hours.

Click-to-Chat: Grainger offers Click-to-Chat Assistance for Members on Grainger.com and punch-out integrations. Agents are available from 7 am to 5 pm, Monday - Friday, in all time zones to assist Members with their product questions or anything related to the purchasing process. Agents in the click-to-chat function can access technical product experts to answer detailed questions on product application or specifications affording NASPO ValuePoint Members a prompt means to get answers to their questions.



Members can chat live with a Customer Service Representative (CSR) on Grainger.com. Once "Chat Now" is clicked, a message box opens up allowing members to communicate with the CSR

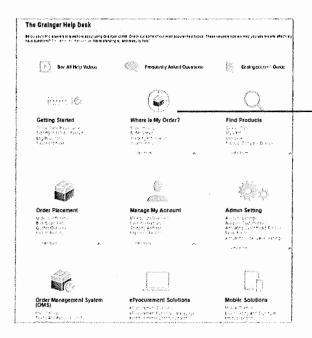
Help Button: Grainger.com offers a "help" button featured on the top right of every page of Granger.com to access additional information.







Once "Help" is selected the following screen appears with multiple topics for selection including Getting Started, Order Placement, and Manage My Account.



Members may quickly and easily find answers to the most commonly asked questions and while received guidance shopping Grainger.com.

**Key Help Topics: Getting Started** Where is My Order **Find Products** Order Placement Manage My Account **Admin Setting Order Management System eProcurement Solutions Mobile Solutions** 

(9) Technical data, illustrations, Material Safety Data Sheets, parts availability, and access to web-based product sourcing is required;

Technical Data and Illustrations: Grainger's General Catalog is available in its entirety on Grainger.com and includes technical data and illustrations.

Safety Data Sheets (formerly MSDS): NASPO ValuePoint Members may view and print SDS online at Grainger.com.

Parts Availability: Grainger gives NASPO ValuePoint Members access to approximately 200,000 repair parts for products in the Grainger General Catalog, including hard-to-find and discontinued items from more than 325 brand-name manufacturers. Parts list and expanded-view diagrams are available online 24 /7 at Grainger.com. Click on the "Repair Parts" tab to access Grainger's online Repair Parts center.

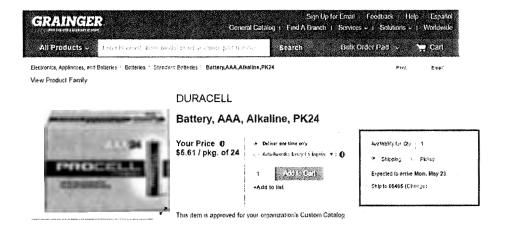
Web-based Product Sourcing: Grainger's online special order functionality is a value-add resource extending our catalog offering to provide NASPO ValuePoint Members a relevant solution for acquiring products.

(10) Allow viewers to view on line Offeror's product availability by location;

NASPO ValuePoint Members are able to determine real-time product availability by Grainger location.

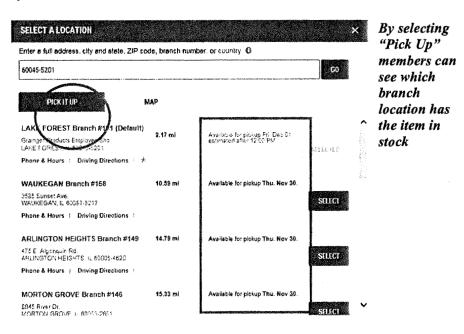






Grainger.com
enables NASPO
ValuePoint
Members to
check the realtime product
availability and
expected arrival
date of shipped
orders.

Members can designate a default branch within their account Member profile or allow Grainger.com to provide availability based on the branch closest to their location.



# (11) Ability to block certain items or categories.

Upon request, Grainger can block certain items or product categories

## (12) Ability to accept "P-Card" payments.

Grainger accepts P-card payments via VISA, MasterCard and American Express as a means of payment for orders.





- (13) Web-based Catalog available? √_ Yes __ No
- (14) Contract pricing available on line? √_Yes __No
- (15) Online workflow management? √_Yes __No
- (16) Order Status/Tracking Online? √Yes _No
- (17) Order History? √_Yes __No
- (18) Personal Lists? <u>√</u> Yes _No
- (19) Online Availability? √ Yes _ No

(20) What are you doing to ensure that your EPP products are properly identified and labeled in your Catalogs?

Grainger identifies Environmentally Preferred Products (EPP) with a green leaf in our online catalog. Grainger's paper catalog contains categorizations of products by EPP third party certifications.

Grainger's Product Management team continually verifies and pursues EPP offerings.

(21) Offeror is able to highlight EPP products either through prioritizing the EPP products in the online catalog, or by offering to substitute conventional with greener products?

√ Yes _No

# 6.5.6 Storage Of Electronic Data

6.5.6.1 Describe in detail how the electronic information for each Participating State shall be stored.

Portions of this information within this section are considered confidential and will be redacted. Please see Exhibit A.

Grainger values and understands the importance of properly storing electronic information for each Participating State. This information is critical to Grainger and NASPO Members for decision making and auditing purposes. Grainger has implemented systems that protect, preserve, and maintain information obtained from each Member.

Data protection is critical to Grainger. This requires creation and implementation of Information Security controls, processes and policies which align with an established information security framework. Grainger chose an internationally accepted information security management framework, ISO/IEC 27001. This framework provides direction for the Grainger information security program and established information security policies and procedures.



Grainger accepts credit cards as a payment method. We are required by P-card brands (Visa, MasterCard and American Express) to assess compliance against the PCI DSS standard. We perform that assessment annually and report to the card brands through our acquiring banks, as required by the standard.

Grainger undergoes an annual Information Technology General Controls (ITGC) audit under Section 404 of the US Sarbanes-Oxley Act of 2002.





The resulting audit opinion is filed as an attachment to Grainger's annual report to the Securities and Exchange Commission.

# 6.5.6.2 Do you have a dual system as a backup in the unlikely event that the main information storehouse becomes unusable?

Yes, Grainger's critical databases are mirrored in near real time providing backup support in the unlikely event that our main information storehouse becomes unusable.

# 6.5.6.3 Provide a general description of security protocol including storage of data, ordering security and data file security.

Portions of information within this section are considered confidential and will be redacted. Please see Exhibit A

NASPO ValuePoint Members can rest assured that Grainger takes data security serious. To ensure the appropriate protection of all Grainger data, both internet-facing and critical internal systems are protected by next generation firewalls, which allow us to segment our environments as needed.

Grainger undergoes an annual Information Technology General Controls (ITGC) audit under Section 404 of the US Sarbanes-Oxley Act of 2002. This assessment is in further support of Grainger's security protocols addressing data storage, ordering and data files.

## 6.5.7 Catalogs

The successful Offeror must provide paper and/or computer media catalogs to all agencies upon request for the duration of this contract. Offeror to explain if catalog identifies environmentally preferable products with associated EPP certifications.

Upon request, Grainger will send a hard copy or computer media catalog to NASPO ValuePoint Members. The Grainger catalogs include designators of Green Products or EPP certifications, as illustrated below.

Single ! White	010	9% x 10%*	5411	250	Georgia-Pacific	20904	5UWN4	16
White	1	10° x 13°	3₩.	200	otvi par sum	2112014	39FK91	u ga <b>al</b> vat
White	2	1014 x 13141	334	120	Georgia-Pacific	23000	3JG99	1/2
White	1	10' x 12'	344	200	Tough Guy	36P069	35P069	10/
White	1	10% x 13%	3.4.	240	Georgia-Pacific	25190	20227	

Grainger uses specific designators in our hard copy catalog to identify green products

Grainger's online catalog, Grainger.com, provides information and specifications for over 1.6 million products including designations of 72,000 Green products and EPP certifications.

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Grainger also provides NASPO ValuePoint Members detailed product data in various electronic formats (tab delimited, Excel, Access) for loading into Jaggaer or other purchasing systems. This data is customizable in format and content to include a designation for Green Products.

## 6.5.8 Procurement Card Policy

6.5.8.1 The	successful	Offeror mus	t offer the	capability to	accept procurement	cards	as aı	1
acceptable	form of pay	ment. Level l	II reporting	is preferred.				
				,				

Procurement Cards Accepted? _______No

6.5.8.2 Explain in detail your reporting capabilities for procurement card transactions.

Grainger processes Visa, MasterCard and American Express Level I, Level II and Level III transactions.

**Grainger Credit Card Purchase Report**: Grainger will offer NASPO ValuePoint Member a Credit Card report which includes the following:

- Payment method for purchases
- Purchase amount aggregated by State Agency and Political Subdivision level
- Procurement card type American Express, MasterCard or Visa

Financial Institution Reporting (Level III): Grainger realizes that Level III reporting is critical for effective transaction and spend management when using a procurement card. To meet the needs of NASPO ValuePoint Members, Grainger provides line item invoice data to the credit card company. The credit card company will provide itemized reports to the NASPO ValuePoint Member. The offerings and associated fees vary by provider, allowing the NASPO ValuePoint Member to determine what best fits their needs.

(Note that the Member must have a Level III purchasing card program in place with its financial institution to see this data on their Statements. A Level II program does not provide all data available via Level III reporting).

Grainger provides the following data fields to American Express, Visa and MasterCard for use in Level III reporting:

- 1. Grainger SKU
- 2. Item Description
- 3. Unit Price
- 4. Quantity
- 5. Extended Price
- 6. Tax Rate (if applicable)
- 7. Tax Amount
- 8. Customer#
- 9. Destination Zip Code
- 10. Order Date

# 6.5.9 Forced Substitutions

### 6.5.9.1 Forced substitutions are not allowed.

**Grainger will not force substitutions.** If an item is not available, Grainger will inform the NASPO ValuePoint Member and provide the Member with the option to choose an alternate product or wait for delivery if the product is on back order.

6.5.9.2 Explain how you will notify customers about out of stock items and how you will provide information about how the substituted product compares with the product that is out of stock.

Grainger utilizes several methods to notify NASPO ValuePoint Members if an item is out of stock, depending on order method. For online orders, Members will have real time visibility to out of stock or discontinued items. Grainger.com functionality includes a "compare items" feature which provides a side by side comparison of available alternates for the Member's consideration. In all instances, the decision to accept a substitute product is solely that of the NASPO ValuePoint Member.

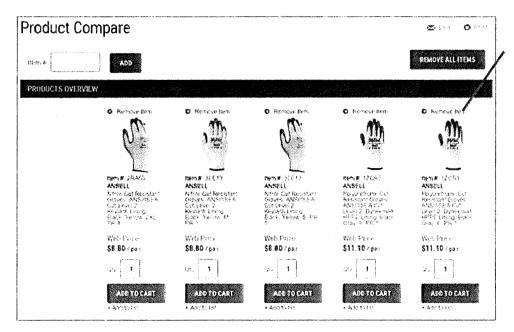
If the Member places an order either via a branch or phone, the Member is immediately notified by a Customer Service Representative (CSR) who will inform them of options for substitute or alternate items. Grainger's ERP





system easily allows the CSR to search for available alternates for the member to consider. Product information can also be emailed or faxed to the NASPO ValuePoint Members to review.

For faxed or emailed orders, a CSR will notify the Member and inform them of options for substitute or alternate items. Product information can be emailed or faxed to the NASPO ValuePoint Member.





# 6.5.10 Customer Service Representatives

6.5.10.1 Offerors shall provide each authorized purchaser with customer service representatives assigned to handle questions and resolve all problems that arise.

NASPO ValuePoint Members have access to Grainger's family of approximately 3,000 Customer Service Representatives (CSRs) to address questions and resolve issues that arise. Each CSR has use of State-of-the-art technology tools needed to address inquiries and ensure Member's expectations are met.

6.5.10.2 Service representatives shall be available, at a minimum, from 8:00 am to 5:00 pm in EACH time zone, Monday through Friday. Service representatives shall be available by phone (via local or toll free number), fax, or email during the required times for each participating State.

Grainger's Customer Service Representatives (CSRs) within the branch network will be available 8:00 am to 5:00 pm each day. Additionally, CSRs are available 24/7 via a toll free number, fax, and email for NASPO ValuePoint Members. Grainger's



national footprint provides NASPO ValuePoint Members with comprehensive resources needed to answer questions and resolve inquiries.

6.5.10.3 This solicitation is for all states and all time zones. Describe how you will manage the servicing of the contract for each time zone.

Grainger's Government Sales Organization is divided into 3 regions - West, South Central and Northeast to ensure service to NASPO ValuePoint Members. We have coverage in all time zones including 24/7 online,

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phone and email support. **Government-dedicated** Grainger sellers manage and service the contract through an **experienced team of over 500 government sellers**, throughout all 50 states, Washington D.C. and US Territories. Grainger provides full geographic coverage to all state, local, and education government Members. Government sellers are trained and certified to manage government specific contracts and customers. All

sellers annually complete government ethics and

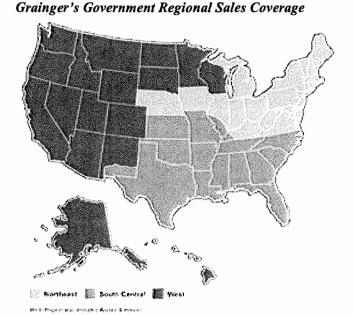
compliance training.

Grainger's Customer Service Representatives will be available 24/7 via a toll free number; fax and email in each time zone for NASPO ValuePoint Members

For NASPO ValuePoint Members with KeepStock® Inventory Management solutions, Grainger's Onsite Service Representatives are available during normal business hours at member specific locations to help Members manage their inventory, place orders and provide other assistance as needed.

# 6.5.10.4 Provide an Emergency number and contact for afterhours use.

**Grainger support is available** at phone number **800-472-4643** 24/7, 365 days a year for all NASPO ValuePoint Members with a critical need.



6.5.10.5 All service representatives shall have online access to account information and provide a timely response to inquiries concerning the status of orders (shipped or pending), delivery information, back-order information, contract pricing, category discounts, product availability, product information, account and billing questions, and contract compliance requirements.

Grainger's online system and network gives its government sellers and customer service representatives immediate online access to real time Member account information to help NASPO ValuePoint Members and provide information including, but not limited to: Status of orders (shipped or pending) as well as:

- Backorder status
- Contract pricing
- Category discounts
- Product availability
- Product information
- Account and billing questions
- Contract compliance
- Technical product support
- Cross referencing



# 6.5.10.6 Describe in detail the process that shall be used to ensure adequate service representatives will be available.

Customer Service Representatives (CSRs) utilize a workforce planning software to ensure that CSRs are available 24 hours a day. Utilizing this software, Grainger is able to accurately forecast volumes and handle work schedules based on historical and real-time needs. This capability allows Grainger to ensure adequate staffing levels to provide a consistent level of service throughout every interval of the day. Grainger utilizes a sophisticated phone network with phone routing logic that routes calls to the first available CSR. In emergency circumstances direct calls are routed to the appropriate local resource.





With approximately 3,000 Customer Service Representatives working with customers nationwide and over 500 dedicated Government Sales Representatives; Grainger has the resources available to meet the needs of any NASPO ValuePoint Member.

# 6.6 Administration and Marketing

## 6.6.1 Return Policy

## What is your standard return policy?

Grainger's Standard Return Policy: Returns for Grainger catalog products can be made up to **one (1) year** from the date of purchase. Returned product must be in original packaging, unused, undamaged and in saleable condition. Proof of purchase is required. Grainger will either replace the product or issue a credit for the product purchase price.

The above represents Grainger's policy, however; in practice Grainger attempts to put the Member first and in many instances Grainger may accept returns that do not meet all of the above criteria. For assistance with returns, Members should call Grainger Customer Care at 800-GRAINGER (800-472-4643).

#### 6.6.2 Distribution Points

It is desirable that a successful Offeror has inside and outside sales staff and distribution facilities located in all Participating States or geographic area offered. Offerors must provide the locations of their distribution points and information regarding sales staff for each Participating States or geographic area offered.

Grainger's Government Inside and Outside Sales Staff are solely dedicated to the public sector market across all 50 NASPO ValuePoint Member States, Washington D.C., US Territories and the federal government. Grainger created this government-dedicated sales team to better serve this sector, to understand specific

Sales Staff Per	State				
State	#	State	#	State	#
Alabama	17	Louisiana	13	Ohio	19
Alaska	10	Maine	7	Oklahoma	14
Arizona	18	Maryland	26	Oregon	12
Arkansas	10	Massachusetts	19	Pennsylvania	25
California	80	Michigan	15	Rhode Island	8
Colorado	18	Minnesota	18	South Carolina	15
Connecticut	13	Mississippi	9	South Dakota	9
Deleware	7	Missouri	18	Tennesse	13
Florida	47	Montana	6	Texas	54
Georgia	23	Nebraska	8	Utah	10
Hawaii	16	Nevada	12	Vermont	6
Idaho	8	New Hampshire	6	Virginia	29
Illinois	32	New Jersey	30	Washington	28
Indiana	10	New Mexico	21	West Virginia	8
lowa	9	New York	46	Wisconsin	13
Kansas	11	North Carolina	21	Wyoming	7
Kentucky	13	North Dakota	7	District of Columbia	15

customer challenges and to drive overall savings in procuring products.

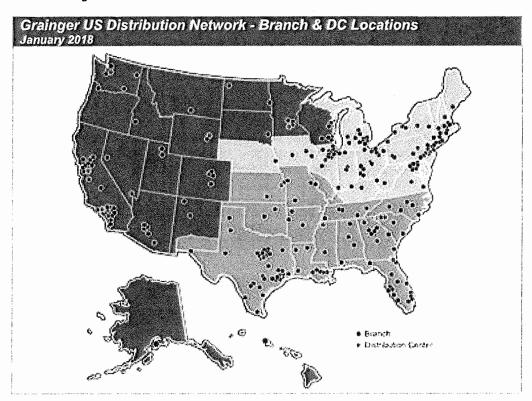
Distribution Points: Grainger's standard operations consist of methods to make inventory available to customers on a just-in-Through time basis. Grainger's logistic network, which includes 249 branch locations and 13 distribution centers (DCs), Grainger's over \$1.3 billion in on-hand inventory is supported by a network of over 4,800 Grainger suppliers and manufacturers. Please the following distribution center location chart for detailed information regarding each DC and the map

Grainger's Sales Staff Per State as of December, 22, 2017.





illustrating branch and DC locations.



Grainger US Distribution Centers				
Location	SKU's	Square Feet	Inventory Value	Employees
Kansas City, MO	131,000	1,300,000	\$ 50,100,000	<b>26</b> 5
Greenville, SC	305,000	1,100,000	\$113,400,000	492
Patterson, CA	269,000	820,000	\$ 91,100,000	358
Minooka, IL	464,000	1,100,000	\$174,100,000	632
Bordentown, NJ	283,000	1,300,000	\$115,400,000	574
Denver, CO	73,000	45,000	\$ 6,700,000	30
Plymouth, MN	89,000	35,000	\$ 8,000,000	34
Seattle, WA	88,000	56,000	\$ 10,400,000	46
Mira Loma, CA	133,000	345,000	\$ 46,400,000	181
Cleveland, OH	134,000	395,000	\$ 44,600,000	218
Dallas, TX	150,000	560,000	\$ 66,400,000	322
Jacksonville, FL	119,000	230,000	\$ 35,400,000	145
Southaven, MS	111,000	230,000	\$ 32,800,000	144





A complete list of branch locations is located in the Appendix.

## 6.6.3 Contract Management

6.6.3.1 Describe the Offeror's strategy for contract management and sales support including roles and responsibilities as they relate to each participating state for each of the proposed account teams that will handle contract management issues.

Grainger has established a framework to address NASPO ValuePoint contract management. Inquiries are addressed initially by the Member-aligned Grainger seller who engages necessary resources to address customer inquiries. If any matter cannot be resolved by Grainger's aligned Member seller, the seller will engage their immediate supervisor and escalate the matter to Grainger leadership until the issue is resolved.

## **Team Roles and Responsibility**

The chart below illustrates the roles and responsibilities of the team that as of January, 2018, support our existing State of Nevada/NASPO VP contract #1862.

		Grainger's Government Teams
	licated Government Re IASPO Members	source Role/Responsibility
ΔΛ	VP, Government Sales (1)	Responsible for all aspects of Grainger's business with our Government customers and for creating and fostering partnerships with our Government customers and understanding their MRO needs. Also ensures Government account representatives are properly trained and understand their customer's procurement processes and ethics rules.
SUP. PORT	Regional VP, Government Sales (RSVP) (3)	Responsible for all aspects of Grainger's Government within their particular region (Northeast, South Central, and West). RSVPs facilitate and guide their sellers to ensure that the Members' and other customers' needs are met. Assist sellers with critical processes such as contract implementation, and new program deployment.
REG- ONAL	Directors, Government Sales (4)	Responsible for Grainger's Government contracts in their aligned region (Northeast, South Central, and West and inside sales). Manage Government Sales Managers aligned to all of the states and engage with government procurement directors and other key procurement leaders to ensure that Grainger is meeting Members' needs.
	Govt. Sales Mgr. (GSM) & Sr. Manager, Govt. Sales (41) Govt. District Sales Mgrs. (DSM) (38)	100% dedicated to NASPO ValuePoint and have the lead for ensuring the success of our contract working directly with NASPO ValuePoint leadership.
		Responsible for managing the Government dedicated front line sales force. Help promote the NAPSO ValuePoint contract and coach and guide their aligned sellers to grow the NASPO ValuePoint business in their aligned geography.
EAMS	Govt. Account Mgr. (GAM) (353)	Grainger's sale's team members working face to face with NASPO ValuePoint Members and are dedicated to serving and addressing Member's MRO needs.
SUPPORT	Govt. Account Relationship Mgr. (GARM) (69)	Grainger's sale's team members working virtually, generally on the phone with Members, and are dedicated to serving and addressing Member's MRO needs and growing the NASPO ValuePoint contract by demonstrating its and Grainger's value as their partner of choice.
SALES &S	Govt. Site Relationship Mgrs.(GSRM), Field Sales Reps (FSR) & Govt. Sales Account Reps (GSAR) (9)	Partner with Government Account Managers to help support Members, particularly at large Member locations. They perform the same sales and service activities as a Government Account Manager, but focus more on those Members and buyers at a specific location.
	Sr. Government Program Manager (1)	Manages the Public Safety Program and also supports all Government sellers.
	Govt. Program Managers –Safety	Responsible for executing our safety strategy.





E MAGNET MAG	Grainger's Government Teams
cated Government Re ASPO Members	Role/Responsibility
(GPM) (6)	
Govt. Contract Enablement Mgrs. CEM) (6)	Responsible for assisting the SR. GSM (NASPO) with contract implementation. Activitie include cross functional project management, development of implementation plar stakeholder's management and progress reporting to ensure all Members within a state ca readily and quickly access the benefits of the NASPO contract.
Government Sourcing Manager (2)	Responsible for managing the Government Sourcing Specialists to ensure that those Members seeking Grainger's sourcing service.
Government Sourcing Specialist (28)	Respond to all requests for product not available in Grainger's catalog. Activities includ researching product requests and ensuring products meet Members' requirements.
Dedicated Government Customer Service Representatives (CSR) (60)	Responsible for addressing Members' inbound inquiries (Phone, Email, Fax and Chat). Customer inquiries may include but not limited to product identification, order management account management, product returns and assistance on Grainger.com, among others.
Sr. Managers, Government Strategy (4)	Responsible to develop the programs to assist the sales team and Members in meeting their MRO needs. This team researches the needs and challenges of different public sector sub-segments including State, Local, Federal, K/12 and Higher Education and develops programs to help them better meet their MRO needs.
Customer Life Cycle Managers and Commitment Management (5)	Responsible for supporting the Government sales team with bid and contract development CLPM activities include but are not limited to cross functional project management, ris assessment that includes operational and financial viability and proposal development.

6.6.3.2 It is desired that Offerors have a representative(s) that has the sole responsibility of management of this NASPO ValuePoint contract. Provide a list the name(s) and title(s) of the dedicated representative(s) per region or state.

Grainger has designated the following team responsible for management of the NASPO ValuePoint contract:

	demokranet avendret bestellt i still den bestellt bestellt i still bestellt bestellt bestellt bestellt bestellt	ePoint Contract	CONTRACTOR OF THE PROPERTY OF			
Title	Name	Geography	Email / Phone / Phone			
Sr. Director, Government	David Joyce	National	David.Joyce@grainger.com (203) 232-4147			
Sales; Co-Ops	Director of Govern	Government Co Ops Inment Sales SE Regior Inment Inside Sales	1			
Sr.	Chris Porter	National   Ali NASPO States	Chris.Porter@grainger.com (940) 867-7602			
Government	12 Years' Experience with Grainger					
Sales Manage	Senior Government Sales Manager					
	<ul> <li>Government District</li> </ul>	Government District Sales Manager				
	Government Sales Manager					

Grainger's dedicated representatives are aligned by region and presented below. Each region is governed by a Regional VP listed below.





		Key Regional Leadership						
Title)	Name	Geography	Email / Phone					
	- W. L. L.	N1.01	Benjamin.Nichols@grainger.com					
VP	Ben Nichols	National	(847) 535-1222					
Government	20 Years' Experience with Grainger  • VP Government Sales							
Sales	Regional Sale							
	1	Sales Manager						
CHARLES AND THE	* 并为为约1.6 与数据 10.6 等等公司的数据 表面与数据 有数的	Central C, GA, FL, AL, MS, LA, TX, KS, OK, , MO, TN	Kelly.Berube@grainger.com (281) 650-4906					
Regional VP	13 Years' Experience with Grainger  Director of Healthcare  District Sales Manager							
	North	east I, VT, MA, RI, CT, NY, NJ, PA, DE, MD, DC, VA, WV, NE, IA, IL,	Jeffrey.Dolan@grainger.com (610) 382-1264					
Regional VP	28 Years' experience with Grainger							
•	<ul> <li>Director Terri</li> </ul>	tory Sales						
		or Government Sales						
	District Sales	Manager						
	Tim West Sweat AZ, NV	, UT, MT, ID, WA, OR, CA, HI, AK, WY, CO, NM, ND, SD, MN, W	Tim.Sweat@grainger.com (214) 274-2331					
Regional VP	13 Years' experience with Grainger							
-	<ul> <li>Sr. Director of</li> <li>Director of Go</li> </ul>							
	Director of Get     District Sales							

## 6.6.3.3 Does your contract management include customer training? Please provide a detailed narrative including, at a minimum, the following:

Contract and eProcurement Training Instructional Training	In Person	Virtual	Literature
Contract			
Details of the award			
Price and discounts specific to Market Basket items			
Customer service and wide-variety of order processing support channels			
Introduction of the local Sales and Customer Service support staff			
eCommerce and eProcurement			
Online Ordering - Grainger.com			
Features and Functions - Grainger.com			
Phone, Email, Fax		V	V
KeepStock ^e			
Customer Service Processes			
How to Engage			
Hours of Operation			
Problem Resolution		J	
Technical Support		III.	
• Invoices			
Product			
Delivery			
Return Policy		- 6	- (
Specific Product Training		V	V
• Warranty			

Yes, Grainger's contract management provides contract and eProcurement training at no additional charge to NASPO ValuePoint Members.





## 6.6.3.4 Sustainable Products (e.g., energy efficient, water efficient, low toxicity, recycled content, etc.);

## Grainger offers the following training on Sustainable Products:

SUPPLIER /	NO HARGE	HEE SASES	
NAME OF SERVICE	9)		BRIEF DESCRIPTION
Cree Lighting Audit	✓		For customers considering large indoor or outdoor lighting projects, Cree offers lighting audit services. The audit consists of a site walk-thru, fixture count, energy audit, return on investment and payback analysis, utility rebate assistance, applications (photometrics) and future commissioning.
Cree / SmartCast Wireless Lighting & Controls Commissioning	1	1	Cree's SmartCast PoE embeds intelligence to make buildings more efficient and people more productive, while delivering far better light for less energy than ordinary LED lighting systems. Cree will provide onsite resources to support the commissioning of SmartCast enabled fixtures to optimize energy saving benefits.
Cree / Photometric Application for Indoor & Outdoor Lighting	<b>✓</b>		Cree application Engineering develop a report identifying fixture locations and light levels for the specific application which is critical for outdoor lighting and large indoor applications. Provides point by point lighting calculations on the end user's CAD drawing, resulting in optimized energy savings.
Cree / Engineering Site Audit for Lighting & Controls		~	For large sophisticated lighting and controls projects Cree offers an on-site walk-thru conducted by a Cree Engineer who will perform audit on applications and other services. Cree does the complete upfront engineering of the project, maximizing lighting performance, reducing maintenance and optimizing energy savings.
Cree / SmartCast PoE Energy Advisor		✓	The Cree SmartCast Advisor™ is a powerful suite of applications that offers immediate and actionable business insights. It intelligently monitors your building with the SmartCast® PoE lighting network and provides tips on making your business more profitable with recommendations for energy efficiency, putting your spaces to better use, and much more. SmartCast Advisor™ is available for a monthly fee.
Cree / Turnkey Project Management		<b>✓</b>	For customers seeking specialized expertise and support on large lighting & control opportunities - Cree offers a fee-based Turnkey Project Management service to manage lighting projects from engineering to installation to commissioning. Every aspect of the project is billed on one invoice.
Cree / Utility Rebate Assistance	1		Cree's Rebate Team works directly with Grainger's Mid-Stream Rebate Team and sellers to identify and offer mid-stream rebate opportunities for light fixtures and retrofit kits.
Diversey / Greenguard Certification	<b>✓</b>		Minimize contaminants introduced to the air during cleaning and improve indoor air quality.  Greenguard certification identifies the proper products, tools and processes to clean the facility.  Diversey supports certification efforts via on-site setup, training and system auditing.
Diversey / Floor Care Productivity Survey	<b>✓</b>		Improve productivity, appearance and reduce waste in your floor care processes. Diversey provides support via a facility survey identifying potential improvements to your current floor care program. Identifies opportunities to realize potential cost savings in overall labor costs and/or chemical usage costs.
Air Handler Air / Filtration Audits	<b>✓</b>		Realize opportunities to reduce pressure drop and save energy. This filter audit analyzes air filtration systems and current filter list to generate recommendations that will reduce operating costs.
Georgia-Pacific / Dispenser Refurbish, Recycle, Reuse (RRR) Program	<b>~</b>		Providing an end of life solution for old paper towel and toilet paper dispensers. GP team removes old dispensers and reuses components. Old dispenser components are utilized in manufacturing new products, such as computers and automobile parts. Dispensers are picked up at the end user's location.





SUPPLIER / NAME OF SERVICE	NO	BASED	BRIEF DESCRIPTION
Georgia-Pacific / Harmon Recycling Program		<b>~</b>	GP Harmon's Retail & Distribution Solutions recycling program diverts paper, plastic and metal from landfills in order to avoid waste and minimize the environmental impact of your business. Our recycling program is unique and custom-designed to help meet, and even exceed, your sustainability goals.
Georgia-Pacific / LEED® Calculator & LEED® Reporting	<b>✓</b>		For customers interested in earning LEED® credits under the LEED® v4 Operations & Maintenance (O+M) Rating System. Georgia Pacific can generate a report for you illustrating & calculating how GP Pro products can support your efforts. Reports can be downloaded and provided to your LEED auditor.
Georgia-Pacific /Battery Recycling Program	~		Reduce the number of batteries in landfills. Through this service boxes are provided to enable the collection of used batteries in the area of your choice. Boxes are picked up at the facility and new boxes are provided for continued collection and environmental disposition.
Georgia-Pacific / Packaging System Optimization	/Abbidagam per	<b>✓</b>	Collaborate with a team of engineers and packaging scientists to develop innovative packaging solutions that improve functionality and reduce waste.
GOJO / Dispenser Disposal & Recovery	~	~	GOJO will coordinate the removal, transport, and sustainable disposal of old hand soap and sanitizer dispenser materials when completing a GOJO managed dispenser installation project. This is a great option for large installation/conversion projects and a great way to support sustainability initiatives within your facilities.
GOJO / Pre-Installation Site Survey	<b>✓</b>		For large hand soap & sanitizer installation or conversion projects (> 250 dispensers), GOJO will conduct a site walk-thru with material planning and project management. This service addresses challenges related to storage space constraints and reduces materials that must be moved, stored, shipped, or disposed of.
Acuity / Lighting & Controls - Audit & Design	~		For large lighting projects Acuity offers on-site audit of lighting & controls, recommendations, layout & design, ROI analysis, assistance with utility rebates & project management support with installer.
Zing / Lockout Audit	<b>~</b>		To ensure compliance of lockout programs Zing offers a site survey conducted by a specialist to audit your current lockout program and provide recommendations.
Rubbermaid / Innovative Solutions - Mobile Showroom	~		Discover more ways to reduce cost, improve productivity and enhance employee safety. Rubbermaid's mobile showcase vehicle provides an interactive experience and hands-on demonstrations featuring innovative solutions.
Rubbermaid / Recycling Solutions	<b>✓</b>		Explore solutions designed to support your recycling efforts. Rubbermaid's mobile showcase vehicle presents innovative solutions to help you achieve your recycling goals.
Rubbermaid / Waste Audits	<b>~</b>		For those interested in waste-reduction or recycling initiatives Rubbermaid offers on-site audits designed to help educate users on the impact of implementing a recycling system. This service provides an evaluation of current waste stream habits and processes and diversion practices and provides recommendations and assistance in designing a recycling system.
Rubbermaid / Site Assessments & ROI Calculators	<b>~</b>		Rubbermaid representatives share their expertise and recommendations through an on-site assessment with ROI calculators to support recycling, hand hygiene and many other common facility initiatives.
Rubbermaid / LEED® Certification Support	~		For customers pursuing LEED Certification Rubbermaid offers a site visit providing guidance, product recommendation and support with LEED implementation initiatives.





SUPPLIER / NAME OF SERVICE	NO CHARGE	FEE BASED	BRIEF DESCRIPTION
Hubbell / Energy Audit	<b>✓</b>		Gain insight into opportunities to leverage occupancy sensor technology to reduce energy costs.  Service includes a site audit, occupancy sensor layout recommendations -drawing, detailed bill of materials and a return on investment (ROI) calculator to estimate savings potential and project payback.
Henkel-LOCTITE / Air Leak Survey		<b>/</b>	The sooner any loss of air, steam or other pressurized gases is detected in equipment, the faster it can be returned to optimal efficiency. To reduce consumption and costs this service includes a site survey, documented findings, cost savings analysis and training.
Henkel-LOCTITE / Terracycle Program		1	For customers utilizing LOCTITE Anerobics or Light Cure Technologies Henkel has a solution to help you meet recycling goals and recycle items that were previously non-recyclable. Through an innovative partnership with TerraCycle® boxes are provided to enable convenient return shipping.

## 6.6.3.5 Review of environmentally preferable products with third party certifications (see section 6.5.3.6 above for a list of some of the 3rd party certifications).

Grainger works with NASPO ValuePoint Members to identify EPP products with third party certifications for which they would like training. Grainger collaborates with our manufacturers and suppliers to develop training programs tailored to meet Member needs.

## 6.6.3.6 New products:

Grainger introduces new products continually which may be viewed by NASPO ValuePoint Members at: <u>NEW PRODUCTS</u>

Training for use and/or utilization of any of these products can be coordinated through Grainger's local Government Sales Representatives, local branch personnel and / or General Catalog manufacturers and suppliers. Grainger will work with NASPO ValuePoint Members to schedule training on new products for which they identify a need.

## 6.6.3.7 Equipment and operation- Manufacturer/certified set up and training:

Grainger will assist via our local Government Sales Representative, NASPO ValuePoint Members in working with manufacturers, suppliers and third party installers for equipment and operation manufacturer-certified set up and training, post-installation services and maintenance as needed.

## 6.6.3.8 Seminars and other learning opportunities:

NASPO ValuePoint Members will have free access to various Grainger resources such as our "On the Job Webinar Series" that relate to work environment topics.

Grainger's "On the Job Webinar Series" addresses work environment issues such as:

- Safety
- OSHA Regulations
- Productivity
- Procurement & Inventory Management
- Green Solutions
- Emergency Preparedness

On the Job Webinar Series





At Grainger's On the Job website, (https://www.grainger.com/content/webinars) you will be able to register





and attend <u>FREE</u> online Webinars, all at the convenience from your desk. If a Member is unable to attend the scheduled live Webinar date, recordings of previous Webinars are readily available online.

Safety			
MONTH	TOPIC		
June 2017	Slips, Trips and Falls, Part 1: Preventing Falls From Heights Using Engineering and Administrative Controls	7	View recording
June 2017	Slips, Trips and Falls, Part 2: Preventing Falls From Heights Using Personal Fall Arrest Systems	7	View recording
June 2017	Slips, Trips and Falls, Part 3: Preventing Slips, Trips and Falls on the Same Level	7	View recording

In addition to Grainger's "On the Job Webinar Series", NASPO ValuePoint Members will have access to a variety of additional training at no charge. Through our relationship with industry leading manufacturers and suppliers, Grainger offers a variety of product training topics. While most of these training seminars are conducted at Member locations, other options are available. These programs include:

- Proto Tools Hand tool safety seminar and film Training includes a demonstration of the correct method of tool usage through a presentation by Proto and Grainger representatives. A certificate is issued upon completion of class.
- DeWalt Power Tools Training and customer safety presentations includes demonstrations of safe operating practices for power tools. Presented jointly by Grainger and DeWalt representatives.
- Fire-Resistant Workwear Training Evaluation and training of hazards to help determine proper product selection and use, and identifying cost savings.
- Fall Protection Training Specific courses designed to train for safety at heights, equipment inspection, rescue planning and tower climbing. Customized training courses are also available.
- Hearing Protection & Conservation Training Training includes instruction on the importance of proper use of hearing protection devices and is designed to assist your business in becoming compliant with OSHA standard 29 CFR 1910.95.
- Gas Detection Equipment Training Instruction on how to use gas detection products, including calibrating the equipment.
- Arc Flash Awareness Seminar Designed to bring awareness to the National Fire Protection Agency. Topics include methods of assessment, Personal Protective Equipment (PPE), proper electrical tools, test instruments and labeling of hazards.
- Fuses & Power Distribution Training Seminars are tailored to site
  safety requirements in proper application of fuses to help protect electrical equipment and power
  distribution systems.
- Spill Containment Training Employees are trained to use correct products and procedures for specific spill control and absorbent applications. Assessment involves detailing current spill maintenance procedures, identification of new and enhanced procedures and suggested improvements.
- Climbing Pro Ladder Training Includes training literature and video on safe and proper ladder use, how to select the correct ladders for the job and ladder inspection.







## 6.6.4 Delivery

6.6.4.1 Delivery time for in-stock items should not exceed 24-48 hours for all points within in the Participating States. Non- stocked items must be delivered within 10 working days. The Participating States reserve the right to impose restrictions. Explain in detail your delivery policy.

Grainger provides delivery for its in-stock items in 24 and 48 hours for all destination points within a Participating State. Non-stocked items will be delivered within 3-10 working days. Historically, 95% of all NASPO ValuePoint Member ordered items have been delivered within 24 hours.

## 6.6.4.2 Specify Guaranteed Delivery Time for In-Stock Items.

Grainger will guarantee delivery for local In-Stock items within 24-48 hours from the time an acceptable order is received. Delivery times for product shipped to Hawaii, Alaska and US Territories may vary.

## 6.6.4.3 Specify Guaranteed Delivery Time for Non-Stock Items.

Grainger will guarantee delivery for Non-Stock items within 3-10 business days from the time an acceptable order is received. Delivery times for product shipped to Hawaii, Alaska and US Territories may vary.

## 6.6.4.4 SDS must accompany all orders at the time of delivery (where applicable).

An SDS is added for every applicable item in the order and is also available on Grainger.com.

6.6.4.5 The Participating States expect high delivery standards from all contractors. Penalties may be imposed on contractors that have continual late deliveries. These penalties may include but are not limited to cancellation of orders, request for discounted pricing, non-use of an offending contractor or cancellation of the contractor's participating addendum(s).

Grainger acknowledges that penalties may be assessed and will provide high delivery standards to NASPO ValuePoint Members.

## 6.6.5 Shipping

6.6.5.1 All shipments are to be delivered directly to the purchasing department/division address. All shipments shall include a packing label that includes at a minimum the following information on the outside of the package: Authorized Purchaser; Delivery, Address; Purchasing entity and floor; Contact; and Telephone number.

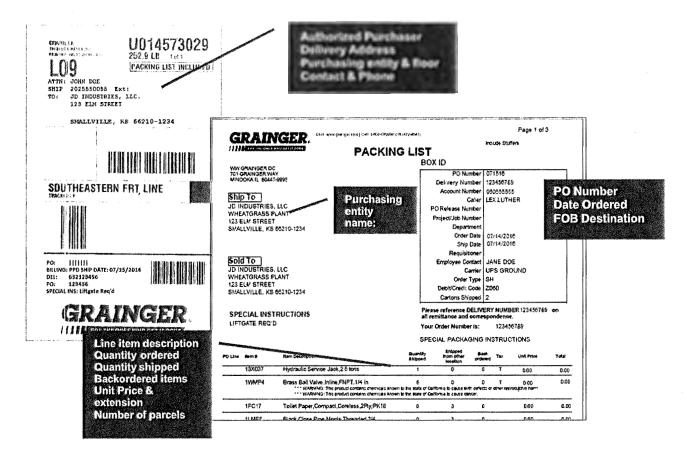
Shipping labels include all required information listed above and are on every order and delivered to the address specified by the Member. See the following graphic.

6.6.5.2 A packing slip shall also be included with each shipment, which shall include at a minimum the following information in no particular order: Line Item description; Date ordered; Quantity ordered; Quantity included in shipment; Any backordered items; Unit Price and extension; Number of parcels; Purchase Order Number: Purchasing entity name; and F.O.B. Destination.

As illustrated below, packing lists include all required information listed above and are included in every order. See the following graphic.







## 6.6.5.3 Describe in detail how your company has implemented environmentally sound shipping and transportation practices. For example

Is your company a US EPA SmartWay Partner?

Yes, Grainger is a SmartWaySM Transport Partner. Since launching in 2004, SmartWaySM partners have saved nearly 1.5 billion gallons of diesel fuel and prevented the formation of 14.7 million metric tons of carbon dioxide (CO2) and other emissions that contribute to climate change. By continuing to examine Grainger's freight operations, as well as working with carriers who are SmartWaySM certified, Grainger will continue to refine its environmentally sound shipping and transportation practices aimed in part at reducing its carbon footprint.

 Does your company use alternative fuel vehicles (e.g., electric, battery hybrid electric, biobased diesel, etc.?

Yes, a portion of Grainger vehicles use alternative fuel.

Does your company reduce energy usage or other environmental impacts during shipping?

Yes, in 2016 Grainger improved container utilization, resulting in an annual reduction of 27.4 CO2 metric tons. Grainger continues to be recognized by the US Environmental Protection Agency (USEPA) as a SmartWay® partner. Grainger's transportation team continually looks for ways to ship products in a manner that minimizes fuel usage, which includes evaluating order size and the most efficient delivery route, including shipping by rail





rather than road. Grainger also works with some of our largest suppliers to conserve space when loading product to minimize the overall number of trailers.

## 6.6.6 Implementation

6.6.6.1 implementation of this contract is vital to the Participating States. Describe in detail your implementation program including an estimated time line to include at minimum the following points.

The success of Grainger's NASPO ValuePoint MRO contract is directly attributed to working together with NASPO ValuePoint Members on a comprehensive contract implementation process. As the current incumbent of contract 1862 and former incumbent of contracts 6416 and 7066 respectively, Grainger will continue to leverage proven processes and practices to ensure seamless transitions to this contract for existing NASPO ValuePoint Members and application of an efficient and effective onboarding for new participating Members. Our objective is to implement new contract terms and conditions impacting service and support to NASPO ValuePoint Members be they existing or new. Simply stated, our objective is to make it easier for more public agencies to adopt the NASPO ValuePoint contract. In order to do so, Grainger will utilize a three phase implementation approach:

Phase	Description	Days	Grainger's Actions	Member's Actions	Outcome
ı	Execute Participating Addendum	0 – 30 days	Promote contract	Execute Participating Addendum	Pricing & contract terms activated
11	Contract Implementation Process	30 – 90 days & ongoing	Enable contract benefits	Define goals Align resources	Cost savings solutions implemented
	ValuePoint Contract Management Process	Contract life cycle	Leverage contract value	Participate in business reviews Assess satisfaction Prioritize new initiatives	Continuous Member satisfaction & contract benefits

## 6.6.6.2 Describe in detail the Offeror's implementation plan, including all process steps.

## Phase I: Execute Participating Addendum

Timeline: First 30 Days

Goal: Promote and leverage the value of the NASPO ValuePoint-Grainger contract, sign Participating Addendums and activate contract terms

Grainger will align current NASPO ValuePoint Members and explain the benefits of the new NASPO ValuePoint contract so each Member can realize the new contract's value. Grainger's Government Sales Manager's will prioritize Grainger's participating Members and also pursue the remaining states who currently do not participate under Grainger's existing NASPO ValuePoint contract 1862.

### Day 1 - 30: NASPO ValuePoint Implementation Kick-off

**Grainger Resources:** Grainger NASPO ValuePoint Leadership Team, Government Sales Managers, Account Managers; Corporate Communications Team, Marketing Team

## **Grainger Actions**

- Conduct national conference calls internally with Grainger Executives providing the details of the NASPO ValuePoint contract and implementation plan. The agenda includes an overview of the products and services that Grainger will provide Member States, a list of key Member leaders, and specific assignments for the Grainger Executive team to promote the new contract
- Conduct national conference calls internally with Grainger Government Sales Force providing details of the NASPO ValuePoint contract and implementation plan. Details of these calls include a complete overview of products and services to be provided, a deep-dive on the new pricing offer, the





go-to-market plan promoting the new contract, and a list of target states and agencies

Communicate NASPO ValuePoint contract details to other Grainger teams supporting NASPO ValuePoint Members including Customer Service (Call Centers and Branches), eCommerce, Inventory Management, Enterprise Systems/IT, Shared Financial Services, Emerging Small Business, Minority Business Enterprise, Women Business Enterprise, And Disabled Veteran Owned Business (ESB/MBE/WBE/DV & DBE) Team and others necessary for a seamless contract launch

## NASPO ValuePoint Existing and New Participating Members

- Grainger will engage State participating Members to gain CPO approval and execute a Participating Addendum to ensure that Members achieve the benefits of the new NASPO ValuePoint contract
- * Activate NASPO ValuePoint dedicated online portal for local and education sector contract affiliation
- Grainger will leverage its 500+ strong Government sales force to promote and launch the contract
- Continue engaging unaffiliated states and other targeted Members that will include highlighting and explaining the benefits of the new NASPO ValuePoint contract and Grainger's unique offer
- Announce award through social media, Grainger website (www.Grainger.com), and other media channels
- Email communication to all current Members buying from Grainger's current NASPO 1862 contract notifying them of award and benefits of the new contract
- Within 48 hours of each affiliation to new contract, terms and conditions will be activated inclusive of new contract pricing

## Phase II: Contract Implementation Process

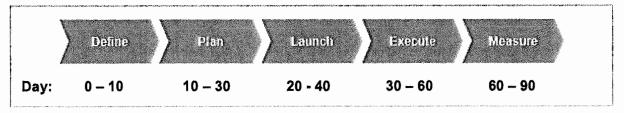
**Timeline: 90 DAYS** Each Member State and/or agency or political subdivision's implementation timeline can vary depending on customization requirements. Simple implementations (little to no customization) average approximately 30 calendar days and more complex (heavy customization) average 90 calendar days.

**Goal -** The goal in Phase II is to enable the realization of NASPO ValuePoint contract benefits for Members. This includes cost savings strategies, services, and other values associated with the contract.

**Grainger Resources**: Contract Enablement Manager, Government Sales Manager; Customized Solution Resources. Each state's activity will be led by the state's Government Sales Manager.

**Participating Member Resources:** State or Political Subdivision Contract Administrator and Contract Implementation Champion, Small Business Advocate / Hub Coordinators, and customized solutions such as Purchasing, IT, Accounts Payable, Inventory Management, etc.

Grainger will utilize a 5 step process and align a Grainger Contract Enablement Manager within Phase II:



DEFINE | Validate Objectives and Goals
Begins after the state has signed the Participating Addendum (PA)



Meet and understand Member's key initiatives and needs

## RFP DASPS-2183-17 (MRO) Industrial Supplies





- Determine Member's implementation scope of work criteria, priority and timelines
- · Determine and allocate specific Grainger and Member resources required for implementation

## PLAN: Jointly Define Success Factors and Implementation Requirements



- Identifying specific Grainger value-add, no-charge or fee services and solutions to advance Member's goals
- · Identifying Member specific requirements and customization of Grainger solutions required
- Customized positioning, communication and training plans
- · Key performance indicators to determine success
- Implementation timeline and major milestones
- Awareness and adoption pieces (Communications; Training; Marketing)
- · Solution feature options & functionality (e.g. eCommerce; Inventory Management)
- Member coverage and service plans(e.g. Sales; Customer Service)
- Product categories opportunities, consolidation
- Programs (e.g. Sustainability; Safety; Channel Procurement Partnerships)
- Contract Management (e.g. Reports)

## LAUNCH: Deliver Consistent Site Level Direction



- Drive awareness by delivering communications across all Member locations for Grainger and Member teams
- Conduct implementation meetings for Grainger and Member teams to train on specific solutions
- Engage Grainger sellers with Member specific site level action plans
- Provide actionable messaging

## **EXECUTE: Realize the Value of the NASPO ValuePoint Contract**



- Work the implementation plan
- Install solutions
- Lead change management
- Identify, escalate as necessary, and resolve issues
- Realize value of Contract

## MEASURE: Evaluate and Adjust to Achieve NASPO ValuePoint Member Needs



- · Review site level results
- Review value and initial costs savings
- Check and adjust to meet objectives

## Phase III - ValuePoint Contract Management Process

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Timeline: Begins immediately at the completion of Phase II for each Participating Member





Goal: The goal in Phase III is to create ongoing contract activities and programs to continuously leverage the NASPO ValuePoint benefits for the life of the contract.

Overview: Grainger will utilize a 2 step process within Phase III as part of our ongoing management for each Member implementation. This enables further partnership as needs evolve or goals change within the Member's infrastructure to leverage the NASPO ValuePoint contract at the department level and provide improvement opportunities back to State or Political Subdivision Contract Administrators.

Grainger Resources: Government Sales Manager; Government Account Manager, Customized Solution Resources. Each state's activity will be headed by the state's Government Sales Manager.

Participating Member Resources: State or Political Subdivision Contract Administrator and Contract Implementation Champion, and customized solution resources such as Purchasing, IT, Accounts Payable.



## MONITOR & EXECUTE: Drive Adoption of the NASPO ValuePoint Contract



## State Agencies and Political Subdivisions

- Assess Member satisfaction
- Address issues and resolve concerns
- Engage with state, county, municipal and other procurement officials to understand specific department needs and current procurement vehicles
- Assess continuous improvement opportunities to ensure contract compliance
- Jointly develop member/ Grainger strategy and proposal based on Member's needs and benefits of NASPO ValuePoint contract
- Prioritize Member initiatives to gain an understanding of which activity/program to focus
- Present relevant solutions to Members
- Execute on Member's key initiatives and implement mutually agreed upon solution(s)

## **GROW: Implement Improvements**



## Further Engagement with State Agencies and Political Subdivisions

- Regular site visits and engagements
- Conduct Quarterly Business Reviews
- Continue to drive and grow productivity, cost savings, consolidation and process improvement by leveraging NASPO ValuePoint Grainger contract and addressing Members' changing initiatives or needs

6.6.6.3 Detail the specific information, resources, and assistance the Offeror will require from each Participating State to implement the contract.

Information, resources and assistance needed from each Participating State include: (I) sign Participating

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NASPO ValuePoint

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Addendum (II) Identify Primary point of contact for Contract Implementation; (III) Define any additional terms and conditions for negotiation.

In order to successfully implement and drive the NASPO ValuePoint Contract in each state, the CPO will be involved both at the state level, as well as agency level, to drive compliance and facilitate key relationships. Noted below is the specific information and assistance requested within Grainger's three phase implementation approach.

	Resource: State	Contract Administrator and/or Contract Implemen	tation Champion
Phase	Phase I Execute Participating Addendum	Phase II ValuePoint Contract Implementation Process	Phase III ValuePoint Contract Management Process
Information	Sign Participating     Addendum	Identification of Participating State agency and political subdivision locations and primary contacts (known as Site Champions)     Procurement process and data history related to but not limited to product categories and item usage for each location	Details on changes to State's or Political Subdivision's key Initiatives and needs
Assistance	<ul> <li>Meet with Grainger Government Sales Manager</li> <li>Provide direction on State's or Political Subdivision's key initiatives and goals</li> <li>Determine Online Ordering System Options</li> </ul>	Collaborate with Grainger implementation resources to define scope, plans, and allocate local resources Provide access to relevant data, locations, and people Lead Change across local agencies and political subdivisions Resolve barriers and conflicts Hold accountability on State and Political Subdivision resource actions	Collaborate with Grainger Government Sales Manager Provide direction on State's and Political Subdivision's key initiatives and goals (if changed) Resolve barriers and conflicts Lead Change Management

6.6.6.4 Describe how soon from execution of the Participating Addendum the online ordering system will be available to each Participating State. If a phased implementation is planned in terms of limited functionality vs. complete functionality, please specify.

Within 48 hours after signing the Participating Addendum, Grainger will provide full web site functionality for all Participating States and Political Subdivisions. Grainger recognizes the sense of urgency of implementing the benefits of the new contract expeditiously.

6.6.6.5 Describe in detail the Offeror's experience when implementing customer relationships of equivalent size and complexity.

Grainger possesses a strong history of developing and implementing large and complex customer engagements. Our experience spans multiple aspects of size and scale. Grainger's results deliver extensive costs savings, increased productivity, consolidation, and process improvements.

Scale	Scope		Success Drivers
NASPO ValuePoint/	WSCA Contracts – 16 YRS		
Customer: 50 states	Incumbent of Contracts 6416,	1.	Leveraged existing relationships with key State and
5k+ Political	7066, 1862 Contract	and and	Political Subdivision stakeholders
Subdivisions	transition	2.	Grainger pursued and executed successful Participating Addendums
Grainger: 500+ Sellers & Leaders	Participating Addendums Existing & New States	3.	Increased participation and grew contract substantially through our broad product offering and value services
	Political Subdivisions	1	





Scale	Scope	Success Drivers
<b>GSA Federal Strateg</b>	ic Sourcing Initiative (FSSI)	- 2014
Customer: Federal Government Grainger: 500+ Sellers & Leaders	Buy American/Trade Agreements Act AbilityOne eCommerce Small Business	<ol> <li>Grainger collaboration with GSA and federal agencies</li> <li>Joint development of a solutions implementation plan</li> <li>Prioritized customer targets</li> <li>Robust communication plan to drive awareness for customers &amp; Grainger</li> <li>Delivered training to increase adoption within customer locations</li> </ol>
Vizient Healthcare G	PO - 2017	
Customer: 50 states 3,100 Health Systems 8,500 Locations Grainger: 380 Sellers & Leaders	Merger of 2 Health systems (Novation & MedAssets) Participating Addendums eCommerce Inventory Management Safety	Collaboration of solutions and implementation plan     Defined mutually accountable site level action plans to provide awareness and drive adoption     Grainger provided education and training for Safety and Compliance Programs
State of North Caroli	na - 2015	
Customer: 1,872 State Agency and Political Subdivisions	eCommerce Inventory Management Communications & Marketing	<ol> <li>Joint development of a solutions implementation plan</li> <li>Defined implementation key performance indicators</li> <li>Implementation progress reporting</li> <li>Increased participation and contract relevancy through broad product offering and value services</li> </ol>

## 6.6.6.6 Describe any customization abilities for different states or political subdivisions within a Participating State.

Yes, Grainger's broad offering has many opportunities for customization through collaboration between Grainger resources and the NASPO ValuePoint Member. Some customization options include:

Customization Ability	Description	
Driving awareness and Adoption	Grainger can support, design, and/or deliver communications and co-branded marketing materials to increase knowledge of the contract and promote adoption of the NASPO ValuePoint contract benefits through the contract lifecycle.  These may include co-branding and messaging for printed and electronic materials	
Solution Feature Options & Functionality	A NASPO ValuePoint Member may select specific features and functionality such as: Punch out, eCommerce integration, configuration of tool cribs, among others.	
Customer Coverage and Service	Grainger and the NASPO ValuePoint Member collaborate on appropriate coverage from Grainger Sales and Customer Service.	
Product Categories	A NASPO ValuePoint Member may customize Grainger catalog offering.	
Programs	A NASPO ValuePoint Member may leverage Grainger's extensive offerings including safety programs, training, sustainability, lighting, energy etc. and customize accordingly.	
Contract Management	Grainger has robust reporting capabilities, order tracking, sustainability progress, consolidation spend, etc. that NASPO ValuePoint Members can customize to their requirements	

## 6.6.7 Reporting Capabilities

6.6.7.1 The Offeror shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. If there are other reports available at additional pricing, information on these reports is also required. Please note the reporting requirement in the NASPO ValuePoint terms and conditions; in addition states may have additional reporting requirements.

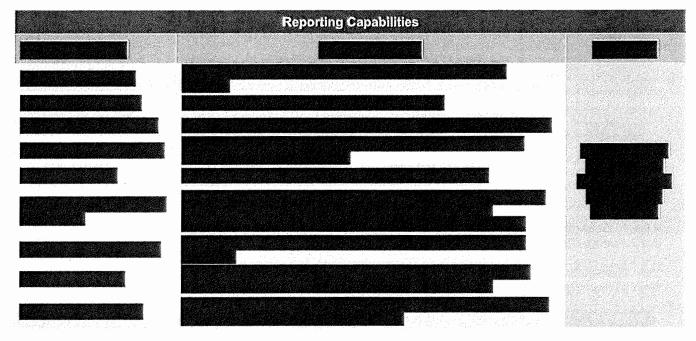




Grainger has the ability to offer various reporting tools which may be generated at different levels of NASPO ValuePoint Member's organizational structure. Reports are available to Members as value-adds. Grainger's integrated ERP platform is capable of providing reporting to meet Member's requirements.

Grainger acknowledges the reporting requirements in the NASPO ValuePoint terms and conditions.

Information within this section is considered confidential and will be redacted. Please see Exhibit A.



6.6.7.2 Explain your company auditing policy to ensure that pricing and services are in compliance with the contract. Explain your policy for revenue recovery in the event that any auditing reveals incorrect pricing.

Grainger has a comprehensive audit program to ensure adherence to all contract requirements. This includes that items are priced in accordance to terms of the contract. Presented below is Grainger's process for category discounts and market basket pricing compliance.

Category Discount Compliance: At the start of a new contract, a dedicated team is responsible for contract compliance to review all category discounts in the contract management system and in Grainger's ERP system. In the event the systems do not match, an exception report is created. This dedicated team reviews the exceptions, determines root cause, corrects the issue, and contacts the Sales Representative to facilitate a revenue recovery for that customer.

Throughout the term of the Master Agreement, a dedicated team is responsible for category discount compliance. This team looks at the category discounts in the contract management system and in Grainger's ERP system. In the event the systems do not match an exception report is created.

This dedicated team reviews the exceptions and determines why the exception occurred, corrects the issue, and contacts the appropriate Grainger representative to work with the Member to facilitate the Member's desired form of revenue recovery.

Market Basket Compliance: At the start of a new contract a dedicated team is responsible for contract





compliance to review the NASPO market basket in the contract management system and in Grainger's ERP system. In the event the systems do not match an exception report is created. This team reviews the exceptions, determines why the exception occurred, and corrects the issue. The Sales Representative is contacted to work with the Member to facilitate the Member's desired form of revenue recovery.

Throughout the term of the Master Agreement, a dedicated team is responsible for the market basket compliance. This team looks at the market baskets in the contract management system and in Grainger's ERP system. In the event the systems do not match an exception report is created.

This dedicated team reviews the exceptions and determines why it occurred, and corrects the issue. The Sales Representative is contacted to work with the Member to facilitate the Member's desired form of revenue recovery.

## 6.6.7.3 Does your company provide a green product spend report? Please describe how your company reports environmentally preferable product purchases.

Yes, Grainger provides a green product spend report. This reporting identifies Green product purchases based within a requested timeframe. Grainger's sustainability reporting can also suggest green product alternates to current procured items, if available.

Snap-shot of Green Product Spend Report

Material Family	Green Certification	Green Environmental
Cordiess Tools	ENERGY STAR Rated	
Cleaning Chemicals		Minimum 50% Post-C
Cleaning Chemicals	USDA BioPreferred D	Made From Rapidly R
Wet Mops, Squeegees, and Buckets		Minimum 90% Post-C

In addition to other specific product information, Grainger's green report tracks the product's Green Certification and / or the Green Environmental Attribute.

## 6.6.8 Sustainability/Environmental Practices

Sustainability and sound environmental practices are important to many of the Participating States. Thoroughly describe your sustainability and environmental practices that you currently have in place. This description should include the following:

## (1) Sustainability Program

Does your company have a corporate-wide sustainability policy? If yes, attach or provide a link to your sustainability policy as well as any related policy initiatives such as a Climate Action Plan, a Zero Waste Policy, a Toxics Reduction Strategy, or a Green Fleet Policy. Also, please summarize what your corporate sustainability policy directs your company to do.

Yes. Grainger has a corporate-wide sustainability policy. Click here to access Grainger's Corporate Social Responsibility (CSR) website.

Grainger's Environmental Health and Safety Policy states: Grainger drives Environmental, Health and Safety (EHS) excellence by promoting a safe environment through proper product procurement, handling, storage and waste minimization for all business areas. Full cooperation and engagement of all managers, supervisors and team Members throughout the world is required. In support of this policy, Grainger is





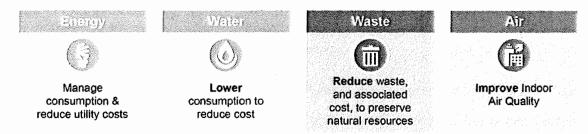
committed to high standards of EHS performance. In addition to its own operations, Grainger requires suppliers to comply with environmental regulation globally via its Supplier Code of Ethics, which states that suppliers shall be sensitive to its impact on the environment (including but not limited to air emissions, water discharge, toxic substances and hazardous waste disposal) and local communities.

We work to continuously improve our environmental performance across our value chain from our suppliers through our operations and to our customers. We encourage stewardship in our operations, and seek to share the lessons we have learned with others. We partner with several third party sustainability organizations, such as the CDP (formally known as the Carbon Disclosure Project), the GreenBiz Executive Network, the US Environmental Protection Agency, Smartway program, UL Inc. (formerly Underwriter's Laboratories, Inc.) and the US Green Building Council to help us align our environmental investments with our stakeholders' expectations.

Our CSR Report is prepared with reference to the Global Reporting Initiative's (GRI) Standards. According to the Securities and Exchange Commission Guidance Regarding Disclosure Related to Climate Change: The GRI framework sets out principles and indicators that organizations can use to measure and report their economic, environmental, and social performance, including issues involving climate change. Sustainability reports based on the GRI framework are used to benchmark performance with respect to laws, norms, codes, performance standards and voluntary initiatives, demonstrate organizational commitment to sustainable development, and compare organizational performance over time.

b. Describe the key elements of your company's sustainability program including sustainability staff positions, qualifications and training.

KEY ELEMENTS: Sustainability means meeting the present generation's needs without compromising the future generation's ability to do the same. Our sustainability efforts are focused on four key areas: Energy, Water, Waste and Air.



Energy: Grainger's facilities account for more than 90 percent of our annual energy use in North America. A key focus for the company is improving energy efficiency at its largest buildings, including corporate offices and distribution centers. Of those, Fourteen (14) Grainger facilities have either been built with or retrofitted to include building management systems that coordinate and manage mechanical and electrical equipment for maximum efficiency and productivity. This includes the four distribution centers the company retrofitted with building management systems. On average, Grainger has realized a 10 to 15 percent reduction in energy use and energy expenses at its facilities after installing the building management systems.

Grainger has been a Member of the US Green Building Council since 2007 and remains committed to building Leadership in Energy and Environmental Design (LEED) certified facilities. Grainger recently opened a state of the art, LEED Certified distribution center, in Minooka, Illinois. Grainger's new Minooka facility is classified as the largest LEED Commercial Interiors Platinum facility in the world.

Water Conservation: Grainger does not directly manufacture the products it sells so our water consumption is minimal. However, we do measure our water footprint and look for opportunities to reduce usage, such as installing water efficient fixtures and evaluating the landscaping irrigation programs at our largest facilities.





**Recycling and Waste:** By standardizing recycling practices and sharing best practices across its network, we are continually improving the recycling rate in our US distribution centers. Teams are trained to use a color-coded system to separate and bale materials such as cardboard, plastic wrap and metal and are encouraged to share and test ideas for ongoing improvements. As a result of these efforts, our diversion rate has increased for four consecutive years.

Air (Climate Change): Grainger recognizes that climate change is a significant global issue, and the company is taking steps to more effectively manage its energy use and greenhouse gas (GHG) emissions. Grainger has participated in the CDP since 2009 and in 2012 the company became the first industrial distributor to publicly disclose its carbon footprint. In 2016, the company maintained its A- performance rating reflecting the company's progress toward transparency in reporting and reducing GHG emissions.

**SUSTAINABILITY STAFF:** Grainger's sustainability team's goal is to drive environmental sustainability and innovation within the organization. The team is led by our Senior Manager, Jeff Rehm, and includes two Energy Managers.

Qualifications: The Senior Manager is a certified LEED-GA and has extensive experience in sustainability. Our Energy Managers hold the following designations: LEED AP OMN, Professional Engineer, MA, Conservation Biology & Ecosystem Management, MBA, Sustainable Business, GRI Certified.

Grainger Team Member Training: Grainger has a program aimed at educating team Members focused on what sustainability means to the business and encourages them to interact and share their ideas. Grainger's "Right Idea" initiative provides team Members with the opportunity to share best practices with others across the network and serve as Green Ambassadors.

Cross Functional Team: Grainger also maintains a cross-functional team with representatives from product management, external affairs and sales that focuses on promoting environmentally preferable product (EPP) solutions for customers. This team has more than 20 years of collective experience in managing environmentally preferable product certifications and attributes, reporting, measurement, regulatory, compliance and marketing of EPP solutions.

Both the Members of our cross-functional sustainability team and the Members of the sustainability operations team sit on the Corporate Social Responsibility Working Group. The Corporate Social Responsibility Working Group is led by a senior executive sponsor and is composed of leaders and subject matter experts in several functional areas. For more information on the governance of sustainability at Grainger Click Here

c. Describe Proposer's environmental practices that are applicable to items that Proposer markets. Provide links to your published statements, policies and reports and summarize key accomplishments.

**Environmental Practices:** Grainger incorporates the following environmental practices into key operational and support areas that are applicable to the items and materials that Grainger markets including:

- 1. Transportation
- 2. Product Packaging
- 3. Facilities Operations & Infrastructure
- 1. Transportation: Grainger's transportation team continually looks for ways to ship products in a manner that minimizes fuel usage. This includes evaluating the size of orders to determine the most efficient delivery route for outbound packages and receiving product by rail rather than road whenever possible. The company works with Grainger's largest suppliers to conserve space when loading product to help minimize the overall number of trailers used. These efforts reduced Grainger's carbon footprint by more than 1,500 metric tons of carbon dioxide equivalent (CO₂e) in 2015.





Grainger was the first industrial supplier to be recognized by the U.S. Environmental Protection Agency (USEPA) as a SmartWay® partner. The program provides a forum for the USEPA and businesses to collaborate in order to improve the environmental efficiency of their supply chains by reducing GHG emissions and air pollution.



- 2. Product Packaging: Grainger works with its suppliers and identifies opportunities to employ sustainable packaging materials and techniques. By standardizing our recycling procedures and sharing best practices company wide, Grainger continues to enhance the reach of its recycling effort in US distribution centers. Grainger teams use color-coded systems to separate and bale materials such as cardboard, plastic and metal. In 2016, we recycled 5,592 tons of cardboard, plastic and metal in our US Distribution Centers, an 8 % decline in diversion rates within these three categories. However, our overall total network diversion rate improved .6% over the same time period.
- 3. Facilities Operations & Infrastructure: Grainger's primary focus is where we can have the most influence our Distribution Centers (DCs). Grainger currently maintains 4.1 million square feet of LEED certified space over 17 facilities in North America. Grainger's newest 1.3 million-square-foot distribution center in Bordentown Township, NJ, features more than 13,000 high-efficiency SunPower solar panels on its roof capable of producing 4.3 megawatts of electrical power. To date, Grainger has installed 5.3 MW of solar panels on the roofs of its Distribution Centers.

## Grainger's Facilities Infrastructure and Environmental Practices



## LED LIGHTING

Approximately one quarter of our operations use LED lighting with occupancy sensors, reducing electricity consumption by 80 percent compared to conversional lighting



#### ELECTRIC CAR CHARGES

Granger encourages team members to use electric cars by installing charging stations closess to the entryways.



#### ROOF

Light-colored materials reflect hear, while dark roofs, such as those made of asphalt and far absorb hear, driving up air-conditioning consumption in order to place.



#### NATURAL LANDSCAPING

The landscaping at our distribution centers are designed to work with the natural environment, reducing the need for impation.



#### BUILDING MANAGEMENT SYSTEMS

A state of the art building automation system controls HVAC, Lighting, and building systems, reducing energy consumption by 10 percent



## LEED CERTIFICATION

Six of our distribution centers are LEED certified which helps ensure the design of the building is built to high standards of efficiency.

## Summary of Key Accomplishments & Recognition:

- More than \$556,000,000 in environmentally preferable product sales in 2016
- Newsweek Top Green Companies in the US 2016
- W.W. Grainger Inc. Now Listed on the Dow Jones Sustainability Index
- FTSE4Good Member Company (4 years)
- Grainger has maintained an **A- CDP Score** for three (3) years in a row highlighting our commitment to transparency on Green House Gas emissions.
- In 2013, Grainger became the **first industrial distributor to set a Greeenhouse Gas (GHG)** reduction goal. Our target is an intensity goal for GHG over revenue: to reduce our North American Scope 1 and Scope 2 GHG emissions per unit revenue 33 percent by 2020. We are currently more than half way to our goal, and have reduced intensity to 14.7, a 20% reduction since 2011. A 33 percent reduction by 2020 goal focused Grainger on doing business the right way by investing in renewable energy and energy efficiency.

## (2) Product Take Back/End of Life:

a. Provide a list of products for which you provide end of life take-back and recycling (e.g.

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fluorescent lamps, batteries, solvents, metals, etc.). List subcontractors if any you use for these services. List any fees or conditions for these services. Certificates of Disposal must be provided for hazardous waste. This is an EPA requirement.

Grainger offers end of life take back and recycling options for the following product types through recycling partnerships, product portfolio and through value-added (no-charge) recycling programs offered by our key suppliers.

## BATTERIES

- Alkaline
- Lead acid
- Lithium metal
- Lithium ion
- Mercury
- Nickel-cadmium
- Nickel metal hydride
- Silver
- Zinc Carbon
- Dry cell and sealed lead acid

#### LAMPS

- Linear fluorescent
- Compact fluorescent (CFL)
- Circular fluorescent
- U-bend or U-tube
- High intensity discharge (HID)
- Neon
- Shatterproof & other specialty
- Broken or crushed
- LED

### LAMP BALLASTS

- PCB
- Non-PCB

#### OTHER

- Mercury devices, thermometers & thermostats
- Electronic waste, cell phones & inkjet cartridges
- Generators, wire & motors
- Dispensers:
  - Paper towel
  - Toilet paper
  - Hand soaps
  - Hand sanitizers
- Anaerobic or Light Cure Adhesives
- Power tools
- Grainger offers NASPO ValuePoint Members the opportunity to deposit recyclable items in collection boxes in Grainger branches through our partnership with <u>EnviroLight</u>, specialized recycling services.
- Grainger offers recycling kits available for purchase on Grainger.com for many of the items listed above provided by EVERLIGHTS, RECYCLEPAK & SUPPLYPAK. Further details and kit specifications can be easily obtained by entering the search term "recycling kits" on Grainger.com.
- Georgia-Pacific's (GP) Dispenser Refurbish, Recycle, Reuse (RRR) Program provides a no-charge end
  of life solution for old paper towel and toilet paper dispensers. The GP team removes old dispensers
  and reuses components. Old dispenser components are utilized in manufacturing new products, such
  as computers and automobile parts. Dispensers are picked up at the end user's location.
- Georgia-Pacific provides a no charge service developed to reduce the number of batteries in landfills in
  partnership with <u>CALL2RECYCLE</u>. Through this service, boxes can be provided to NASPO ValuePoint
  Members for collection of used batteries. Boxes are picked up at the facility and new boxes provided
  for continued collection and environmental disposition.
- GOJO will coordinate the removal, transport, and sustainable disposal of old hand soap and sanitizer dispenser materials when completing a GOJO managed dispenser installation project.
- For customers utilizing LOCTITE® Anerobics or Light Cure Technologies, Henkel offers a solution to help you meet recycling goals and recycle items that were previously non-recyclable. Through an innovative partnership with TerraCycle®, boxes can be purchased that enable convenient return shipping and recycling.
- Stanley Black & Decker offers a no-charge end of life solution for <u>DEWALT</u>, <u>BLACK&DECKER</u>, <u>STANLEY TOOLS</u> & <u>BOSTITCH</u> brands.
  - Proposers are to minimize or eliminate the use of disposable containers; is made from recycled content or other bio-based fibers; is easily recyclable, contains a minimum of 25% by weight of post-consumer materials; and/or meets or exceeds the minimum post-





## consumer content level for respective packaging in the U.S. Environmental Protection Agency Comprehensive Procurement Guidelines.

Grainger utilizes recycled materials in our packaging in the following ways:

- Grainger boxes are made from 43% post-consumer content and are fully recyclable. Grainger's boxes are made from SFI (Sustainable Forestry Initiative) certified fiber sourcing systems
- Grainger has transitioned to a custom wrapping solution that employs technology to provide rightsized packaging for oversized items, reducing the overall amount of packaging required
- In 2016. Grainger eliminated all non-recycled foam packaging material and transitioned to recycled Kraft paper
- Grainger continues to expand their use of plastic air pillows as dunnage for small parcel shipments, of which most are bio-degradable (non-oxo-salt containing material). In 2016 Grainger transitioned our air pillows to a high efficiency film - which helps reduce overall plastic use
- Grainger's Distribution Centers manage carton consolidation and identify a key metric "Carton to order ratio." This metric shows that the more we can consolidate cartons the less impact we have on the environment. As a result of this initiative, Grainger has seen a 6% improvement overall
- As part of Grainger's commitment to ethical sourcing, we work closely with suppliers to identify potential opportunities to minimize unnecessary packaging while reducing the risk of damage to the products we offer. In 2015, the company introduced Supplier Packaging Guidelines to its US and Grainger Global Sourcing suppliers to encourage suppliers to take sustainability into account when making packaging decisions. The guidelines include best practices to help reduce damage and waste while maximizing recyclable materials
- Grainger recycles more than 200,000 pallets annually or 54% of all pallets purchased. Grainger also focuses on sustainability by purchasing mostly B-grade pallets versus A-grade/virgin pallets



## A Bright Idea

In 2016, all U.S. Grainger distribution centers transitioned packaging materials for light bulbs from foam to kraft paper made with 100 percent recycled raw materials. The paper is produced at a paper mill certified by the Sustainable Forestry Initiative with a closed water system that produces no municipal wastewater. The transition was a win-win-win: a cost savings for Grainger, easy to recycle for our customers and better at protecting our light bulbs.

c. Proposers are to provide packaging that does not contain inks, dyes, pigments, adhesives. stabilizers, or any other additives to which any lead, cadmium, mercury or hexavalent chromium has been included as an element during manufacture or distribution in such a way that the sum of the concentrations levels of such lead, cadmium, mercury or hexavalent chromium exceed the following concentration level: 100 parts per million by weight (0.01%).

Grainger purchases packaging material from Sealed Air, who certifies the following to Grainger: We certify that all packaging and packaging components sold by Sealed Air Corporation and its subsidiaries comply with the requirements of RoHS2, California Toxics in Packaging, EC Directive on Waste Electrical and Electronic Equipment (WEEE) and CONEG. Specifically:

- We certify that the restricted substances lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB), polybrominated diphenyl ethers (PBDE) and octabromodiphenyl ether (ODBE) -- were not intentionally added to any package or packaging component during the manufacturing process.
- We further certify that the sum of the incidental concentration levels of lead, mercury, cadmium and hexavalent chromium present in any package or package component does not exceed 100 parts per million by weight.





d. All drums shall remain the property of the supplier. Empty drums shall not become the property of the affected state entity under any circumstance or condition. All empty drums, including their respective caps, plugs, or bungs, shall be collected by the supplier within a reasonable time frame specified by the affected state entity for reuse or recycling via the most reasonable transport method.

Grainger will work with individual Members and suppliers to adhere to this requirement.

## (3) Product Choice:

a. Proposers green claims are consistent with the Federal Trade Commission's Green Guides. (for more information visit: <a href="https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides">https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides</a>)

Yes. Products designated on Grainger.com by a green leaf symbol fall into two categories: 1) those maintaining a third-party certification, and 2) those that have one or more environmentally preferable attributes. In each case, the basis for the presence of the symbol is explained, including information either about the specific third-party certification, or the relevant product attributes. Grainger relies on information from our third-party suppliers for claimed certifications and relevant product attributes. To provide an additional measure of confidence, Grainger works with outside experts to review the basis claimed by our third-party suppliers to verify respective product referenced standards.

## (4) Other Sustainability Practices:

- a. Offerors may provide additional information their company's sustainability policies, practices and/or achievements. Attach appropriate documentation to substantiate claim.
- Grainger's Mid-Stream Utility Rebate Program helps customers located in eligible zip codes take
  advantage of available utility rebates applicable to eligible LED Lighting and other Grainger purchases.
  Grainger provides NASPO ValuePoint Members with a list of eligible SKUs and the corresponding
  rebate value. Rebates are credited to customer's Grainger Account within 1-5 business days of
  invoicing
- In 2016, more than 100 Grainger team members registered to serve as Green Ambassadors, a group of team members who are passionate about the environment and work together to raise awareness and change behavior for the good of our business and the planet. The program encourages sharing sustainability best practices among Grainger locations and offers opportunities for grassroots involvement. For example, in 2016, the Green Ambassadors organized an Earth Day event at our Lake Forest headquarters. More than 20 vendors displayed green products from Grainger.com® that help team members reduce their environmental footprint at home and at the office. The team also ran a recycling drive for household materials that often are hard to recycle at home. They collected shoes, paper shredding, batteries and wine corks. During the year, our ambassadors completed more than 1,300 sustainability tasks and are the lifeblood of our sustainability efforts.
- Sustainable Contributions: The Grainger Matching Charitable Gifts Program aims to amplify our US team Members' personal community support. Through the program, the company offers a 3:1 match of eligible team Member contributions (up to \$2,500 annually) to qualifying organizations. In 2016 and 2017, Grainger contributed nearly \$60,000 to support environmental and sustainability-focused organizations in our communities.





6.6.9 Emerging Small Business, Minority Business Enterprise, Women Business Enterprise, And Disabled Veteran Owned Business.

6.6.9.1 Some Participating States, may desire to purchase products and services from ESB/MBE/WBE/DV & DBE companies. Some Participating States may or may not have an ESB/MBE/WBE/DV & DBE program and therefore each state will integrate this desirable into its Participating Addendum, if applicable. In some Participating States, to qualify as an ESB/MBE/WBE/DV & DBE supplier the listed companies must be registered with either the government or a recognized certifying entity and provide a certification type and number. Registered ESB/MBE/WBE/DV & DBE companies must be operating from a legitimate commercial site, carry all applicable insurance policies, required business licenses, and have operated continuously for at least two years. Please explain how the Offeror will provide opportunity for, ESB/MBE/WBE/DV & DBE companies.

Grainger has over 20 years of successful experience offering ESB/MBE/WBE/DV & DBE companies opportunities through two core programs.

**Grainger's Small and Diverse Supplier Program** affords NASPO ValuePoint Members with access to ESB/MBE/WBE/DV & DBE manufacturers and suppliers through our catalogs and distribution channels. Products provided by Grainger ESB/MBE/WBE/DV & DBE manufacturers and suppliers are identified as part of the supplier diversity program with the following symbol.



Grainger's Distributor Alliance Program enables ESB/MBE/WBE/DV & DBE companies to assist government agencies to meet their MRO product and service requirements. In the Distributor Alliance reseller program, NASPO ValuePoint Members leverage these companies' experience and expertise to meet ESB/MBE/WBE/DV & DBE goals. Grainger has actively supported diversity spend programs for more than 10 years and currently is contractually partnered with more than 60 certified resellers across the country



6.6.9.2 At a minimum, the following policies and practices must be described in detail:

6.6.9.2.1 Describe in detail how the Offeror will work with the registered companies to determine what products can be a part of the contract.

Grainger managers review ESB/MBE/WBE/DV & DBE supplier profiles when examining product opportunities generated by our customers. Additionally, qualified companies can also approach Grainger directly to discuss possible contractual partnering relationships. Companies certified by a State or local government as an ESB/MEB/WBE/DV company who are interested in doing business with Grainger can register online at Grainger's Supplier Portal. This innovative initiative provides Grainger and interested ESB/MEB/WBE/DV companies with yet another vehicle to explore possible business opportunities associated with our small and diverse supplier and distributor alliance programs. The ESB/MEB/WBE/DV companies may register in the Jaggaer purchasing or on Grainger's Supplier Portal.

Once an ESB/MEB/WBE/DV company is reviewed and approved, a supplier is added to our database and their product is made available in our general online catalog which is visible to our product and procurement managers. NASPO ValuePoint Members can look to our online website to access these supplier products.

Grainger will also look to registered or certified ESB/MEB/WBE/DV companies to meet a NASPO Member's unique product requirements if or when the Member's desired products are not currently available in Grainger's general catalog. Through Grainger's sourcing program, we can also leverage our extensive and diverse supplier base to explore procurement options specific to satisfying a Member's procurement needs..

6.6.9.2.2 Describe in detail how the Offeror will track all ESB/MBE/WBE/DV & DBE Products and





services, including ordering, delivery, and invoicing.

Through our robust ERP and SAP systems, Grainger can track all NASPO ValuePoint Member ESB/MBE/WBE/DV & DBE purchases of product and services and provide Members with reporting that addresses ordering, delivery, and invoicing to Members. Our reporting can also provide Members with insight into their purchases from our Distributor Alliance contractual partners.

## 6.6.9.2.3 Provide a list of Products that may be available to be purchased from ESB/MBE/WBE/DV & DBE companies under the proposed Contract.

As noted, the products made and or supplied by ESB/MBE/WBE/DV & DBE suppliers are identified within grainger.com with the Supplier Diversity symbol. Our extensive list of ESB/MBE/WBE/DV & DBE products may be viewed at the following link: <a href="https://www.grainger.com/content/supplier-diversity-customer-information">https://www.grainger.com/content/supplier-diversity-customer-information</a>.



All of Grainger's 1.6 million plus products may be available for purchase from our Distributor Alliance partners.

## 6.6.9.2.4 Describe how Offeror will make best efforts to increase the number of Products available to Authorized Purchasers under the Contract acquired from ESB/MBE/WBE/DV & DBE businesses.

Grainger seeks to increase the number of products acquired from ESB/MBE/WBE/DV & DBE companies in several ways. We routinely meet with government agencies to understand their needs and objectives. In addition, Grainger participates in a wide range of conferences and seminars to assist ESB/MBE/WBE/DV & DBE businesses to establish or strengthen themselves. Grainger's Supplier Portal invites ESB/MBE/WBE/DV & DBE suppliers to consider doing business with Grainger. Grainger pursues outreach opportunities with ESB/MBE/WBE/DV & DBE organizations to understand their Member offerings and to promote opportunities with Grainger. These include the following associations or agencies:

- National Minority Supplier Development Council (NMSDC)
- Women's Business Enterprise National Council (WBENC)
- Small Business Administration (SBA)
- National Gay and Lesbian Chamber of Commerce (NGLCC)
- Veteran Owned Businesses and Veteran Associations

Grainger also promotes existing ESB/MBE/WBE/DV & DBE suppliers to expand their market share to Members in the following ways:



- Logos that identify ESB/MBE/WBE/DV & DBE products on Grainger.com, as being manufactured by certified diverse companies
- Details addressing our Supplier ESB/MBE/WBE/DV & DBE efforts and news about Grainger's diverse suppliers are provided in our annual Corporate Social Responsibility Report
- Inclusion of Grainger's ESB/MBE/WBE/DV & DBE suppliers at the Grainger National Sales Meeting
  which provides enhanced profile to customers in the public and private sector and to Grainger
  sellers.

Grainger also works closely with our ESB/MBE/WBE/DV & DBE Distributor Alliance partners. We review our partners to assess ability to meet specific NASPO Members ESB/MBE/WBE/DV & DBE needs and add value to the relationship among three parties: the NASPO Member, Grainger, and the ESB/MBE/WBE/DV & DBE Company. The objective is that the ESB/MBE/WBE/DV & DBE Company and Grainger provide the NASPO ValuePoint Member with products addressing their procurement needs. Distributor Alliance partners are important participants in Grainger's National Sales Meeting.

6.6.9.2.5 Describe what other products or services the Offeror can offer within a category that supports ESB/MBE/WBE/DV & DBE suppliers.







Grainger's Distributor Alliance Program provides Members an additional avenue to meet their ESB/MBE/WBE/DV & DBE goals. In expanding the traditional model to purchase from ESB/MBE/WBE/DV & DBE suppliers, the Distributor Alliance program brings ESB/MBE/WBE/DV & DBE partners with expertise in government procurement. The selection process ensures NASPO ValuePoint Members will have quality provided products and support. Distributor Alliance partners provide additional MRO services such as kitting, local product delivery, product expertise, inventory services and training. Members who purchase MRO products from Grainger's Distributor Alliance companies gain the following benefits:

- Members have access to additional points of contact with product expertise, procurement expertise, or other valuable capabilities
- Members may meet their ESB/MBE/WBE/DV & DBE goals or needs by purchasing from these companies
- Most Distributor Alliance companies offer eCommerce solutions affording online access and ease of ordering products
- Many Distributor Alliance companies provide customized e-commerce platforms for their customer labeling, storage, installation or inventory management services may be available

## 6.6.9.3 Community Rehabilitation Program (CRP)/Qualified Rehabilitative Facilities (QRF): Describe how the Offeror supports the use of products and/or services sourced from QRF and the CRP programs.

Grainger has an enduring commitment to Community Rehabilitative Programs (CRP), Qualified Rehabilitative Facilities (QRF) and similar programs dedicated to assisting individuals with disabilities.

As an element in supplying MRO products to government agencies, Grainger has far-reaching relationships with AbilityOne, NIB/NISH and the non-profit agencies they supervise. AbilityOne is the agency responsible for promoting employment opportunities for individuals that are blind/visually impaired or with disabilities. Grainger offers over 1,250 products from non-profit entities employing individuals that are blind/visually impaired or with disabilities. Revenue has exceeded \$20 million annually in the last five years. Grainger works closely with the individual non-profit entities to ensure reliable and efficient availability of their product.

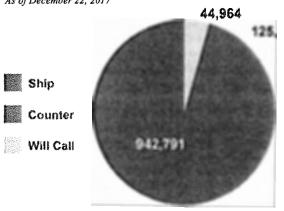
Grainger engages the appropriate CRP/QHF agency and/ non-profit entity to develop and implement a strategy across multiple agencies. Grainger's expertise in supply chain, product knowledge, marketing, customer/supplier relationships and eCommerce is dedicated to providing CRP, QRF and similar agencies effective and efficient means to distribute product.

## 6.6.10 Retail Store Purchases/Will Call

6.6.10.1 Describe the availability of contracted items through Offeror's branch locations. Please provide a list of branch locations that provide a will call service in each of the Participating States.

Based on the depth of our product inventory across our supply chain, all contracted items are available at one of our 249 local branches which has approximately 20,000 SKUs with \$1M onsite inventory, throughout the Participating States via will call. A complete branch list is located in the Appendix. During 2017, Grainger received over 171,000 orders from NASPO ValuePoint Members that were picked up at one of our local branches. Grainger can also customize inventory at our local

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branches based on Member preferences and actual product demand.

If by chance an item is not available to pick up at time of order, our customer service team will ask if the member still needs to pick up the order or have it shipped directly to them. With over \$1.3 billion of product within our network, Grainger's proven next day availability directly to the member or pick up at the local branch is 97%.

Grainger's after hours emergency service provides, at no extra cost to the NASPO ValuePoint Member, assistance through a toll-free number (800-472-4643). The call center will engage local Grainger team Members as needed to provide Member assistance within 1 hour of receiving a call and identifying an appropriate course of action to satisfy the Member's needs. If and as required, Grainger will open a branch after hours in support of NASPO ValuePoint Members operational requirements.

# 6.6.10.2 Provide a narrative that explains how authorized purchasers will be able to make purchases at will call branch locations, make payment for those items and have those items included in the reporting.

NASPO ValuePoint Members may call ahead for purchases which will be ready at the branch will-call counter. The order will be ready when the Member arrives for pick up. The packing list/receipt will be attached to the order for review. Grainger accepts payment using open account billing, cash, check, or credit card for purchases at our will call branch locations.

Additionally, Grainger branch locations have kiosks throughout their showrooms where an authorized purchaser can work with a branch team Member to search, select, and place an order for contracted items.

Grainger's reporting to NASPO ValuePoint Members and the State of Oregon will include all sales via ship, counter, and will call. All orders placed will be identified by the Member's unique 9 digit account number to ensure the correct NASPO ValuePoint contract pricing and discounts are applied. All purchasing entities will have a unique account number assigned to a state track code. This allows Grainger to capture for reporting purposes the entire spend covered by a Member.

### 6.6.11 Growth Incentives

6.6.11.1 Describe in detail any contract growth incentives, e.g. larger revenue, different levels of discounts for large orders that may be offered to the Participating States/purchasing agency.

Grainger offers various Growth Incentives for Member States during their Participating Addendum affiliation process. These growth incentives will enable Members to obtain additional cost savings above and beyond market basket and category discounts while also providing Members the flexibility to drive desired procurement behaviors.

Annual Incremental Sales Growth Incentive: One growth incentive option for NASPO ValuePoint Member States is Grainger's Annual Incremental Sales Growth incentive. This incentive compares a participating State's prior calendar year's purchases (baseline) and if overall current calendar year sales meets or exceeds an established growth threshold, then an incentive is paid on the incremental purchases. During the first quarter of each calendar year, Grainger will calculate the baseline of annual sales and offer an incentive based on growth over previous year's purchases. This incentive will be paid annually during the first quarter of the following calendar year and paid directly to the Participating State.

The Annual Incremental Sales Growth Incentive can vary in range from 0.5% to 6% of Incremental Sales Growth depending on factors such as: contract commitment and utilization, consolidation opportunities, Grainger's single verses multiple award status, and other relevant market factors. The selection of this incentive will be finalized during the Participating Addendum process.

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Annual Incremental Green Product Growth Incentive: NASPO ValuePoint Member States that are focused on meeting sustainability objectives may benefit from an additional incentive opportunity that rewards green product purchases. This incentive compares a participating State's prior calendar year green product purchases (baseline), and if overall purchases meet or exceed an established green product growth threshold, then an incentive is paid on the incremental green product purchases over previous year's baseline. During the first quarter of each calendar year, Grainger will calculate the baseline of annual green product sales and offer an incentive based on green product purchases over previous year's purchases. This incentive will be paid annually during the first quarter of the following calendar year and paid directly to the Participating State.

The Annual Incremental Green Product Growth Incentive can vary in range up to 4% of Incremental Green Product Sales Growth, depending on factors such as: contract commitment; consolidation opportunities; Grainger's single verses multiple award status; and other relevant market factors. The selection of this incentive and the incentive amount will be finalized during the Participating Addendum process.

Annual Grainger Choice (Private Label) Product Growth Incentive: NASPO ValuePoint Member States that recognize the cost savings and quality associated with Grainger Choice items can benefit from an additional incentive tied to Grainger Private Label purchases. This incentive compares a participating State's prior calendar year Grainger Choice product purchases (baseline), and if overall Grainger Choice purchases meet or exceed an established Grainger Choice threshold, then an incentive is paid on the incremental Grainger Choice product purchases over previous year's baseline. During the first quarter of each calendar year, Grainger will calculate the baseline of annual Grainger Choice sales and offer an incentive based on Grainger Choice product purchases over previous year's purchases. This incentive will be paid annually during the first quarter of the following calendar year and paid directly to the Participating State.

The Annual Incremental Grainger Choice Product Growth Incentive can vary in range up to 4% of Incremental Green Product Sales Growth, depending on factors such as: contract commitment; consolidation opportunities; Grainger's single verses multiple award status; and other relevant market factors. The selection of this incentive and amount will be finalized during the Participating Addendum process.

Growth Incentives extended to Local Agencies: To enhance the added value of our NASPO ValuePoint contract offering as it applies to all purchasing entities, Grainger may provide additional growth incentives (specified above in Section 6.6.11.1) to State agencies, participating local governments, educational institutions and other political subdivisions. Local incentives implemented will not diminish those found in the overall State agreement.

For all incentives, Grainger's annual baseline calculation of product purchased will include incentive related product purchased less freight, taxes, returned products and credits for the entire previous calendar year.

## 6.6.11.2 Describe in detail any incremental pricing incentives for on-line ordering verses fax or call in ordering.

Annual eCommerce Growth Incentive: NASPO ValuePoint Member States that are focused on driving eCommerce purchasing may benefit from an additional incentive aligned with digital platform efficiencies. This incentive compares a participating State's prior year eCommerce product purchases (baseline), and if overall eCommerce sales meet or exceed an established eCommerce growth threshold, then an incentive is paid on the incremental eCommerce product purchases over previous year's baseline. During the first quarter of each year, Grainger will calculate the baseline of annual eCommerce product sales and offer an incentive based on eCommerce product purchases over previous year's eCommerce purchases. This incentive will be paid annually during the first quarter of the following calendar year and paid directly to the Participating State.

The Annual eCommerce Growth Incentive can vary in range up to 4% of eCommerce Product Sales Growth, depending on factors such as: contract commitment, consolidation opportunities, Grainger's single verses multiple award status, and other relevant market factors. The selection of this incentive and the incentive amount will be finalized during the Participating Addendum process.





## 6.7 Additional Services

## 6.7.1 Training

6.7.1.1 Offeror shall provide all training as necessary at no additional pricing to all Participating States on all aspects of ordering, online ordering, product delivery, product returns, EPP's, and customer service processes.

Grainger will provide all training specific to contract utilization, online ordering, product delivery, product returns, EPPs and customer service processes at no additional cost to NASPO ValuePoint Members.

6.7.1.2 Describe in detail the Offeror's ability to offer training that may be required to ensure

No Cost Instructional Training	in Person	Virtual	Literature
Contract			
Details of the award			
Price and discounts specific to Market Basket items			_
Customer service and wide-variety of order processing support channels			
Introduction of the local Sales and Customer Service support staff			
Ordering			
Online Ordering - Grainger.com			
*Phone with the second			
• Email			
• Fex	W.	<b>W</b>	•
KeepStock			
Customer Service Processes			
How to Engage			
Hours of Operation			- 6
Problem Resolution	V	W	
Technical Support			
Product			
Delivery			
Return Policy		. /	
Training		$\mathbf{V}$	V
Warranty			

purchasing entities have a thorough understanding of all ordering processes including any online systems. No pricing for product training, safety training, or travel and per Diem.

Grainger offers training opportunities to Members to ensure the end user has a thorough understanding of all order processes. Grainger will provide communication and reference material to drive awareness to this new NASPO ValuePoint program. Training is also available on an ad hoc basis through our Advanced Grainger.com team.

The following chart presents an overview of our order channel and other available training for NASPO ValuePoint Members.

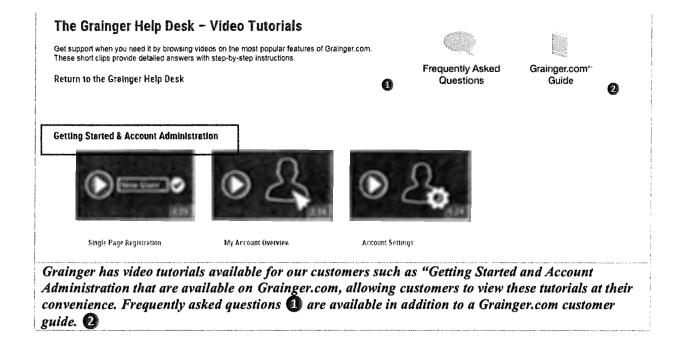
Order Channel	NASPO ValuePoint Ordering Channels Ordering Process Training
Toll Free:  Phone Fax Email	Inside sales representatives provide member support, training and technical assistance as needed during the ordering process.
	All NASPO ValuePoint Members will be provided dedicated phone, fax and email.
<ul> <li>eCommerce -         Grainger.com</li> <li>eProcurement -         Integration</li> </ul>	Grainger offers a wide breadth of training tools and resources to ensure members optimize the features and functionality of Grainger.com including:
	<ul> <li>Grainger.com User Guides</li> <li>On-Site Live Training Sessions</li> </ul>
	The Grainger Help Desk Video Tutorials
	Grainger.com training tools and resources cover topics including:  Registration





Order Channel	NASPO ValuePoint Ordering Channels Ordering Process Training
	<ul> <li>Account Overview</li> <li>Account Settings</li> <li>Order History</li> <li>Invoice History</li> <li>Customizing &amp; viewing order history data</li> <li>Creating &amp; managing lists</li> <li>Location based lists using Grainger Mobile</li> <li>Order management system capabilities</li> </ul>
	Government Account Managers and support personnel are available to conduct live on-site training sessions for larger groups.  See screen shots following this chart and present online tutorial training.
KeepStock® Inventory     Management Solutions	KeepStock® Inventory Management Solutions streamline the ordering process. Comprehensive training solutions are available.  Government Sales Managers, Account Managers, Onsite Service Representatives and Branch Managers are available to discuss KeepStock® solutions and tailor a training program.
Branch Location	Team Members are available to train NASPO ValuePoint Members on the branch ordering and will-call process.
<ul> <li>Government Account Managers</li> </ul>	Government Account Managers are available to meet with NASPO ValuePoint Members to discuss the ordering processes. Regularly scheduled visits can be established with Members to review the contract and answer questions.

## Additionally, Grainger offers the following Grainger.com online tutorials:

















Order History Locating Past Orders

Invoice History

Account Settings

Order History: Customizing Your View & Downloading Data

Other available tutorials include "Where is my Order" which previews Order History. Invoice History, Account Settings and Customizing your view and downloading data.

## 6.7.2 Disaster Recovery

Please describe your emergency management plan to aid states during an emergency or disaster recovery. Be specific as to response time, supplies availability and other goods and services that you offer.

Grainger's emergency management plan assures immediate response and delivery of goods/services to address emergencies, large and small. Our plan is drawn from many years of experience and supported by unmatched inventory and supply chain resources and team Member expertise. Our supplier relationships and supply chain capability assures that product is directed to where and when it is needed. In any emergency situation, all products are provided at the NASPO ValuePoint contract pricing.

Grainger's Crisis Management Team is the foundation of the effort to assist NASPO ValuePoint's emergency responders and their communities. The Crisis Response Team assists in planning and responding to weather events and other forecasted circumstances. It assesses needs to position supplies, personnel and other resources to locations prior to the incident so that distribution commences immediately. Much of the planning is drawn from Grainger participation in local first responder preparation exercises.

Response Time: The local Grainger field representative will engage the Member to address the circumstance within 60 minutes to understand the challenge and to commence response. Grainger provides emergency response services, whether the incident is small or large, at any time, to all NASPO ValuePoint Members. The Grainger Call Center provides 24/7 service at our 1-800-GRAINGER service line. Upon receiving a call, the Grainger representative contacts the Crisis Management Team leadership and/or communicates with the local Branch representative to open the nearest branch location.

Grainger commits to special services to NASPO ValuePoint Members and their communities. Additional personnel are deployed to take orders, assist Members, load trucks and distribute supplies.

Supply Availability: A pre-determined product list, coordinated with local emergency response agencies from the planning, is used to move supplies to the affected area. Grainger moves products from its 249 branch network and 13 regional Distribution Centers or directly from product suppliers. Depending on the type of emergency, a tailored requirement and inventory assessment is pursued. If additional products are required, a critical element in Grainger expeditious response is its breadth of inventory, capability to determine where inventory is located, and its transportation proficiency, personnel with expertise and experience and long term





relationships with state, county local and federal agencies.

In severe emergency situations, Grainger works with First Responders/First Receivers and government agencies to make sure they have priority access whether from Grainger or the product manufacturer. The Crisis Management Team and Grainger on-scene leadership works with emergency management agencies, local law enforcement, first responders and first receivers and others to ensure appropriate and fair distribution.

## Other Goods and Services Grainger Offers:

- Grainger's Emergency Preparedness Landing Page highlights relevant product categories for a wide range of emergency situations.
- Additional Product Solutions obtained to respond to the specific emergency
- Preparation of Product Needs and Requirements are provided and updated on our Emergency Landing Page
- Custom Kitting packaged in response to specific NASPO ValuePoint Member's needs

Summarized below are some recent examples of Grainger's disaster support capabilities:

Hurricane Harvey - August 2017: Hurricane Harvey became the first major hurricane to make landfall in the US since 2005 when it made landfall as a category-4 hurricane near Rockport, Texas, in August. As the storm tracked toward Texas, Grainger activated the Crisis Management Team for briefings every morning and afternoon. Supply chain teams quickly repositioned critical supplies within the Grainger distribution network of branches and regional distribution centers (DC). Grainger field representatives maintained a supporting presence



within the State Emergency Operations Center (EOC) as well as the Harris County-City of Houston EOC and the Texas Department of Transportation EOC. Grainger's Roanoke Distribution Center, located near Fort Worth, played a central role in the distribution of supplies throughout response and recovery operations. Grainger transportation managers expedited deliveries in coordination with State, County and Local emergency offices. Grainger supplied ten truckloads of MRE's and several truckloads of bottled water to City of Houston and Harris County facilities to support evacuation shelters.

Grainger supported evacuation shelter operations in Dallas, Austin, San Antonio and other jurisdictions throughout Texas. Thousands of cots, blankets, sheets, sanitary and other supplies were delivered. Grainger also supplied several incident command centers with cones, barriers, canopies and other products. Working with the Texas Department of Public Safety and the Department of Emergency Management, Grainger delivered water rescue suits, hard hats, gloves, respirator masks. Grainger supplied the Texas Department of Transportation items including waders, rain boots, insect repellent, nets, respirators, and rain suits. Other items prioritized for first-responders and first-receivers included thousands of generators, electric cords, fuses, emergency lighting solutions and personal protective equipment.

Hurricane Irma - September 2017: While ongoing support from Hurricane Harvey continued in Texas, Grainger responded with product and resources to support emergency response for Hurricane Irma in Florida. Hurricane Irma first made landfall as a category-4 hurricane with maximum sustained winds at 130mph. In preparation for Hurricane Irma, Governor Rick Scott declared a state of emergency for Florida. Grainger deployed field representatives to the Emergency Operations Center (EOC) in Tallahassee as well as local EOC's across the state to maintain support to prepare, respond, and recover from the hurricane. Grainger leveraged its supply chain and DC in Jacksonville, FL to provide products such as sandbags, batteries, generators, and tarps.



Grainger played a central role in working with the EOC's to support First Responders throughout the state by providing supplies, equipment, and personal protective equipment. While Florida had the largest evacuation in the state's history, many people remained and needed recovery from dangerous situations. The hurricane left over 70% of the state without power putting generators in high demand. Working directly with the EOC's Grainger was able to provide truckloads of generators, electrical cords, and batteries to state agencies as well

as local cities and counties. Many generators were provided to the Department of Transportation (DOT) to keep traffic signals operational.

Grainger also provided chain saws, cones, barriers, signs, and other various supplies to DOC and the Department of Public Safety Shelters were established throughout the state and Grainger worked directly with the Department of Health EOC and local cities / county's EOCs to supply medical equipment, lighting solutions, MRE's, water, paper products, tents, wheelchairs, sanitary products, cots, etc.

Grainger aligned directly with the Department of Health to help prevent the spread of disease (Zika) which was a major concern after the hurricane. Grainger provided insect repellant, netting, mosquito dunks, and personal protective equipment.



Northern and Southern California Wildfires - 2017: The Northern California wildfires, in October 2017, stretched across Napa, Sonoma, Lake, Mendocino, Butte and Solano counties. The December 2017 Southern California wildfires covered Ventura, Los Angeles, San Bernardino, Riverside and San Diego counties. Engaging protocols established by the California Department of General Services (DGS), Office of Emergency Services (OES) Cal Fire. City and County Fire and Emergency Medical departments and the Federal Emergency Management Agency, agencies were assigned a Grainger team member as a single point of contact to coordinate. Each team member coordinated product requirements, transportation and delivery to facilities, staging areas and other mobile locations for various agencies. Team members were also assigned to area hospitals and schools to support as needed. Team members worked and were on call 24/7 during the height of each of these emergencies.

The Grainger Crisis Management Team from Lake Forest, Field Sales, local branches, DCs and other units coordinated assistance and prioritization through twice-daily calls. Most items were same-day shipped from Grainger's Patterson. California DC and delivered to Fire Crews, supporting agencies such as Cal Trans, the shelters established for citizen fleeing the fires, and area hospitals. Items included carbon filters, air purifiers, N95 masks, gloves, cots, tents, and cleaning and sanitary products. Effort was also made to push product from other Grainger DCs and branch facilities to the emergency areas.

Zika Virus - April 2016: A Zika Virus core team was established to identify supply requirements and to assess product availability based upon the Centers for Disease Control and Prevention (CDC) guidance. Grainger quickly added additional product solutions to our product portfolio and distribution network. The Grainger Technical Product Services team prepared and published the Zika Virus Quick Tip Bulletin to the Grainger.com Info Library. A Mosquito-Borne Virus page was added to the Grainger.com/emergency landing page highlighting the wide range of solutions offered to help customers mitigate the risk posed by this new threat.

Ebola - July 2014: During the Ebola emergency, the Crisis Management team and Grainger technical product support team gained an understanding of the CDC Guidance for personal protection to respond to government and healthcare customer inquiries. Working with suppliers, additional product was obtained to meet healthcare and emergency management agency needs. Product prioritization procedures were activated to ensure that critical supplies were distributed to first responders and first receivers - especially regional treatment centers identified by the federal Department of Health and Human Services.





## 6.7.3 Installation, if applicable

Grainger will support NASPO ValuePoint Members in working with manufacturers, suppliers and third party installers ("Partner Network") for equipment, manufacturer-certified set up, training, turnkey installation, postinstallation services and other maintenance services. We work closely with NASPO ValuePoint Members and qualified, licensed and insured installers to identify and facilitate services and support.

Please describe Offeror's ability to provide installation services of products or equipment that Participating States may chose, if applicable to their States rules.

Grainger's offerings of installation and support services of products or equipment include the following:

- Grainger's network of installers provides turnkey and/or labor-only fixed fee installation and support services.
- Turnkey offerings include all materials, labor, recycling, rebate administration and tax deduction documentation, if applicable.
- Member billing options for labor and/or turnkey installation and service support will be tailored to satisfy Member needs.
- Currently Grainger has identified 65 companies that have satisfied our rigorous vetting process. All companies used by Grainger are licensed, insured, qualified and capable of performing in accordance with Member requirements.

## 6.7.4 Value Added Solutions

For over 16 years, Grainger has partnered with NASPO ValuePoint Members to provide MRO product and value added solutions. We remain committed to providing Members with the industry's best-in-class service.

Offerors are encouraged to suggest value added solutions that may improve the states use of the contracts and products offered. One such value-add is product sourcing.

Grainger leads the way with cutting edge initiatives, which include our expanded offering of MRO related services and customized value added solutions. Grainger remains focused on providing NASPO ValuePoint Members unsurpassed support. Presented below is Grainger's core list of value added fee and non-fee MRO related solutions.

> (6.7.4.1) Sourced Products (6.7.4.2) Vending Machines

### **Additional Value Added Solutions**

- A. KeepStock® inventory Management Solutions
- B. KeepStock Organize
- C. Grainer Safety Footwear Program & Shoemobile
- D. Safety Training & Assessments
- E. Consulting Services
- F. Managed MRO Solutions
- G. Energy Services
- H. Grainger's Custom Product Center

## 6.7.4.1 Sourced Products

(1) Supplier sourced products is a product which is not currently listed in the suppliers contract catalog or on-line ordering system at the time of order receipt but is capable of being supplied through the Offeror.





Grainger will leverage its buying power to provide NASPO ValuePoint Members a competitive market solution addressing product line extensions, items infrequently ordered or not yet in our catalog, or discontinued product.

(2) If the Offeror is capable of supplying sourced products they must be direct line extension products which have a similar item to an established product category and the Offeror must already have a publically recognized business partnership with the "brand".

Grainger's beyond-the-catalog solution is a direct line extension of product to an established product category. Grainger obtains its sourced product and services similar to an item in an established product category. Items are from publically recognized businesses that have established a supplier relationship with Grainger.

(3) The Offeror must list in their cost proposal Attachment D and D-1 their up charge for all invoices as a separate item from the product charge.

Grainger does not apply or assess an "up charge" or "handling fee" as defined by NASPO ValuePoint for sourced product or sourced product related service. Grainger sourced product and product related service are competitively priced based on current market conditions. Please see Grainger's Sourcing Terms and Conditions* provided in the Appendix.

## 6.7.4.2 Vending Machines

**KeepStock®** is Grainger's portfolio of inventory management solutions that help NASPO ValuePoint Members better understand their inventory and reduce costs associated with managing it. **KeepStock® Secure** is an ideal choice for NASPO ValuePoint Members who need controlled access of consumable MRO inventory.

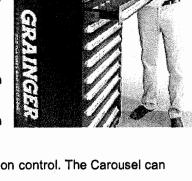
(1) Vending style machines that can dispense singular or multiple products with control type methods.

Grainger offers a variety of **KeepStock® Secure vending machines**. Each machine is customized and configured for your needs and supplies requirement:

- Coil units are best for Members needing high security and consumption control
- 2. Carousel units are best for Members needing high security and consumption control. The Carousel can also provide check out-check in capability at point of use
- Lockers can deliver medium to high security, depending on the quantity of items placed in each section. This unit is designed for Members who need to manage durable, large consumable, or grouped items
- 4. Cabinets provide a virtual mini-Grainger store, providing access to a variety of products of different sizes and types, while still providing robust reporting on access and usage
- 5. Drawers deliver a solution in the form of the common tool cabinet configuration, but with the same control and reporting capabilities as the other machines

Secure Employee Access: Employees can access machines by either swiping Member badge or entering a code on the key pad.

Control Methods: Orders are scheduled to run based on the preset day(s) determined during implementation. Restrictions by employee can be built into the program. Standard reports can be generated by date, time, item, department, cost center, etc. Sample reports are available from your Grainger sales representative to help you see the level of detail our programs can provide.







Offerors are encouraged to list their vending solutions.

#### Grainger KeepStock Secure Vending Machines deren lebrerge NAME OF TAXABLE PARTY. Coll Carousel · High security Medium security High security · High to medium Medium security security Single door/shelf Controllable drawer **Accommodates** Easy-to-use familiar products of varying Check-out/check-in access access style sizes capability Requires little to no Assemble tools by • Dispense up to 60 Good for product repackaging use for easy access unique items Check-out/check-in option consumables and Flexible shelf Various drawer Dependable durables configurations to configurations to dispensing Dispense up to 560 accommodate items accommodate items unique items Adjustable to accommodate larger of various sizes of different sizes items

(Offerors are encouraged to suggest value added solutions that may improve the states use of the contracts and products offered.)

Additional Value Added Services

## A. KeepStock® Inventory Management Solutions

At Grainger, we believe inventory management cannot be applied in a cookie-cutter approach and work directly with members to tailor one or more solutions that best suit the specific inventory management challenges and provide the cost improvement results.

**KeepStock®** is Grainger's custom portfolio of inventory management solutions that help government, institutions better manage their inventory and reduce the costs associated with managing it. This portfolio provides **both customer-managed (CMI) and Grainger vendor-managed (VMI) inventory options**, including Vending. Solutions range from simple to complex serving your varying needs and can be combined within your facility to provide a custom service.







Scan



Mobile



Secure



**Onsite** 



Store

These solutions can be fully integrated with a facility's purchasing system or Grainger.com to streamline the process and reduce total cost of ownership. KeepStock is a portfolio of services - both value-add, no-charge solutions or fee-based solutions available to all NASPO ValuePoint Members.

VENDOR MANAGED INVENTORY (VMI) SOLUTIONS: In addition to KeepStock® Secure vending machines, Grainger also has the following KeepStock® VMI inventory solutions:





KeepStock® Onsite: Get valuable inventory management services right inside your facility, helping you save

time and money. This solution keeps you in control of your overall inventory needs but offers inventory support from a dedicated Grainger Inventory Management Specialist who will:

- Identify Inventory Needing Replenishment
- Cross-reference Grainger items from your approved purchase requisitions and orders, and coordinates Grainger resources to identify the best product solutions for your needs.
- Place Orders for You
- Scan managed items and place spot buy orders, as needed. All orders are submitted and managed according to your workflow processes.
- Provide Dedicated Member Service
- Handle invoice inquiries, process product returns and expedite orders.
- Understand Your Inventory Needs. Put away Grainger shipments in your designated storage area (certain guidelines for product handling and storage restrictions apply). Also, your Grainger Inventory Management



Knowledgeable Grainger professionals will visit your locations to ensure your inventory is effectively managed.

Specialist understands your product usage and will work with you to make product recommendations, take spot buy orders, cross-reference new and additional items, all while providing valuable inventory insight.

KeepStock® Store: This solution provides a fully stocked and staffed branch right at your location—especially helpful for high-volume, high-traffic needs. Grainger will work with the Member to determine which items to stock

- Fast and Easy Access to a Helpful Grainger Resource. Get help with product identification, ordering and customer service from a knowledgeable Grainger Resource ready to help you with your inventory needs.
- Reduce Overhead Costs. With this solution, Grainger owns the inventory so you only get invoiced for the items you purchase from the branch.
- Increase Productivity. Save time counting inventory, placing orders and processing paperwork—your Grainger Resource manages the inventory and stocking process at your branch location while you still control the purchasing process.



Grainger Inventory Management Specialists provide valuable support by helping to keep inventory levels wherever you set them, only replacing the products that have been used, as well as performing spot buys and product put-away.

CUSTOMER-MANAGED INVENTORY (CMI) SOLUTIONS: Customer-Managed Inventory (CMI) lets you manage your own inventory or Grainger can help manage it for you with Vendor-Managed Inventory (VMI) solutions. Either way, we work with you to assess your inventory needs and together, choose the right solution that can help you take costs out of your business.

KeepStock® Label: Here's your solution to help you identify and organize your inventory. Best of all, no special software or advanced technology is required, just sign-in online and get started. Labels include the product image, SKU number, desired inventory levels and stocking location.





KeepStock® Scan: Place orders for stocked Grainger items by scanning barcodes and save time and money managing your inventory. Scan the Grainger-provided barcode labels to easily automate reordering of stocked

items for your tool crib, storeroom, closet, storage area or any point-of-use location. With the smartphone app, you can quickly and easily place orders for additional items that are not typically stocked. Just search the online Grainger catalog or Grainger.com and get all the products you need from one convenient source.

KeepStock® Mobile: This turnkey solution provides easy scanning and ordering of Grainger items from your smartphone, wherever you are. You can have your products shipped to a specific address or pick them up at your local Grainger branch. Use the barcode scanning technology to help you save time and money while managing your onthe-go inventory.

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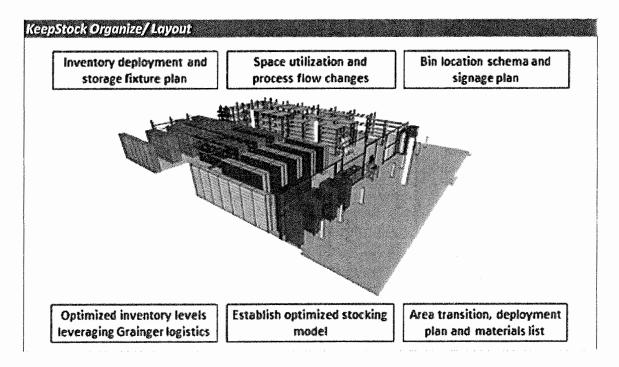
  Marphitch...

  Marphitch.
- Scan the barcodes of the Grainger products you stock—add more as your needs change.
- · Connect by using your smartphone app, or we'll provide a scanner for you.
- Review the order—you can also route the order through your workflow management as needed.
- Submit your order wherever you are with the smartphone app.

## B. KeepStock® Organize

As part of the KeepStock® portfolio, Grainger offers KeepStock® Organize. This service is a comprehensive offering focused on inventory organization that includes storeroom layout, organization, fixture construction, and content development for existing and new tool cribs. KeepStock® Organize consists of three (3) fee-based parts or phases which can be deployed together or independently.

KeepStock® Layout: Comprehensive inventory management planning, virtual layout configuration, and project planning. (There is a flat fee for this service. The fee is waived if racking and shelving is purchased from Grainger).







## Sample Storeroom Layout Options

#### Option 1 - Shelving

- Product Volume 3,050.8 ft¹
- . Foot Frint Current 2,304 H
- + Part Number Count 3,198



- 1. Storage Capacity, 3,286 1 h
- 2. Foot Print 1,341 ft4 -42%
- 3 Cost tow
- 4 Set the Easy IT 3:4 weeks
- 5 Maintenance None
- 6 Automotion None

### Option 2 - Modular Cabinet

- Product Volume: 3,050 BHz
- Fool Print Current: 2,304 ft?
- Part Number Count 3.198



- 1. Storage Copacity: 1,262.5 ft
- 2. Hoot Pring 1,841 ft -42%
- 9. Cost Medium
- 4 Set Up Easy, U 6-8 weeks
- 5 Meirhenneke: None
- 6. Automation: None

#### Option 3 - VLM

- Product Volume: 5.050.8 h³
- Foot Print Current 2,504 ft
- * Parthumber Count 5,198



- 3 Storage Capacity 3,102 5 ft
- 2. Foot Print: 1,541 ft -42%
- 5. Cost High
- 4 Set Up: Moderate, 17 10-12 weeks
- 5. Maintenance: Moderate
- 6. Automission High

KeepStock® Cleanup: execution of the project plan including labor for teardown of current storage fixtures, repositioning of retained fixtures, build of new fixtures, product movement and product positioning. (Quotes for this service depend on the KeepStock® Layout assessment.)

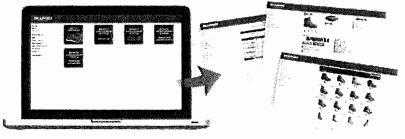
KeepStock® Content: capture current inventory items, their attribute elements, providing the ability to upload the data into a computerized materials management system. This may also include ongoing item database management. (Quotes for this service are dependent on a defined scope-of-work.)

#### C. Grainger Safety Footwear Program & Shoemobile

Grainger carries over 200,000 pairs of safety footwear to help NASPO ValuePoint Members avoid toe, foot and ankle injuries. Grainger's managed footwear program allows Members to order shoes by three methods: **Customized Online Website, Grainger Footwear Center, or the Grainger Shoemobile.** No matter which order channel Members choose, our Benefit Management System consolidates purchases to manage and track your footwear program.

A Custom Online Website, designed for each Entity, allows Members to purchase shoes 24/7 using online tools such as:

Configurator: simplifies the Member's shopping process and allows Members to filter by plain or steel toe styles and toe type material in men's or women's sizes, select a variety of widths, sole slip ratings and metatarsal guards and search by brand name, color, price and other attributes to narrow down choices.



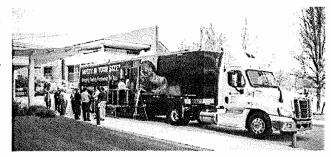




- 24/7 Shoe Benefit Inquiry to determine when the Member is eligible for their next pair
- Review past purchases
- Online Returns by visiting grainger.com/shoe-returns to process your request or call (800) 232-SHOE and one of our customer care representatives will help you with the returns process

Safety Footwear Centers: Grainger's Footwear Centers stock the most popular styles from the leading brand names in safety footwear, Grainger Safety Footwear Centers allow Grainger members an opportunity to buy safety footwear when visiting these select Grainger locations.

Shoemobile Onsite Service: Grainger operates a Shoemobile fleet which is unsurpassed in the industry. Operating and maintaining a growing fleet of 45' tractor-trailers and 26' trucks across the US, Grainger brings safety shoes directly to employees.. Trained service representatives measure Member's shoe size to ensure a proper fit and suggest styles that adhere to their company's footwear program guidelines.



Grainger can display up to 100 shoe styles and stock

2,000 Member-approved shoes on one Shoemobile. Grainger has a **96% fulfillment rate** on our Shoemobile, allowing Members to leave with their safety shoe purchase in hand. If a shoe is unable at time of purchase, Grainger will ship the shoes **AT NO CHARGE** to the Member.

As a leader in Shoemobile Automation Technology, Grainger processes transactions in seconds using computer-generated sales tickets & barcode technology, leaving more time for proper fitting and style selection.

Benefit Management System (BMS): Grainger's BMS tracks Member purchases to provide customized reporting and tracking for Members engaged in a company/entity footwear program, including reporting and invoicing to meet the unique needs of each Member. Grainger's BMS offers the following capabilities:

- Sort information by Member name, company I.D. or department
- Track payroll deductions and/or company contribution subsidies and maintain Member purchase history
- Monitor footwear selection guidelines for designated Members or departments based on the work environment

## D. Safety Training & Assessments

Through our strategic suppliers, the following solutions are offered to NASPO ValuePoint Members:

Assessment	Description
Job Hazard Assessment Program	Designed to assist with workplace hazard assessments, qualifying the specific product solution. Samples may be provided to check proper fabric, fit and application.
Safety Eyewear Assessment	Designed to assist agencies and institutions with workplace eye protection assessments, qualifying the specific product solution.
Hand Protection & Glove Program Assessment	Evaluates glove programs to determine proper selection and use, and identify cost savings. Samples are provided, allowing users to ensure proper fit and application.
Head Protection Assessment	Designed to assist workplace head protection assessments, qualifying the specific product solution
Ergonomic Matting Assessment	Evaluates your facility to recommend anti-fatigue matting to help reduce back and lower leg fatigue for employees who stand while working. Identifies the proper mat for use in areas with oils or chemicals and provides 12" samples to stand on or test against chemicals.
First Aid Assessment	Designed to assist agencies or institutions with establishing a first aid





Assessment	Description
Confined Space Analysis	program, understanding regulations and meeting ANSI fill requirements.  Site audit to determine potential confined space hazards.
STUD-E Safety Check Program	Site Assessment evaluates concerns associated with storage, transfer, use and disposal of hazardous liquids. Product suggestions promote using the right equipment for the right job. Provides assistance with regulatory code compliance to OSHA and EPA standards.
Hazardous Liquid Handling & Storage Assessment	On-site audit of hazardous/flammable storage, use and handling.
Process Safety Management	Includes the assembling of required process hazard information, which included field tracing piping and developing Piping & Instrumentation Diagrams (P&IDs); reviewing and commenting on operating procedures (startup, shutdown and emergency shutdown); and health, safety, emergency response procedures and preventive maintenance practices.
Lockout Program Needs Survey	On-site survey to assess current lockout/tagout practices and provide suggestions to improve current LOTO program.
Safety Paint Assessment	Conducts an on-site survey to determine the condition and location of safety markings and recommend the proper safety coatings.
Slips, Trips & Falls Assessment Floor Coating & Anti-Slip Assessment	Provides a pedestrian safety site assessment that takes in facility observations and gives back recommended products and solutions to help Member's facility become safer for employees and guests.

## E. Managed MRO Solutions

Grainger's Managed MRO Solution provides Members with daily onsite expert support services to help maximize the value of their entire MRO inventory investment - **both Grainger and non-Grainger product.** 

#### **Common Features**

- Supports ALL indirect inventory— both Grainger and non-Grainger product
- Full-time onsite presence (5 days x 8 hours)
- Configurable to meet Member-specific resource, process, and technology requirements
- Monthly fixed fee with a 1-year (renewable) contractual agreement
- Simple, pain-free transition plan / exit strategy

#### **Common Benefits**

- Rapid access to missing expertise and skills
- Avoidance of hiring / de-hiring costs
- Reclaim time of skilled trade employees and reallocate to higher value tasks
- Transparency of costs given simple fee structure
- Maintain control of procurement (i.e., supplier selection, price negotiation, contracting)

#### F. Grainger Consulting Services

A team of individuals with wide Maintenance Repair and Operations expertise brings the latest thinking to facility professionals and help Members become more productive. All consultants are accredited in Lean Six Sigma, Change Management and Sustainability.

Grainger consultants engage Members to evaluate their MRO Supply Chain. This evaluation employs a strategic framework of identified cost drivers to benchmark and provide ideal and cost effective solutions. This strategic framework of cost drivers focuses on:





- Process: Driving costs out of the processes can help Member productivity. Consultants help redesign
  purchasing and inventory management processes to reduce complexity and cycle time while helping to
  improve service levels. We offer Grainger solutions that can help streamline the purchasing process
  and automate the inventory replenishment process to enhance productivity
- Inventory: Inventory can be a critical, expensive component of a company's facilities maintenance operation. Consultants provide expertise within inventory management to help optimize inventory levels. We work with resources to understand inventory demand and supply requirements, identify obsolete stock, recommend proper on-hand inventory levels and set effective reorder points for MRO items



- Supplier / Product: Supplier/product management strategies can greatly impact the ability to drive cost savings and product standardization. Consultants helps segment, classify and analyze supplier/product usage to identify opportunities for greater leverage and incremental value. Supplier management is an area that continues to have opportunities for savings in indirect materials management
- Technology: The procurement and management of MRO via electronic solutions impacts the Member.
  Consultants assist with developing the right strategies and implementation plan to get the most out of
  your electronic solution. Effectively integrating electronic solutions into the MRO procurement strategies
  is the key to enable long-term success and cost savings

We engage Members using a proven methodology consisting of Analysis, Strategy Development, and Implementation. Consultants also help identify opportunities for efficiency that are often forgotten as to indirect materials management. Grainger's industry's research and experience enables Grainger to identify and monitor industry standards as we work. This experience provides a starting point for cost drivers like reducing waste in processing or demonstrating how a member can reduce its inventory. We learn Member's processes, recognize improvement opportunities and develop a strategic plan of solutions. This includes a comprehensive data measurement package that can demonstrate how to measure progress and sustain results. Our recommendations help service and efficiency.

### G. Energy Services

The Grainger Energy Services team serves as your resource to help identify and implement a wide range of efficient solutions for your agency through its network of qualified, insured and licensed service providers. Working closely with you, our service providers can help identify and facilitate the installation of energy-saving and water conservation measures with minimal disruption to your agency. Our service can help Members secure applicable incentives and rebates for energy and water-saving projects.

#### Potential Benefits:

- Improved use of energy and water
- Reduced operating costs
- Upgraded infrastructure
- Warranties on new equipment
- Lowered operational risk
- Avoided maintenance expenses
- Reduced facility carbon footprint

#### Comprehensive Services*:

- Multiple energy- and water-saving solutions
- Audit and financial analysis
- Material, contractor and project management





- Installation by qualified, insured and licensed service partners
- Administration of utility rebates
- Disposal and recycling
- * Provided by third party service providers and subject to Member eligibility.

Grain	ger's Energy Services
•	Lighting Projects - Auditing, specifying, supplying, installing and commissioning/verifying energy-efficient retrofit lighting projects. Typical Products - Lighting fixtures, lamps, ballasts, controls and other lighting-related supplies.
**	HVAC Projects – Auditing, specifying, supplying, installing and commissioning/verifying energy-efficient retrofit HVAC projects. Typical Products – Motors, controls, pumps, fans, sensors, variable frequency drives, packaged terminal AC and heat pump units (PTAC/PTHP), filters and other HVAC-related supplies.
O®	Motor and Pump Projects – Auditing, specifying, supplying, installing and commissioning/verifying energy-efficient retrofit motor and pump projects. Typical Products – Motors, controls, pumps, fans, sensors, variable frequency drives and other motor-and-pump-related supplies.
	Compressed Air System Studies and Upgrade Projects – Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient compressed air retrofit projects. Typical Products – Air compressors, vacuum pumps, controls, sensors, variable frequency drives, valves and other related supplies.
0	Dust Collection System Studies and Upgrade Projects – Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient dust collection system projects. Typical Products – Variable frequency drives, pneumatics, pumps, controls, sensors, duct and fitting pumps, and other related supplies.
	Electric Vehicle Charging Station Projects – Specifying, supplying, installing and commissioning electric vehicle charging stations and accessories. Typical Products – Electric vehicle chargers and other related supplies.
<u></u>	Steam Trap System Studies and Upgrade Projects – Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient steam trap retrofit projects. Typical Products – Steam traps and other related supplies.
-	Water Conservation Upgrade Projects – Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient plumbing solutions.  Typical Products – Toilets, faucets, shower heads, aerators and other related supplies.

## H. Custom Product Center

Grainger has the ability to customize products with the Member's logo or message. Customize products like filters or signs to meet your needs. Members decide the size, configuration or message—Grainger will take care of the rest.



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## **Appendix**

Please see the following information in the Appendix:

- 1. References
- 2. Grainger's Sourcing Terms and Conditions
- 3. Grainger Branch and DC List

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- 6.2.1. Experience in performance of comparable engagements/References;
  - 6.2.1.1 ESB/MBE/WBE/DV & DBE Programs;
  - 6.2.1.2 Growth Incentives;
  - 6.2.1.3 The quality and availability of recycling or other sustainability programs, including products or services offered;
  - 6.2.1.4 The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered;
  - 6.2.1.5 The number of available green environmentally preferable products that meet the solicitation's specifications available, showing a robust supply of green/sustainable products;

#### 1. References

Grainger presents the following references of comparable customers

- A. Commonwealth of Virginia
- B. Florida State University
- C. Vizient

1	A. Commonwealth of Virginia		
POC	Katherine Bosdell	804.786.2397	
-	Contract Administrator	Katherine.bosdell@dgs.virginia.gov	
RFP#	Description  ESB/MBE/WBE/DV & DBE Programs;	Response  The Commonwealth of Virginia is dedicated to supporting a comprehensive Small, Women, and Minority owned businesses program. Grainger supports the Commonwealth's program's initiatives through its Distributor Alliance program. Grainger's program enables four Virginia based small, diverse businesses with growth and mentorship opportunities. Access to Grainger's large product offering and its expertise assists the small business to serve effectively	
6.2.1.2	Growth Incentives;	Commonwealth agencies.  Virginia currently receives an administrative incentive based on spend levels that contributes to funding e-commerce and contract management costs.	
6.2.1.3	The quality and availability of recycling or other sustainability programs, including products or services offered;	Grainger works with individual agencies to better enable them to achieve sustainability goals established by the Commonwealth. Recent examples include changing from single stream recycling to multi-stream, reducing rejection incidents. With the Commonwealth, Grainger assisted to realign the current market basket to include more sustainable lighting options.	
6.2.1.4	The quality and availability of recycling or other sustainability environmental	Grainger works closely with individual agencies to identify and implement environmental conservation programs. Recent examples include lamp	





	conservation programs, including products and/or services offered;	recycling programs, LED lighting conversions, using aerators on faucets to reduce water consumption, and Air Filter studies to reduce energy usage on HVAC units.
6.2.1.5	The number of available green environmentally preferable products that meet the solicitation's specifications available	Grainger currently offers 72,000 green products that are available to the Commonwealth that meet the NASPO ValuePoint solicitation's specifications.

	B. Florida State University		
POC	Dennis Bailey	850/644-8136 dbailey@fsu.edu	
RFP#	Description		
6.2.1.1	ESB/MBE/WBE/DV & DBE Programs;	Florida State University (FSU) is committed to the establishment, preservation, and strengthening of Small, Minority, Veteran and Women Owned Business Enterprises (SMV/WBE). To support this initiative Grainger actively identifies items that are manufactured by minority, woman, or disadvantaged business to provide to FSU. Diversity spend with Grainger is reported during quarterly business reviews.	
6.2.1.2	Growth Incentives;	Growth incentives are tied to both FSU sales growth and eProcurement growth.	
6.2.1.3	The quality and availability of recycling or other sustainability programs, including products or services offered;	Grainger provides products, programs, and services to FSU related to energy management, waste reduction, indoor air quality, and water conservation. Grainger actively works with the Office of Student Sustainability, which is dedicated to representing the student voice on sustainability issues.	
6.2.1.4	The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered;	Grainger works closely with the recycling department and sustainability department to identify and implement environmental conservation programs. Recent examples include refilling stations to reduce plastic bottle waste, green product utilization, a lamp recycling program and LED lighting installment.	
6.2.1.5	The number of available green environmentally preferable products that meet the solicitation's specifications available	Grainger currently offers 72,000 green products that are available to FSU that meet the NASPO ValuePoint solicitation's specifications.	

		l, Vizient
POC	Austen Wood Portfolio Executive	(972 581-5473 austen.wood@vizientinc.com
RFP#	Description	The state of the second st
6.2.1.1	ESB/MBE/WBE/DV & DBE Programs;	Grainger Just executed a new three year agreement on October 1, 2017 that includes language that allows Members to participate in all small, minority and women owned businesses. Grainger will continue to support all of the Vizient Membership to take advantage of all opportunities to partnership with these entities. In addition, Grainger provides Vizient





	G	. Vizient
		access to Grainger suppliers during the quarterly business review process.
6.2.1.2	Growth Incentives;	Vizient Membership has the opportunity to participate in three programs with Grainger. One of which is a committed growth program that provides rebates back to the Membership where growth has occurred.
6.2.1.3	The quality and availability of recycling or other sustainability programs, including products or services offered;	The new Vizient agreement addresses all recycling and sustainability options available within the Grainger catalog. Grainger will also assist Vizient Membership for any specialized programs developed to improve in the areas related to energy management, waste reduction, indoor air quality, and water conservation.
6.2.1.4	The quality and availability of recycling or other sustainability environmental conservation programs, including products and/or services offered;	The new Vizient agreement addresses all recycling and sustainability options available within the Grainger catalog. Grainger will also assist Vizient Membership for any specialized programs developed to improve in the areas related to energy management, waste reduction, indoor air quality, and water conservation.
6.2.1.5	The number of available green environmentally preferable products that meet the solicitation's specifications available	Grainger currently offers 72,000 green products that are available to Vizient that meet the NASPO ValuePoint solicitation's specifications.

## 2. Grainger Sourcing Terms and Conditions

### The following additional terms and conditions apply to Grainger's sourcing offering:

TERMS AND CONDITIONS FOR SOURCED PRODUCTS AND PRODUCT RELATED SERVICES: Grainger will source products and product related services not available through the Grainger General Catalog ("Sourced Products"). Grainger does not source the following products or product related services: weapons, ammunition, explosives, aircraft products, products containing asbestos, nuclear-related products, products with restricted distribution, product judged to be too great a liability risk by W.W. Grainger, Inc., or product related services which Grainger by law or regulation is prohibited from sourcing.

The pricing model for Sourced Products is based on current market conditions and is competitive for spot buy situations on a per order basis.

GRAINGER'S STANDARD WARRANTY DOES NOT APPLY TO SOURCED PRODUCTS. GRAINGER, TO THE FULLEST EXTENT PERMITTED, PASSES THROUGH TO MEMBER ANY AND ALL MANUFACTURER AND SUPPLIER PRODUCT WARRANTIES.

GRAINGER'S STANDARD WARRANTY DISCLAIMER AND LIMITATION OF LIABILITY APPLY TO SOURCED PRODUCTS.

WARRANTY DISCLAIMER. GRAINGER SHALL HAVE NO LIABILITY FOR, AND EXPRESSLY DISCLAIMS ANY WARRANTY OR AFFIRMATION OF FACT, EXPRESS OR IMPLIED, OTHER THAN AS SET FORTH IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION (I) THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE; (II) ANY WARRANTY OR AFFIRMATION OF FACT RELATED TO MISUSE, IMPROPER SELECTION, RECOMMENDATION, OR MISAPPLICATION OF ANY PRODUCT; AND (III) ANY WARRANTY OR AFFIRMATION OF FACT THAT THE CATALOGS, LITERATURE AND WEBSITES IT PROVIDES ACCURATELY ILLUSTRATE AND DESCRIBE PRODUCTS.

LIMITATION OF LIABILITY. ANY LIABILITY FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES IS EXPRESSLY DISCLAIMED. GRAINGER'S LIABILITY IN ALL EVENTS SHALL NOT EXCEED THE PURCHASE PRICE PAID FOR THE PRODUCT THAT GIVES RISE TO ANY LIABILITY. GRAINGER'S PAYMENT OF SUCH AMOUNT SHALL BE THE FINAL AND EXCLUSIVE REMEDY IN THE EXHAUSTION OR UNAVAILABILITY OF ANY OTHER REMEDY SPECIFIED HEREIN AND SHALL NOT BE CONSTRUED OR ALLEGED BY CUSTOMER TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

In the event that Grainger agrees to stock an agreed upon quantity of Sourced Products for Member, upon expiration, cancellation or termination of this Agreement, Member agrees to purchase all remaining stocked Sourced Product. Grainger will invoice Member for such Sourced Product within thirty (30) days of expiration, cancellation or termination of this Agreement.





## 3. Grainger US Branch Listing

Grainger US Branche	S	100		
Alabama	Georgia	Michigan	Ohio	Texas Cont.
Mobile	Macon	Fermington Hills	Canton	Laredo
Huntsville	Dalton	Madison Heights	Akron	Bryen
Montgomery	Athens	Kalamazoo	Youngslown	Utah
Birmingham	Augusta	Detroit	Penysburg	Ogden
Alaska	Atlanta	Lansing	Hamilton	Salt Lake City
Anchorage	Forest Park	Warren	Cincinnati (2)	Virginia
Arkansas	Marietta	Grand Rapids	Columbus	Dulles
Ft. Smith	Norcross	Ann Arbor	Worthington	Falls Church
Springdale	Garden City	Romulus	Brooklyn Heights	Norfolk
Little Rock	Hawali	Flint	Dayton	Richmond
Arizona	Honolulu	Saginaw	Franklin	Washington
Gilbert	Idaho	Minnesota	Oklahoma	Seattle
Phoenix (3)	Boise	St. Paul	Oklahoma City	Fde
Tueson	lowa	Bloomington	Tulse	Everett
California	Cedar Rapids	Mississippi	Oregon	Spokene Valley
Stockton	Des Moines	Jackson	Portland	Pesco
San Jose	Davenport	Missouri	Pennsylvania	West Virginia
San Leandro	Illinois	St. Louis	Philadelphia (2)	Charleston
Fresno	Peona			Wisconsin
differential commence of the contract of the c	CONTRACTOR OF STREET,	Maryland Heights	Pittsburgh (2)	Constract vanishment and advantage of
Santa Fe Springs Chula Viste	Downers Grove	Springfield	Bethlehem	Waukesha
	Alsip	Kansas City	Folcroft	Milwaukee (2)
Bakersfield	Chicago (3)	Montana	Norristown	Madison
Rohnert Park	Rockford	Billings	Harrisburg	Gronn Bay
Burlingame	Waukegan	Nebraska	Erio	Appleton
Anaheim	Franklin Park	Omaha	Rhode Island	Wyoming
San Marcos	Arlington Heights	Nevada	Werwick	Casper
Oxnerd	Morton Grove	Las Vegas	South Carolina	
Northridge	Indiana	Sparks	West Columbia	
Salinas	Gary	New Hampshire	North Cherleston	
San Diego	Indianapolis (2)	Manchester	Greenville	
Compton	South Bend	New Jersey	South Dakota	
Inglewood	Evansville	Eatontown	Sioux Falls	
Los Angeles	Kansas	Mt. Laurel	Tennesse	
Rancho Cucamonga	Wichita	South Plainfield	Chatlanooga	
West Sacramento	Lenexa	Elizabeth	Nashville (2)	
Concord	Kentucky	Clifton	Knoxville	
Santa Ana	Louisville	New Mexico	Memphis	
Rivorside	Lexingion	Farmington	Texas	
Colorado	Louisiana	Albuquorque	San Antonio (2)	
Denver	Gonzales	New York	Stafford	
Colorado Springs	Baton Rouge	East Syreouse	Deer Park	
Fort Collins	West Monroe	New Hyde Park	Houston (5)	
Connecticut	Shreveport	Albany	Kenedy	
North Haven	Lafayette	Rochester (2)	Corpus Christi	
Hartford	Sulphur	Vestal	Beaumont	
Deleware	New Orleans (2)	Melville	Austin (2)	
New Castle	Maine	Bohemia	Pasadena	
Florida	Portland	Buffalo	Amarillo	
Ft. Myers	Maryland	Maspeth	Arlington	
Doral	Lanham	Brooklyn	Carroliton	
Miami	Annapolis Junction	Eimsford	Dallas (2)	
West Melbourne	Rookville	North Carolina	Ft. Worth (2)	
Ocele	Baltimore (2)	Greensboro	Garland	
Orlando	Massachusetts	Cheriotle	Longview	
West Palm Beach	Springfield	Asheville	Lubbock	
Clearyater	Everett	Wilmington	Midlend	
Tempa (2)	Watertown	Fayetteville	Plano	
Pensacola	Norwood	Raleigh	Waco	
Tallahassee	Wobum	North Dakota	Houston	
~~~~	Name and Address of the Control of t	Fargo	El Paso	
Jacksonville				
Jacksonville Sarasota		Williston	Conroo	





Attachments and Addendums

The following information is located in this section:

- 1. Attachment F Affidavit of Trade Secret
- 2. Exhibit A Explanation of Trade Secret
- 3. Exhibit 3 Contractor Tax Certification
- 4. Addendum 1
- 5. Addendum 2
- 6. Addendum 3

RFP DASPS-2183-17 - (MRO), Industrial Supplies

Attachment F AFFIDAVIT OF TRADE SECRET

State of Illinois)
) ss:
County of <u>Lake</u>)
<u>Chris Porter</u> (Affiant), being first duly sworn under oath, and representing W.W. Grainger, Inc. (hereafter "Offeror"), hereby deposes and swears or affirms under penalty of perjury that:
1. I am an employee of the Offeror, I have knowledge of the Request for Proposals referenced herein, and I have full authority from the Offeror to submit this affidavit and accept the responsibilities stated herein.

- 2. I am aware that the Offeror has submitted a Proposal, dated on or about [insert date] (the "Proposal"), to the State of Oregon (State) in response to Request for Proposals [insert number], for [insert brief description of the goods and/or services sought in the RFP] and I am familiar with the contents of the RFP and Proposal.
- 3. I have read and am familiar with the provisions of Oregon's Public Records Law, Oregon Revised Statutes ("ORS") 192.410 through 192.505, and the Uniform Trade Secrets Act as adopted by the State of Oregon, which is set forth in ORS 646.461 through ORS 646.475. I understand that the Proposal is a public record held by a public body and is subject to disclosure under the Oregon Public Records Law unless specifically exempt from disclosure under that law.
- I have reviewed the information contained in the Proposal. The Offeror believes the information listed in Exhibit A is exempt from public disclosure (collectively, the "Exempt Information"), which is incorporated herein by this reference. It is my opinion that the Exempt Information constitutes "Trade Secrets" under either the Oregon Public Records Law or the Uniform Trade Secrets Act as adopted in Oregon because that information is either:
 - A. A formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information that:
 - i. is not patented,
 - ii. is known only to certain individuals within the Offeror's organization and that is used in a business the Offeror conducts,
 - iii. has actual or potential commercial value, and
 - iv. gives its user an opportunity to obtain a business advantage over competitors who do not know or use it.

or

- B. Information, including a drawing, cost data, customer list, formula, pattern, compilation, program, device, method, technique or process that:
 - i. Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and
 - ii. Is the subject of efforts by the Offeror that are reasonable under the circumstances to maintain its secrecy.

RFP DASPS-2183-17 - (MRO), Industrial Supplies

5. I understand that disclosure of the judicial determinations made in accordance with		thibit A may depend on official o
Aborts		
Affiant's Signature		
Signed and sworn to before me on010218	(date) by <u>Chris Porter</u>	(Affiant's
Notary Public for the State of	respons to a system	
"OFFICIAL SEAL" JANET L SCHOLZ Notary Public, State of Illinois My Commission Evolution		





Exhibit A – Explanation of Trade Secret Information

Bold and highlighted sections are redacted.

3.5 Data Security

What measures does Offeror take to protect sensitive customer information?

Protection of customer data requires information security controls, processes and policies which align with an established information security framework. Grainger manages its customer data in accordance with an internationally accepted information security management framework, ISO/IEC 27001. The framework provides direction for Grainger's information security program and established information security policies and procedures.



Grainger accepts credit cards as a payment method. We are required by the card brands (Visa, MasterCard and American Express) to assess compliance against the PCI DSS standard. We perform that assessment annually and report to the card brands through our acquiring banks, as required by the standard.

Grainger undergoes an annual Information Technology General Controls (ITGC) audit under Section 404 of the US Sarbanes-Oxley Act of 2002.

The resulting audit opinion is filed as an attachment to Grainger's annual report to the Securities and Exchange Commission.

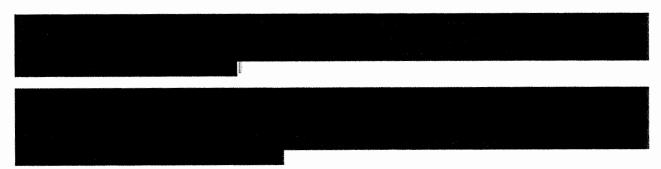
6.5.5 E- Commerce and Web Catalog Capabilities

(7) Allow users to develop personal lists and profiles, and a secure means for storing procure hiefurmation;

Procurement Card Information: Grainger.com has an easy and secure means to use the Personal Profile feature allowing each individual NASPO ValuePoint Member to establish specific user-based profiles to view and edit contact, default payment and delivery information:

Payment Information

- Select permanent payment method for individual account users
- Establish permanent method of payment (Purchase Order or Credit Card) for all account users
- Expedite check out by enabling express checkout (requires permanent default shipping and payment options)







6.5.6 Storage Of Electronic Data
6.5.6.1 Describe in detail how the electronic information for each Participating State shall be stored. Grainger values and understands the importance of properly storing electronic information for each Participating State. This information is critical to Grainger and NASPO Members for decision making and auditing purposes. Grainger has implemented systems that protect, preserve, and maintain information obtained from each Member.
Data protection is critical to Grainger. This requires creation and implementation of Information Security controls, processes and policies which align with an established information security framework. Grainge chose an internationally accepted information security management framework, ISO/IEC 27001. This framework provides direction for the Grainger information security program and established information security policies and procedures.
Grainger accepts credit cards as a payment method. We are required by P-card brands (Visa, MasterCard and American Express) to assess compliance against the PCI DSS standard. We perform that assessmen annually and report to the card brands through our acquiring banks, as required by the standard.
Grainger undergoes an annual Information Technology General Controls (ITGC) audit under Section 404 of the US Sarbanes-Oxley Act of 2002. The resulting audit opinion is filed as an attachment to Grainger's
annual report to the Securities and Exchange Commission.
6.5.6.3 Provide a general description of security protocol including storage of data, ordering security and data file security.
NASPO ValuePoint Members can rest assured that Grainger takes data security serious. To ensure the appropriate protection of all Grainger data, both internet-facing and critical internal systems are protected by next generation firewalls, which allow us to segment our environments as needed.
Grainger undergoes an annual Information Technology General Controls (ITGC) audit under Section 404 of the

Grainger undergoes an annual Information Technology General Controls (ITGC) audit under Section 404 of the U.S. Sarbanes-Oxley Act of 2002. This assessment is in further support of Grainger's security protocols addressing data storage, ordering and data files.





6.6.7 Reporting Capabilities

6.6.7.1 The Offeror shall provide information on all reports that are available without charge, to include a brief description of the report and the frequency. If there are other reports available at additional pricing, information on these reports is also required. Please note the reporting requirement in the NASPO ValuePoint terms and conditions; in addition states may have additional reporting requirements.

Grainger has the ability to offer various reporting tools which may be generated at different levels of NASPO ValuePoint Member's organizational structure. Reports are available to Members as values add. Grainger's integrated ERP platform is capable of providing reporting to meet Member's requirements.

Grainger acknowledges the reporting requirements in the NASPO ValuePoint terms and conditions.

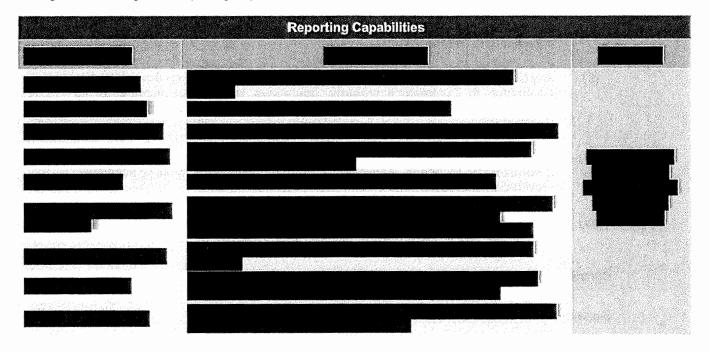






EXHIBIT NO. 3 CONTRACTOR • TAX CERTIFICATION

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury to the best of the individual's knowledge that:

1. The	numl	ber shown on this form is Contractor's correct taxpayer identification;
Federa	al Tax	Number <u>36-1150280</u>
Oregor	n Tax	Number <u>017532190-72</u>
1.	Con	tractor is not subject to backup withholding because:
(i)	Con	tractor is exempt from backup withholding,
(ii)		stractor has not been notified by the IRS that Contractor is subject to kup withholding as a result of a failure to report all interest or dividends, or
(iii)		IRS has notified Contractor that Contractor is no longer subject to backupholding.
2.		e is authorized to act on behalf of Contractor, s/he has authority and knowledge arding Contractor's payment of taxes,
3.	For of th	a period of no fewer than six calendar years preceding the Effective Date his Addendum and any Contract, Contractor faithfully has complied with:
(i	i)	All tax laws of this State, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
(ii)	Any tax provisions imposed by a political subdivision of this State that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor;
(iii	i)	Any tax provisions imposed by a political subdivision of this State that applied to Contractor, or to goods, services, or property, whether tangible or intangible provided by Contractor; and
(iv	/)	Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.
		or: W.W. Grainger, Inc.
Sign	ature	CL Porter

Date_January 5, 2018



Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285

PHONE: 503-378-4642 FAX: 503-373-1626

Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 1

This Addendum No. 1 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

1. RFP, Cover Page:



The State of Oregon ("State"), acting by and through its
Department of Administrative Services, Procurement Services ("DAS PS"), for member states of the
NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint") and other Purchasing
Entities,

Request for Proposals
Oregon Solicitation Number DASPS-2183-17

FOR

NASPO ValuePoint Master Agreement(s) for Facilities Maintenance and Repair & Operations (MRO), Industrial Supplies

Date of Issue: November 15, 2017 Closing Date and Time: December 29, 2017 January 5, 2018

2. RFP, List of Attachments:

ATTACHMENT I - OS ADDITIONAL PARTICIPATING STATES TERMS AND CONDITIONS

3. RFP, Section 1.3 Schedule of events:

RFP Advertised	As stated on the cover page		
Pre-Proposal Conference	November 29, 2017		
Questions / Requests for Clarification Due	December 15, 2017 December 22, 2017		
Answers / Clarification Issued (approx.)	December 21, 2017 December 28, 2017		
RFP Protest Period Ends	December 8, 2017 December 15, 2017		
Closing (Proposals Due)	December 29, 2017 January 5, 2018 @ 2:00PM PT		

Evaluation Period (approx.)	January 5, 2018 thru February 17, 2018
Notice of Intent to Award (approx.)	February 28, 2018
Award Protest Period Ends	Seven calendar days after notice of intent

4. RFP, Section 2.18 Offeror exceptions to Terms and Conditions:

Offeror should identify or seek to clarify any problems with contract language or any other document contained within this RFP through its written inquiries about the RFP using the process in Section 2.1 2.3.

5. RFP, Section 1.6 Participating States.

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, **Utah, Colorado, Delaware, Florida, Louisiana, Maryland, New Hampshire, South Dakota, Virginia, Illinois, Ohio,** and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments $I - \Theta$ **S**, or may be incorporated into the Participating Addendum after award.

6. RFP, Section 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments $I - \Theta \subseteq S$ to this Solicitation.

7. RFP, Section 4.1 Cost Proposal (40 Points):

PLEASE NOTE: In the event Offeror fails to obtain a score of 80 90 points, as required under Section 5.4 of RFP for the All Categories category, if Offeror submits an alternative Proposal, Offeror could potentially obtain an award on one or more of the individual Categories. Therefore, Offeror may wish to submit an alternative Proposal on one or more of the individual categories listed in Tabs 2-16, as well.

8. RFP, Section 5.4 Award of Master Agreement(s):

The Lead State intents to award a Master Agreement(s) on both a National level or a Regional level, to each Proposer with a combined total score in excess of 80 90 points in either the National level (i.e. the Proposer will receive an award for a National Master Agreement) or on a Regional level (i.e. the Proposer will receive an award on a Regional level).

9. RFP, DASPS-2183-17Attachment D-1 Market Basket Final 11-15-17 Instructions TAB:

Tab 1 - All Categories: This spreadsheet is for those Offerors that are submitting a Proposal for ALL categories and can supply these products to all 50 States. If Offeror cannot submit a Proposal on the products in all categories, Offeror will submit an offer on the categories within the spreadsheets labeled as independent categories. If Offeror is submitting Offer on the All Categories spreadsheet, Offeror may submit Offer on the individual category spreadsheets as well. But if Offeror does not obtain a score of 80 90 per section 5.4 of RFP for the All Categories Tab 1 they could potentially obtain an award on individual Categories therefore Offeror may want to submit Offer on both Tab 1 and Tab's 2- 16 as well.

- 10. RFP, DASPS-2183-17_Addendum No. 1, Attachment A revised 11-2017 is incorporated as part of the RFP, as attached hereto.
- 11. RFP, DASPS-2183-17_Addendum No. 1, Attachment L, P, Q, R, and S revised Montana, Maryland, Virginia, Ohio, and Illinois State specific terms and conditions are added as part of the RFP, as attached hereto.

12. Ouestions and Answers.

Question 1: Are quasi-government (such as water or sewer boards or council of governments) political subdivisions eligible to sign a PA?

Answer 1: Each State's rules are applicable to their state entities.

Question 2: Page 5 Schedule of Events. The questions are to be submitted by 12/15 with answers/responses due back to 12/21 and the bid submitted on 12/29. This is a very compressed time frame and does not allow for questions or clarifications on the answers given by 12/21 before RFP submission. Can consideration be given to extend the due date to January to ensure the questions from all bidders have been answered and it is clear what needs to be submitted and the desired format?

Answer 2: Schedule has been changed via addendum No. 1.

Question 3: Page 2 of the RFP announcement states the payment terms are net 45 but the Attachment B NASPO ValuePoint Master Agreement, page 53, clause 17 states "Payment after acceptance is normally made within 30 days". Is the payment terms net 45 or net 30?

Answer 3: The ORPIN announcement is not part of the RFP it is a notice only. RFP Attachment B Section 17 clearly states "Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to the highest rate permitted by law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge."

Question 4: Page 11: 2.13 The proposal is limited to 100 pages, excluding excel spreadsheets. If the proposal pages are double-sided, would each side be counted as a page or would each sheet of paper be counted as a page?

Answer 4: 100 pages are to be submitted one page, one side. Not double sided.

Question 5: Page 12: 2.14 paragraph 5. Offer shall submit_Market Basket Cost proposal in a separate, sealed envelope, labeled accordingly and placed in sealed carton(s). Can the Market Basket Cost proposal be submitted in the same box as the remaining bid documents if the Market Basket Cost Proposal package is sealed and marked clearly "MARKET COST PROPOSAL"?

Answer 5: Yes.

Question 6: Page 19: paragraph 2. If offeror submits an alternative Proposal offer for one category and could potentially obtain an award on that one category/market basket. Will alternate proposals be compared and scored to other alternative proposals in the same market basket?

Answer 6: See Evaluation Process Section 5.2.

Question 7: Page 29 section 6.5.7. If products are available to be viewed online is a paper catalog required?

Answer 7: No.

Question 8: Page 31 section 6.5.5 (11). If you bid a market basket and also the categories that include the remainder of a suppliers MRO products would there be a requirement to block items from online purchases by a participating entity?

Answer 8: Each State may block certain products from being purchased.

Question 9: Page 20–21. Will the evaluation criteria be based on "Group 1" compared to "Group 1" and "Group 2" to "Group 2", in other words the bidders are being compared to similar size bidders?

Answer 9: See Evaluation Process section 5.2.

Question 10: Page 25 section 6.2.1.2. Growth Incentives; What is the criteria to be evaluated in the Growth Incentive category

Answer 10: See Attachment A section 6.6.11.

Question 11: Page 27 section 6.3.2. Cumulative Ordering Volume Discount; does the ordering volume discount include all NASPO States with PA's or is it measured by individual State sales?

Answer 11: By individual State.

Question 12: Page 27 section 6.5.1. If a vendor is awarded a market basket (D-1) and bids other categories by a discount off list (D), will the awarded supplier be able to sell all of its products in the selected categories to PA contract members?

Answer 12: Only awarded categories will be purchased by States.

Question 13: Page 24 section 6.1 – UNSPSC codes - Can the bidders get a list of the UNSPSC codes that would be in each of the 15 categories (not just what shows in the market baskets) so we can be sure what categories products should be in as full catalogs are bid? For example, Strut and connectors start with 3116 which could be under "Fasteners" or "Material Handling" and firestop products start with 4619 which show up under "Safety".

Answer 13: No.

Question 14: Page 37-38 under 6.6.8 Sustainability/Environmental Practices there is a #1, #2, (page 37) and #4, #5 (page 38) but no #3. Is there this a numbering error or is a portion of the RFP missing?

Answer 14: Yes number error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 15: Page 39 there appears to be a numbering or sequencing error starting with 6.6.9.2. It looks like the next six points should be sub set of 6.6.9.2 and would be numbered 6.6.9.2.1 (starting with Describe in detail how the Offeror will work with the registered companies...) ... through 6.6.9.2.6 (Community Rehabilitation program). This would make Retail Store Purchases/Will Call would be 6.6.10. Would this be correct?

Answer 15: Yes numbering error and it has been corrected in this addendum. Proposer to submit the revised Attachment A when submitting proposal.

Question 16: Page 78 Attachment E: Offer information-

- a. Is the State tax#; is it the sales tax payment number?
- b. Is the Secretary of State Corporations Division Registration #; is it the number assigned when we registered with our state of Incorporation?

Answer 16: (a) Yes, if applicable. (b) Yes.

*I hereby acknowledge having received this Addendum.

Question 17: Should exceptions to the FOB Destination terms for non-stocked items delivered to Alaska, Hawaii and Puerto Rico be stated as exceptions within section 6.5.2 of the technical proposal as instructed or should exceptions to freight terms be submitted as a Protest to the RFP?

Answer 17: See section 2.18 of RFP regarding exceptions.

Proposers must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 11, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

The second secon	
Authorized Signature: Of Poter	
Print name of signer: Chris Porter	
Date: January 5, 2018	
Company Name of proposer:	
W.W. Grainger, Inc. (Please Print)	



Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285 PHONE: 503-378-4642

FAX: 503-373-1626

Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 2

This Addendum No. 2 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

1. RFP, Attachment E, Offeror Information and Certification Sheet, is revised as follows:

Section 5 (h):

- h. Participating Entity Only: While the primary purpose of this RFP is to select one or more contractor(s) who can offer the Parks and Recreation Equipment and Related Services Facilities

 Maintenance and Repair & Operations (MRO), Industrial Supplies for all Participating States, Offerors are permitted to submit a Proposal for one or more State(s). However, if a Offeror elects to submit a Proposal for one or more State(s), then the Offeror must be willing to supply the entire State and will not be allowed to add additional States following award or at any time during the term of the Master Agreement(s) resulting from this RFP, including all optional renewals. Offerors must propose to all RFP Mandatory Requirements.
- 2. RFP, DASPS-2183-17_Addendum No. 2, Attachment E revised 12-2017 is incorporated as part of the RFP, as attached hereto, and replaces Attachment E.
- 3. RFP, DASPS-2183-17_Addendum No. 2, Attachment D-1 revised 12-2017 is incorporated as part of the RFP, as attached hereto, and replaces Attachment D-1.
- 4. RFP, DASPS-2183-17_Addendum No. 2, Attachment U, Energy Policy and Conservation Pub. L. 94163 (Informational Only) is incorporated as part of the RFP, as attached hereto.
- 5. Questions and Answers.

Question 1: There are no forms for remitting reference contact information or the survey to references. Are the forms missing by mistake?

Answer 1: No there is no form.

Question 2: Does the page limit include attachments and exhibits? Is the 100 pages counted as single sided, or double sided (front & back)? Requirement on 6.6.2 Distribution Points: would this be included in the 100 page limit? (Our branch listing alone is 38 pages)

Answer 2: 100 pages are to be submitted one page, one side. Not double sided.

Question 3: Page 2 of the RFP announcement states the payment terms are net 45 but the Attachment B NASPO ValuePoint Master Agreement, page 53, clause 17 states "Payment after acceptance is normally made within 30 days". Is the payment terms net 45 or net 30?

Answer 3: The ORPIN announcement is not part of the RFP it is a notice only. RFP Attachment B Section 17 clearly states "Payment after Acceptance is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to the highest rate permitted by law per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum, Order, or otherwise prescribed by applicable law. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card" with no additional charge."

Question 4: UNSPSC# Requirement - If we cannot obtain a UNSPC # and supplier states they do have one, what other options do we have?

Answer 4: There is a UNSPSC for every line item in the market basket. If proposing an alternative item, it's still going to be the same UNSPSC code. Offeror can search for the code at https://www.unspsc.org/search-code.

Question 5: For items that are exclusive to a particular supplier, can we offer a same form, fit, function as exact or does it need to be a sub?

Answer 5: See Attachment D-1 revised 12-2017, Instruction Tab line number 13, "Columns P-AD: If Offeror is choosing alternative line items, then Offeror will fill out these columns accordingly. Every effort must be made to come up with an item that is exact in product description and packaging. This means that if column H says 1 gallon, then the alternative item should be 1 gallon."

Question 6: Item # 28 in Janitorial, the UOM in the description calls out a pack of 24 boxes of Toilet Seat covers, but the UOM column references 20 packs. For that item, Kimberly Clark's case quantity is 24. Do you want this item quoted per 20 boxes or 24?

Answer 6: Changed to 24 in the Attachment D-1 revised 12-2017.

Question 7: Is the estimated annual usage reflective of the UOM column. For example, if a case quantity is listed in the UOM, is the usage reflective of the case quantity or per piece.

Answer 7: The estimated annual quantity, column B, reflects the Unit of Measure, column I.

Question 8: Order 13A on Sanitation Cleaning Chemicals: The MFG information does not match the description given. How would you like us to quote this type of discrepancy? Skin Cleanser,1 gal. Bottle Bostitch 105577 (not a skin cleanser number)

Answer 8: The manufacturer should be GOJO Industries, MFG #1807-04, UNSPC #53131627. Changed in Attachment D-1, revised 12-2017.

Question 9: Can we bid on a per tab basis only, i.e., Tab 16, Safety, or do we have to bid all or nothing?

Answer 9: Offeror can propose on a tab basis. See section 5.2.

Question 10: I have attached the 8 items in the security tab that we consider public safety and request to eliminate from the RFP, if possible?

Transport Hood, White/Black, Universal
Belt Keeper, Standard, Black, 2-1/4 In., PK4
Pepper Spray, Crossfire Stream, 16 Shot
Pepper Spray Case, L, Black, Nylon
Penetrant, Aerosol Can, 12 oz.
Tactical Rifle Case,41 In.,Black
Bag,Bail Out,8-1/2x12x4-1/2 In,6 Pkt
Handcuff Case, Standard, Black, Nylon

Answer 10: No.

Question 11: Are 7 USBs/copies of D and D-1 required along with the 7 USBs/copies of the Technical proposal?

Answer 11: See section 2.14 of RFP.

Question 12: Are PDF copies of signed documents acceptable since the RFP states Word for the Technical proposal?

Answer 12: Yes.

Question 13: The D-1 market basket instructions state: "If bidder can match the exact manufacturer's item as described in columns A-N, then it is expected that Offeror will submit pricing on these items even if they have an alternative line item." If alternate items are quoted along with the exact match item, which one is included in the total cost of the spreadsheet for price evaluation?

Answer 13: The exact match item will be scored, but the alternative item will be taken into consideration if it is deemed to be exact in specifications (size, fit, form, and function) and different in manufacturer only.

Question 14: For D-1, is there an evaluation credit for sourcing alternate items from small businesses since small business participation questions are included in the Technical proposal?

Answer 14: No.

Question 15: For D-1, if alternate items are quoted at a lower price than the exact match items, is the manufacturing quality of the alternate item taken into consideration?

Answer 15: Yes, but the specifications for the alternate item must meet (size, fit, form, and function).

Question 16: Since the RFP due date will not be change, would you consider moving up the answers/clarifications date? If the last answers are not issued until December 21st, that leaves most companies with only one business day to implement changes into their proposals. Many companies like ours are closed Dec. 25th and 26th due to the holidays. We would need to ship the proposal no later than Dec. 27th in order to provide a one day shipping allowance for weather or other possible shipping delays.

Answer 16: See addendum 1 change to schedule.

Question 17: Is it possible for a company to be issued an award for all states for some tabs of the market basket and a region/state for different tabs?

Answer 17: See Section 5.2 and 5.4 of RFP.

Question 18: Attachment D – Due to the complexity of pricing in the Janitorial Supplies category with drastic variations in an offerors ability to discount different types of products may the Janitorial Supplies category be broken down into subcategories in order to afford the State a better set of prices and a clear expectation of the minimum discount for any sub-category.

Answer 18: No sub categories.

Question 19: Attachment D and D-1 Are the discounts expressed in Attachment D absolute or the minimum category discount.

Answer 19: Attachment D does not show any discounts. Offerors are to supply the percentage off list discount per category. Revised Attachment D-1 discounts is absolute.

Question 20: Step two will be based upon the responses on Attachment D-1. The Lead State will compare the total extended total offer price for all items in each category. The lowest cost will receive the maximum 35 points. All other Offerors will receive points as determined by the ratio* of their costs to the lowest cost. Final cost scores will be calculated based on the following:

How will the state evaluate alternative products? Since Attachment D contains a very high number of proprietary brands, what criteria will the state use to determine if an alternate is in fact equal? 38% of the Janitorial Supply items as an example are proprietary.

The following line items are proprietary products which may not be able to be matched by any company other than the distributor currently providing the product.

Janitorial Equipment and Supplies Line items 23 through 27B, line items 29A through 31A, line items 32A and 32B.

Sanitation Cleaning Chemicals line items 11B, 12A, 12C, 13B through 15B, 17A, 19B, 20, and 21.

Answer 20: Exact match is scored, but the alternative items will be taken into consideration if DASPS deems the alternative to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 21: Section 6.2.5 Pricing shall be firm for the first year and may be changed with thirty (30) day notice after initial term.

May pricing be changed prior to the end of a contract period if the initial price offered was at a better discount percentage than was offered for a contract category?

Answer 21: See Section 4.2 of RFP.

Question 22: "Products may be changed with thirty (30) day notice every six (6) months after initial term." This restriction may present significant operational problems for state agencies wishing to make changes to their cleaning and maintenance programs due to more favorable pricing and product efficiency for products entering the marketplace. Will awarded contractors be able to petition the state to allow for the addition of products on a more immediate basis? Can this provision be negotiated state by state through the participating addendum process?

Answer 22: Offerors may submit request to Lead State for consideration during negotiations, if awarded a Master Agreement and subsequently, if awarded a Participating Addendum.

Question 23: May products be added to the contract as long as they are within the scope of the applicable product category and priced at or better than the product category minimum discount?

Answer 23: Yes, see section 6.2.5 of RFP.

Question 24: Considering the complexity of this RFP and that the RFP was released during a holiday season when it is much more difficult to obtain manufacturers pricing please consider extending the due date to January 12, 2018.

Answer 24: See addendum 1 change to schedule.

Question 25: The URL http://www.naspo.org/WNCPO/Calculator.aspx returns this message. Please provide a working link.

Server Error in '/' Application.

Answer 25: The correct URL is http://calculator.naspovaluepoint.org

Question 26: Attachment D-1 There is a duplicate item on the Janitorial Equipment and Supplies Tab item 6B and Sanitation Cleaning Chemicals item 8B. Items are identical.

Answer 26: Removed 6B from Janitorial Equipment & Supplies see Attachment D-1 revised 12-2017.

Question 27: Please provide a PDF version of Oregon's energy conservation plan referenced at Exhibit C to NASPO ValuePoint Master Agreement, PROVISIONS REQUIRED BY FEDERAL LAW, Section 3. Energy Efficiency where contractor is mandated to "...comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163)."

Answer 27: Please see the State of Oregon's Energy Policy and Conservation Pub. L. 94163 (Informational Only) incorporated as part of the RFP and attached hereto as Attachment U.

Question 28: Please also confirm whether or not Oregon's Energy Efficiency plan and associated contractor mandates referenced in the master agreement at Exhibit C, Section 3 will flow down via the master agreement to other states that affiliate with this contract thus imposing Oregon state standards on contractor operations in other affiliated states?

Answer 28: This is only applicable to Oregon.

Question 29: If an award is made to a supplier for a single state, will the supplier then be able to solicit business from that state's agencies, or will there have to be a contract subsequently issued by the state before the supplier can do business with that state?

Answer 29: If awarded a Master Agreement then that Offeror will have to be awarded a state participating addendum before doing business with agencies.

Question 30: If the state needs to issue its own contract, we need to find out the intent of Massachusetts regarding their plans to contract with single state suppliers vs. national suppliers. I put the question directly the Massachusetts state agency that manages the supplier contracts and was told that all questions had to go through NASPO. Could you inquire directly of them whether their intention is to utilize local suppliers who may only be awarded one-state or regional contracts, or do they intend to utilize only national suppliers?

Answer 30: The Commonwealth of Massachusetts intends to contract with a proposer(s) that is (are) awarded Master Agreements by the Lead State on a Regional and National level.

Question 31: Are freight charges acceptable to non-continuous states or territories?

Answer 31: DASPS acknowledges and accepts that Alaska, Hawaii, and Puerto Rico may require an additional shipping charge for products not In-Stock at local store or not In-Stock at primary Distribution Center of the Participating State.

Question 32: Is the requirement in section c.(2). of the eMarket Center Appendix for Contractor's catalog to be limited to the awarded contract offering satisfied if items not authorized under the resulting contract are visible in the punch out catalog but identified through messaging such as "out of scope" or "restricted" and said items can not to be placed in shopping cart and cannot be purchased via the punch out?

Answer 32: Yes.

Question 33: Do the following pages count towards the 100 page limit: Future addendums; Attachments E, F, H; Exhibit 3-Contractor Tax Certification?

Answer 33: Addendums, attachments E, F, H, and Exhibit 3 are not included within the 100 pages.

Question 34: MFG information does not match description: Rust-oleum Part# 2391300 – Description Marking Paint, White, Water-based, 1 Gal (Complies With South Coast Air Quality Management District VOC Limit of 100 g/l)

Answer 34: The requirements has been changed from 1 gallon to 5 gallon. See Attachment D-1 revised 12-2017.

Question 35: The RFP requests products that are listed on the market basket or their exact equivalents. If minor deviations occur, e.g., an 18 oz. container instead of a 17oz. container, how will that effect scoring? If a blank results in a loss of one point, would there be partial points or would there be a pass/ fail type arrangement where minor differences are waived? Additionally how will the state determine what is equal?

Answer 35: The Evaluation Team will score the exact match item, but the alternative item will be taken into consideration only DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 36: Must a state sign a participating addendum before any of its political subdivisions can use the contract, for example, if a city wishes to use the contract must the state join the contract before the city can act?

Answer 36: Yes.

Question 37: For many vendors, subcategories would benefit the state as they are able to give deeper discounts to GOM (Goods of Manufacture) than goods offered as a dealer. Will the state accept discounts broken into subcategories?

Answer 37: No.

Question 38: If a state has additional conditions that are not acceptable onerous to the vendor, does the vendor have the right to refuse the requesting state?

Answer 38: The terms and conditions can be negotiated for each state during the PA process. If the Contractor and state cannot reach an agreement, then the negotiations will be terminated.

Question 39: Per Page 20 of 109 Section 5.2 There are four groups,

- 1.) all categories throughout the country
- 2.) one category throughout the country
- 3.) all categories on a statewide basis
- 4.) one of more categories on a regional basis

Will the price sheets be compared within the groups or will all price sheets compete or a combination of these? If the best price (awarded 40 points) is only available in one state or region, it does not help every state, e.g., a good price in Massachusetts doesn't help agencies in Oregon if the products are not available.

Answer 39: See section 5.2 of RFP. The Proposals will be evaluated by appropriate group.

Question 40: Are the Preventative Maintenance and Repair Activities for compressors provided under this solicitation notice?

Answer 40: See Attachment D-1 revised 12-2017.

Question 41: Page 47; Section 7 (e): remove the phrase, "ownership of the media containing the reports".

Page 51; Section 14 (b): remove, "Inside deliveries refers to a delivery to other than a loading dock, front lobby or reception area."

Page 53; Section 18: remove, "(b) the product is suitable for the ordinary purposes for with such product is used (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgement (d) the product is designed and manufactured in a commercially reasonable manner.

Page 53; Section 18 (e): after the statement the product is free of defects add, "as determined by the manufacturer."

Page 53; Section 18 (e) Line 4 remove, "repaired and"

Page 53; Section 18 remove final statement of, "The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under law, to a prevailing party, reasonable attorney's fees and costs."

Answer 41: No. DASPS rejects the above requested changes.

Question 42: Page 53: Section 19; Remove entire section.

Page 54: Section 20; Remove entire section.

Page 54; Section 21(a) end of first paragraph add: "Contractor may fulfil these requirements through self insurance, blanket coverage or a combination of the two."

Page 54, Section 21(d): remove entire section.

Page 55: Section 21(e) start the paragraph with/add: "prior to performing any work" and substitute "upon request."

Answer 42: No. DASPS rejects the above requested changes.

Question 43: Page 55: Section 22(a): remove entire section

Page 55: Section 22(b): remove entire section

Page 58: Section 29: Line 1: add (except for payment obligations) after shall be held responsible.

Page 59: Section 30(c): remove sections 4, 5, and 6.

Page 59: Section: 32: Line 1 remove, "nor its principals"

Page 60: Section 34: remove entire section

Page 61: Section 36: remove entire section.

Answer 43: No. DASPS rejects the above requested changes.

Question 44: Format for response is Microsoft Word 2010 or higher, but RFP docs are in PDF. Can we send PDF docs back or does it need to be converted to a word doc?

Answer 44: PDF is fine, except Attachment D and D-1 are to be submitted electronic in excel.

Question 45: Exhibit B is blank. Do we need to provide anything for this section?

Answer 45: No, once awarded.

Question 46: Exhibit A & G are samples. Do this need to be filled out or once awarded?

Answer 46: No, once awarded.

Question 47: Multiple documents ask for Oregon Tax numbers. Do we need an Oregon Tax number?

Answer 47: Not unless you are awarded an Oregon Participated Addendum.

Question 48: Is it possible to see current contract pricing/volume discounts? Can we access a copy of an old proposal?

Answer 48: Any Proposer/Offeror who wishes to review the current contract pricing/volume discounts must submit a public records request to Nevada.

Question 49: Will an Addendum be posted before 12/21/17?

Answer 49: Yes.

Question 50: Page 12, "An Offeror shall also submit on a CD ROM or USB flash drive seven (7) electronic copies of its Proposal in MS Word 2010 or higher format." Please confirm you require seven electronic copies on one CD ROM or USB flash drive or should it be seven CD ROMs or USB flash drives with one copy on each?

Answer 50: Yes.

Question 51: Page 1, Due Date December 29, 2017. Given the holiday season, please consider extending the due date by 2 weeks.

Answer 51: See addendum 1 change to schedule.

Question 52: Section 4.1. Page 19. Cost Proposal. Is there a method of informing the Administrator that an alternative proposal(s) are being submitted other than completing one or more of the individual category spreadsheets?

Answer 52: No. Proposers/Offerors must fill out Attachment D-1 revised 12-2017.

Question 53: Phase 3. Page 21. How is the 5 points (Step 1) for Cost Proposal Attachment D evaluated and awarded to each responder?

Answer 53: See section 4.1 of RFP.

Question 54: Section 5.3. Page 22. Please clarify how the 35 points on the RFP Evaluation Scoresheet for Cost (Step 2) are calculated. Based on the formulas on Page 21, it appears the Cost Score (page 21) would be the same as Points (page 22)? Please confirm or clarify.

Answer 54: See section 4.1 of RFP.

Question 55: We would like to understand what expectations are for all Vendors to bid product. As stated at the meeting, we quote to product spec that is provided in the market basket descriptions however, some Vendors quote these to lesser quality and lesser spec'd product to give a lower price and have the bid look as if they are the lowest priced Vendor. Are all Vendors required to quote true spec in the product description and not a lesser quality spec description item?

Answer 55: Must be exact match item, but the alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 56: In the market basket we have a question on UOM and for an items within the Category Tab. For the below within the Battery Category is the Estimated Annual Quantity based on the UOM (column I) and #/UOM (column H), or individual units within the UOM? It appears you are looking for an EA price but them it states UOM is 24 (or a case). As this will dramatically impact

price, is the State looking for a case of 24 and the 1 UOM price, or, are we to price this with an each price?

Example: which is the correct understanding of Estimated Annual Quantity? 220,032 x 24 units = 5,280,768 individual batteries

220,032 x 1 unit = 220,032 individual batteries, packaged per 24.

itern Number	Estimated Annual Quantity	Cotagory Description	Product Description	Manufacturer Name	Manufacturer Part Number	UNSPSC Number	#/UOM (e.g. # of bottles per case)	Unit of Measure (UOM, e.g., CASE)
2	720,037	Priwer Source	AAA Proceli Alk Bury	DURACELL DISTRIBUTING INC	4133353648	00414703	24	IA

Answer 56: Changed UOM to PK see Attachment D-1 revised 12-2017.

Question 57: On Page 18 and Page 19 of the RFP under "Section 4: Market Basket Cost Proposal". It states you want a hard copy of the copy proposal to score overall Category Discounts however, I thought I heard at the meeting you only wanted the Cost Proposal on 7 UBS Drives. Could you clarify if you are looking for the Cost Proposal to be submitted only on UBS Drive (so we would need to include the overall Category Discounts on that file as well), or, do you want hard copies for the overall Category Discount Structure on Hard Copy and the Market Basket only on UBS Drives.

Answer 57: Attachment D and D-1 are to be electronic in excel format on a USB or CD, not hard copy. See section 2.14 of RFP.

Question 58: We are working on getting permission from our franchisor to use the 3rd party website, however we need to get some questions answered. Can you validate that the alternative website referenced in the document would only be visible to Participants in the state that we would be looking to get a master agreement for and only to NASPO entities? Basically that it would not be visible nationwide and to all NASPO entities if we were only looking for a one state agreement?

Answer 58: The catalog is only visible to a state and the eligible entities within that state who have a fully executed Participating Addendum and also utilize the eMarket Center.

Question 59: Attachment D-1 instruction line 11 instructs offerors as follows "Column N – Net Price of Unit of Measure after discount: This will be (Column J) X (Column L)." Column J calls for "Container size" or a non-numeric value that cannot be multiplied. Should this be column K (list price of UOM) x column M (Discount percentage off)?

Answer 59: Changed to (Column K) x (Column M) see Attachment D-1 revised 12-2017.

Question 60: Some items in the D-1 cost sheet are exclusively available to only certain offerors. Operating in good faith to quote exact items where possible, some offerors will be unable to quote exact items on some of the requested items. How will items that are alternatives to the exact match items be scored relative to the exact item?

Answer 60: The alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function). DASPS' decision is final.

Question 61: Where do we find the product listing of current products that you are using under each category?

Answer 61: Have to submit a public records request to Nevada for current products.

Question 62: With respect to RFP 2183-17 Attached D-1, Market Basket, Offeror Instructions, columns P through AD, please answer the following questions:

- a. The offeror is told that "...Every effort must be made to come up with an item that is exact in product description and packaging." If the offeror does not have an item that is exact in product description and packaging and offers an alternative item, will the offeror be penalized or receive fewer evaluation points had the offeror provided an item that was exact in product description and packaging?
- b. If the offeror provides an item that is exact in product description and packaging AND also an alternative item for the same product and these two products are priced differently, what product net price will be used to evaluate the offeror's cost score to the cost proposal? In other words, will the lowest priced product offered be used to evaluate the offeror's cost score to the cost proposal or will the item that is exact in product description and packaging be used?

Answer 62: The exact match item will be scored, but the alternative item will be taken into consideration if DASPS deems it to be exact in specifications (size, fit, form, and function) and different in manufacturer only. DASPS' decision is final.

Question 63: With respect to RFP 2183-17 Section 5.3 Sample Evaluation Score Sheet, what criteria within an offeror's proposal will be evaluated when assigning scores (Score of 0-5) to Cost Step One and Step Two lines? Additionally, how does an offeror achieve a score of "5 = Superior" in the Cost evaluation process?

Answer 63: See section 5 of RFP Evaluation and Award.

Question 64: I noticed in section 6.6.2 of the bid documents that it states "desirable" that the vendor have inside and outside sales reps as well as distribution facilities in each of the states that will be on the contract. We are based out of Maryland but ship all over the county. Would that completely disqualify us should we place a bid?

Answer 64: No.

Question 65: Within Addendum #1, #7. RFP, Section 4.1 Cost Proposal - it seems this scoring system has changed from a required 80 points to now 90 points. Can you please provide a rational of the change and a full breakout of all the points as they seem to have changed with no detail.

Answer 65: The changes are in the best interest of the States.

Question 66: Will solar panels and associated products may fall under any of these categories, and if not, whether it would be prudent to add to our value added services section?

Answer 66: If appropriate Proposer/Offeror can put in Attachment A section 6.7.4 value added solutions.

Question 67: If a state is not mentioned amongst the list included in the RFP, can we still mention that state as a place we would be interested in utilizing the contract?

Answer 67: Yes.

Question 68: If the State's do not turn in their intent to patriciate until a day before the due date how can the vendor certify reading the state's PA terms?

Answer 68: Some states may not require extra terms outside of this RFP.

Question 69: Can we offer products not listed on the bid or do we have to bid exactly what is on the RFP? Can we add products to this list?

Answer 69: Only products listed in Attachment D-1 revised 12-2017 will be evaluated.

Question 70: If we only quote on two tabs on Attachment D-1, do we still need to provide a discount off list for ALL categories listed on Attachment D or just for the matching categories we quoted?

Answer 70: The matching categories.

Question 71: On the item detail listed on Attachment D-1, do we have to follow the discount off list format or can we offer a deeper discount to these items that have been deemed high use? For example; on sanitation Janitorial Equipment and Supplies, we quote a discount of 20% off list but I have a deeper discount on Kimberly-Clark items and can quote these exact items with an average of 30% off list but I cannot do the same for Georgia-Pacific.

Answer 71: Percentage off list per category not sub categories.

Question 72: Item number 33, in the Power Source Category, has two different Estimated Annual Quantities ("EAQ"). In the Exact section the EAQ is 31,739. In the Alternate section, the EAQ is 6,800.

Answer 72: Changed from 31,739 to 6,800 see Attachment D-1 revised 12-2017.

Question 73: Can we include the answers to Attachment A after the questions on the same page?

Answer 73: Yes.

Question 74: Do we have to submit seven actual copies of USB's/CD's?

Answer 74: Yes.

Question 75: Is cost proposal Attachment D-1 to be submitted electronically?

Answer 75: Yes.

Question 76: Cost proposal doesn't need to be a hard copy, correct?

Answer 76: Correct.

Question 77 Is there a limit on how many awards will be given?

Answer 77: See section 5.4 of RFP, revised in addendum 1.

Question 78: Regarding awards - Does NASPO ValuePoint prioritize?

Answer 78: No.

Question 79: How many states are participating?

Answer 79: See section 1.6 of RFP, revised in addendum 1. States can still participate even if not named under this section.

Question 80: Can we see the ranking - who scored the highest?

Answer 80: Oregon will post the score sheet on the ORPIN system.

Question 81: Is there a Small business credit?

Answer 81: No, but see Attachment A regarding disadvantaged businesses.

Question 82: Attachment "D" - Percentage off list per Category. - List price is set by the manufacturer. One price doesn't really make sense. Can we create our own percentage off list price?

Answer 82: No modification to Attachment D by adding sub categories.

Question 83: Would it be appropriate to go in and make sub-categories in the Market Basket Attachment D-1?

Answer 83: No.

Question 84: Are there exceptions to the Master Contract?

Answer 84: See section 2.18 of RFP regarding exceptions.

Proposers must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer who feels they have been adversely affected by these modifications must submit a written protest of this Addendum to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 22, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum.
Authorized Signature:
Print name of signer: Chris Porter
Date:01/05/2018
Company Name of proposer:
W.W. Grainger, Inc. (Please Print)



Kate Brown, Governor

Department of Administrative Services

Enterprise Goods & Services-Procurement Services 1225 Ferry Street U140 Salem, Oregon 97301-4285 PHONE: 503-378-4642

FAX: 503-373-1626

Request for Proposal ("RFP") DASPS-2183-17 ADDENDUM No. 3

This Addendum No. 3 ("Addendum") modifies the RFP which DAS PS published on ORPIN on November 15, 2017 as described herein. All RFP terms not specifically mentioned or affected by this Addendum remain in full force. This Addendum is hereby added as a part of the RFP.

The following paragraphs or sections of the RFP are modified as described below. New language is indicated by bold print and underline. Deleted language is indicated by strikethrough.

1. RFP, Section 1.6 Participating States.

In addition to the Lead State conducting this Solicitation, the following Participating States have requested to be named in this RFP as potential users of the resulting Master Agreement(s): Alaska, Arkansas, Connecticut, Hawaii, Maine, Massachusetts, Michigan, Missouri, Montana, Nevada, North Dakota, Oregon, Rhode Island, Utah, Colorado, Delaware, Florida, Louisiana, Maryland, New Hampshire, South Dakota, Virginia, Illinois, Ohio, New Jersey, and Washington. Other entities may become Participating Entities after award of the Master Agreement by entering into a Participating Addendum with the Contractor in a form substantially similar to the one attached hereto as Attachment B, Exhibit A, subject to State Specific Terms and Conditions. The State of Oregon intends to enter into a Participating Addendum under one or more of the resulting Master Agreement(s) in a form substantially similar to the terms and conditions of the State of Oregon's Participating Addendum attached hereto as (Attachment G) and subject to the requirements and selection criteria set forth therein. Additional State-specific terms and conditions that will govern each state's Participating Addendum are included in Attachments $I - \Theta$ \underline{T} , or may be incorporated into the Participating Addendum after award.

2. RFP, Section 3.3 Participating State Terms and Conditions.

Some Participating State specific Terms and Conditions are provided in Attachments $I - \Theta \ \underline{T}$ to this Solicitation.

- 3. RFP, DASPS-2183-17, Addendum No. 3, Attachment T, New Jersey State specific terms and conditions are added as part of the RFP, as attached hereto.
- 4. Questions and Answers.

Question 1: Where there is an A & B on the market basket, for example 6A and 6B (Janitorial Equipment and Supply) – can we only answer one without getting dinged or do we have to answer both?

Answer 1: The items highlighted in green within Attachment D-1 will not be scored under Cost but will be evaluated under the technical part of Attachment A. Offeror's score on the technical requirements set forth in Attachment A may be impacted by a failure to respond without explanation.

Question 2: On the category Janitorial Equipment and Supplies, we need to know the gauges (thickness) on the 38X58 and last item 40X46. Also color is missing on some of the can liners. Can you provide color as well for all can liners?

Answer 2: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 3: On the category, Sanitation Cleaning Chemicals, on the item below, this product is packed 12 each per case. Does "PKG" mean case? If so, then the estimated usage is 9,199 cases.

1	Sanitation	Toilet Bowl Cleaner,					
9,199	Cleaning	Disinfecting, 24 oz.	Lysol	REC	47131829	12	PKG
	Chemicale	Bottle (Hydrogen Peroxide or Citric Only)		85020			17

Answer 3: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 4: Ecommerce Platform: What are the options if any, for company's like BAF that do not have capabilities to provide and internally host a dedicated e-commerce platform for ValuePoint customers? The complexity of our product and the required tailored approach to each customer's application prevents a wide ranging amount of Off-the-Shelf products suitable for purchasing via an e-commerce platform. Can certain vendors be except from meeting the e-commerce requirement?

Answer 4: The awarded contractor may utilize the Ordering Instruction option within the eMarket Center. This will be an informative/contact directly option within the eMarket Center, no orders will be placed via the eMarket Center.

Question 5: Lead times (Ordering & Delivery): Big Ass Fans requests more information on the nature of the delivery requirement outlined in the RFP. As a specialty manufacturer headquartered in Kentucky that does not have a nationwide network of suppliers, the ability to guarantee 48hr nationwide delivery is cost prohibitive and a logistic impossibility. Due to the complexity of our product and our build to suit process, is there the possibility to relax this requirement or the ability to create an exemption for manufacturers like Big Ass Fans?

Answer 5: No DAS PS cannot provide an exemption.

Question 6: Attachment D-1 provides the respondents with the Estimated Annual Quantity as well as the #UOM and the UOM. Is the Estimated Annual Quantity provided in Attachment D-1 the individual pieces ordered in total or is it the estimated total # of packages (as identified by the #UOM and UOM columns)?

For example: Line item 9 in the Fastener category (Mfg: Intercorp; Description: #6-9 x 1-5/8" Philli; Mfg part#: 615C) lists the Estimated Annual Usage for this product at 136,018 with a #UOM of 5000 pieces per package. Is the Estimated Annual Usage of 136,018 referring to 136,018 packages of 5000 each equating to a total of 680,090,000 pieces, or is reference to 136,018 the total number of pieces estimated which when divided by 5000 pieces per package equates to 27 packages?

Other examples:

Line item 2 in the Safety category (Lrg NS40856 Glove, AMMEX CORPORATION 1047469A, 46181504) lists the Estimated Annual Usage for this product at 199,904 with a #UOM of 100 pieces per package. Is the Estimated Annual Usage of 199,904 referring to 199,904 packages of 100

equating to a total of 19,990,400 pieces, or is reference to 199,904 the total number of pieces estimated which when divided by 100 pieces per package equates to 1999 packages?

Line item 3 in the Safety category (L 6mil PF Ntrl Glv, AMMEX CORPORATION, 1050135A, 46181504) lists the Estimated Annual Usage for this product at 165,706 with a #UOM of 100 pieces per package. Is the Estimated Annual Usage of 165,706 referring to 165,706 packages of 100 equating to a total of 16,570,600 pieces, or is reference to 16,570,600 the total number of pieces estimated which when divided by 100 pieces per package equates to 1657 packages?

Line item 4 in the Safety category (DISP. FOAM EAR PLUGS, HONEYWELL SAFETY PRODUCTS USA, MAX-1, 46181901) lists the Estimated Annual Usage for this product at 159,482 with a #UOM of 200 pieces per package. Is the Estimated Annual Usage of 159,482 referring to 159,482 packages of 200 equating to a total of 31,896,400 pieces, or is reference to 159,482 the total number of pieces estimated which when divided by 200 pieces per package equates to 797 packages?

Line item 3 in the Power Source category (Standard Battery, AA Alkaline, PK24, DURACELL DISTRIBUTING INC, PC1500BKD, 26111702) lists the Estimated Annual Usage for this product at 200,000 with a #UOM of 24 pieces per package. Is the Estimated Annual Usage of 200,000 referring to 200,000 packages of 24 equating to a total of 4,800,000 pieces, or is reference to 200,000 the total number of pieces estimated which when divided by 24 pieces per package equates to 8,333 packages?

Answer 6: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 7: (a) How do we address different discounts within a section? For example, section 12 – Power Tools. Our discounts are different for item 1 (DeWalt batteries) and for item 2 (carbide drill bits). (b) Can we include a spreadsheet with the full breakdown as a part of attachment D (page 77)?

Answer 7: (a) See Instructions Tab of Attachment D-1 revised 12-2017. (b) No.

Question 8: Region/State: We have multiple retail stores in several states. Our store count per state ranges from 10 stores down to an average of 2-4 stores per state. In both California and Texas we operate with just one retail location. In Washington, we have multiple locations but they are all in Eastern Washington. Would you recommend that we omit the states with only one retail location, select every state where we have stores or should we limit our potential offering to the states where we have widespread footprints/geographic coverage?

Answer 8: Offeror must decide how to propose.

Question 9: Attachment D-1: Will respondents be "penalized" for offering alternate products, but equivalent in form, shape and function, in lieu of those called for in columns 'E' and 'F'?

Answer 9: No.

Question 10: Attachment D-1: How are alternate products weighted vs. items called for in the RFQ when performing your bid review?

Answer 10: The exact match item will be scored, but the alternative item will be taken into consideration if it is deemed to be exact in specifications (size, fit, form, and function) and different in manufacturer only.

Question 11: Attachment D-1: There appears to be some inconsistency on the response spreadsheet between columns H and I. For example, tab 7, item 1 call for batteries. Column H says there is 24 per UOM, but column I is for each. Doesn't make sense, how can there be any value other than 1 when the UOM is each?

Answer 11: Changed to Package "PK".

Question 12: Attachment D-1: Please clarify what type of response you expect or will accept for column J, Size of each Container, when the product is not measured or defined by either weight or size (e.g., batteries – what "size" is a battery?).

Answer 12: Leave it blank if not applicable.

Question 13: Attachment D-1: Tab2 Line 28 there is a discrepancy between the number in unit of measure in column H, and the number per pack in the description 20 vs 24 column D.

Answer 13: Changed in Addendum No. 2, Attachment D-1 revised document.

Question 14: Attachment D-1: Tab 3 Line 10 Item is highlighted as a green but shows disinfectant language. Is it the states intent to have alternates that are green, third party verified, or a disinfectant that is not?

Answer 14: The intent is to have an environmentally preferable disinfectant equivalent to hydrogen peroxide. Because there are no third party certifications for disinfectants, refer to the active ingredients listed in the EPA's DfE Antimicrobial Pesticide Pilot Project: Moving Toward the Green End of the Pesticide Spectrum https://www.epa.gov/pesticide-labels/design-environment-antimicrobial-pesticide-pilot-project-moving-toward-green-end.

Question 15: If we <u>are not</u> claiming trade secrets or confidential information do we have to state that? In 2.17.1 it states to include Attachment F if you are claiming trade secrets but if we are not do we have to make a statement for clarity – "We are not claiming trade secrets or confidential information"?

Answer 15: Yes.

Question 16: On Attachment A 6.3 Volume Discount. Instead of a cumulative dollar volume as target can a target be set for number of states with PA? For example, when 20 states are participating the discount would increase by .5% (from 25% to 25.5%) and when 30 states are participating the discount would increase by another .5% (from 25.5 to 26%). Would this type of discount be considered if offered?

Answer 16: Offeror is to propose what it will provide.

Question 17: Section 6.2 Experience & Capabilities. There are 5 subsections listed here. We have detailed responses for each of these points, however, it appears that the majority of these details are covered in 6.5 and 6.6. This leads me to believe that in Section 6.2, the offeror is confirming that

we understand each of these points and confirm that we are capable of conforming with the needs of the agencies on each of these topics. More of a broad statement rather than how we are to specifically meet these requirements?

Answer 17: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 18: Section 6.2.1. References are mentioned here. We welcome the opportunity to share contact information for our valued customers in the public sector. I did not see any required number of references or format for the account name and contact information. It does not appear that you want that information listed here?

Answer 18: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 19: Evaluation Criteria shows 20 possible points for section 6.2 Experience & Capabilities. The sub points 6.2.1-6.2.5 are included in other sections throughout Attachment A. Should these responses be included in both areas where they are listed, given there are evaluation points for each section? (Example: 6.2.2.1 Return Policy is also listed and scored in Administration & Marketing section 6.6.1)

Answer 19: Offeror must determine how to meet the criteria in Attachment A and what to provide.

Question 20: Our issue is with the insurance. We do use blankets and umbrellas. Why are they not acceptable?

Answer 20: Requirements are set under section 21 of Attachment B if a Master Agreement is awarded. If an Oregon Participating Addendum is awarded, Exhibit 2 to the Oregon Participating Addendum applies.

Question 21: With the recent revised market basket that was posted, and our company holiday schedule, we are asking for your consideration to postpone the RFP deadline until January 12th.

Answer 21: No.

Question 22: What buying position will the awarded suppliers be in?

- a. Will it be mandatory or optional for state agencies to purchase off of the awarded contracts?
- b. Will this contract be optional to buyers who can also buy off of plumbing contract# 02910 or will they be required to purchase off of the 02910 plumbing contract?
- c. Would this contract award be in first position (first priority) to other preceding contracts or would this contract serve as an alternative option?

Answer 22: (a) It is up to each State. (b) It is up to each State. (c) Not prioritized.

Question 23: (a) Would a supplier be at a disadvantage if they applied for less than the 15 categories listed? (b) Is the point system per category or per total offering?

Answer 23: (a) No. (b) See section 5.2 of RFP.

Question 24: How would a regional contract be broken out? Would a regional contract be broken out by states within the same coast (i.e., east coast vs. west coast)?

Answer 24: See section 5.4 of RFP.

Question 25: For the state of Alaska deliveries, would an upcharge to cover the shipping costs be allowed?

Answer 25: See Addendum No.1, Question & Answer #17.

Question 26: Would you accept manufacturer substitutes for products in all categories?

Answer 26: See Instruction Tab of Attachment D-1 revised 12-2017.

Question 27: The D-1 instructions, line 15 states "If Offering on exact match item(s), all cells that are labelled "Vendor Input" must be filled in with the correct information." Also, line 16 states "If Offering an alternative item(s), all cells that are labelled "Vendor Input" must be filled in with the correct information."

Though apparent, I cannot see that D-1 tabs 2-16, columns A through O are master titled as "Exact Match" items, nor that columns P through AD are master titled as "Alternative" items. Is it correct to conclude accordingly?

Answer 27: Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 28: For "Exact Match" item, the instructions say "all cells that are labelled "vendor Input" must be filled in." Is it correct to conclude that "all cells" means only (D-1 tabs 2-16) columns J through O, and that it is not to be interpreted as also filling in columns S through AD?

Answer 28: Yes. Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 29: For "Alternative" item, the instructions say "all cells that are labelled "vendor Input" must be filled in." Is it correct to conclude that "all cells" means only (D-1 tabs 2-16), columns S through AD, and that it is not to be interpreted as also filling in columns J through O?

Answer 29: Yes. Columns J through O in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing on the exact match item as described in columns D through I. Columns S through AD in tabs 2 through 16, where it says vendor input, are to be filled in by vendor if offering pricing of an alternative item, that has the same form, fit, and function, as described in columns D through I. If Offeror can supply both the exact item and an alternative

item, then it is expected to fill in all vendor input cells for both the exact match and alternative item for each of those line items that this applies.

Question 30: In reference to Pg. 62, Attachment B-Signature page-Is it necessary to return a signed signature page with proposal?

Answer 30: Attachment B is signed when an award is given to an Offeror.

Question 31: Attachment E revised- Do we put in our State Tax # for the state we are incorporated in or State Tax # for the State of Oregon?

Answer 31: Offeror should insert its Federal Tax ID and the identification number it uses to do business in the State of Oregon.

Question 32: Attachment E revised- Do we put in our "Secretary of the State Corporation Division Registration #" for the state we are incorporated in or "Secretary of the State Corporation Division Registration #" for the State of Oregon?

Answer 32: Offeror should insert the number it uses to do business in the State of Oregon.

Question 33: Do you want a complete price sheet for all products we intend to sell to the State? Or do you want just the market basket on the spread sheet D-1?

Answer 33: Must submit Attachment D-1 revised 12-2017

Question 34: The following item (MFG# 9651-24) says the UOM is 6 per case – the actually description of that manufacture part number is 24 bottles per case – which one do we use?

Item Number	Estimated Annual Quantity	Category Description	Product Description	Manufacturer Name	Manufacturer Part Number	UNSPSC Number	#/UOM (e.g. # of bottles per case)	Unit of Measure (UOM, e.g., CASE)
3	7302	Sanitation Cleaning Chemicals	4ozInstHndS anit	GOJO INDUSTRIES	9651-24	53131608	6	CS

Answer 34: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 35: In the below items, the pack quantities are different that Each UOM – which one do we use to calculate? For example the first line item says that the pack qty is 12 but UOM says EACH - do we use our net price to represent the pack of 12 and then multiply or do we multiply our each net price by 12 and them multiply by purchase qty of 5000 - (is the 5000 purchase qty representing each or pack)

CATEGO	ORY ITEM#	ITEM DESC.	UNSPSC Number	Pack Oty/UOM	<u>UoM</u> <u>Description</u>	MFG NAME	MFG. PART #	OUANTITY PURCHASED
HVAC	3	24"x24"x2" Elite SC	40161505	12	EA	FILTRATION GROUP	PF521146	50000
Paint	1	IC WB WHITE 17oz	31211513	12	EA	RUST-OLEUM CORP	203039	28467
HVAC	5	20x20 M8 Std WB Fltr	40161505	12	EA	FILTRATION GROUP	PF510388	15000
HVAC	4	20x25x2 StdWBFltr	40161505	12	EA	FILTRATION GROUP	PF510390	25000

Paint	3	IC WB CAUTN BLU	31211513	12	EA	RUST-OLEUM CORP	203031	15671
HVAC	6	Evaporator Cleaner, Aerosol, 18 fl oz	47131805	6	EA	NU-CALGON	4171-75	4105
Paint	7	1C WB FLO GRN 17oz	31211513	12	EA	RUST-OLEUM CORP	203032	12023
Paint Material	11	IC WB FLO ORANG 17oz	31211513	12	EA	RUST-OLEUM CORP	203036	10088
Handling	1	3"x3"x7" WhiteMailer	24112404	50	EA	BOX PARTNERS	M733	56400
Paint	16	17ozAthFldStrip Wht	31211513	12	EA	RUST-OLEUM CORP	206043	6482
Outdoor Garden	4	Stndrd Grd LHSQ Shvl	27112004	2	EA	TANGSHAN CHANGZHI AGRICULTURAL TOOLS	204515	2100
Paint	20	IC WB FLO PINK 17oz	31211513	12	EA	RUST-OLEUM CORP	1861838	5525
Paint	22	PREC BLU INV MKG17oz	31211513	12	EA	RUST-OLEUM CORP	203022	5121
Outdoor Garden	7	Prem Grd LHRD Shovel	27112004	2	EA	TANGSHAN CHANGZHI AGRICULTURAL TOOLS TANGSHAN CHANGZHI	204518	1200
Outdoor Garden	11	48"Steel Cntrctr Hoe Ice Machine Cleaner,8	27112008	2	EA	AGRICULTURAL TOOLS	CGH001L	700
HVAC	11	oz.,Clear Drain cleaner, gallon 4PK (Safer Choice	12163902	12	EA	NU-CALGON	4207-47	921
HVAC	15B	certified)	47101607	4	EA	CLR/Jelmar	GRT-4 PRO	405
HVAC	12	Leak Detector,1 qt.,Blue	41111932	12	EA	NU-CALGON	4182-24	725
Electrical	1	L-14-120-0-C Cbl Tie	39121703	100	EA	THOMAS & BETTS	L-14-120-0-C	64900
Electrical	2	11x1/5" BlkCableTie	39121703	100	EA	THOMAS & BETTS TANGSHAN CHANGZHI	TY5253MX	20100
Outdoor Garden Material	19	Sq PT D-Hndl Shovel ALUM, SLEEVE 1/16	27112004	2	EA	AGRICULTURAL TOOLS OINGDAO H-QUALITY	204519	193
Handling	5	HG	31162812	10	EA	INDUSTRIES PREMIER PAINT ROLLER	43380	24106
Paint	14	1" Foam Brush	31211904	12	EA	LLC PREMIER PAINT ROLLER	10410	8915
Paint Material	21	2" Foam Brush	31211904	12	EA	LLC	10420	5310
Handling	24	8.75x6x11.125 Mailer WIRE-NUT 73B	24112404	50	EA	BOX PARTNERS	M1186	2700
Electrical	5	ORANGE	39121445	10000	EA	IDEAL INDUSTRIES, INC.	30-673	14776
Electrical	3	WT3OrangeWireTwist	39121445	25	EA	IDEAL INDUSTRIES, INC.	773316	16206
Electrical Material	4	WT2BlueWireTwist	39121445	25	EA	IDEAL INDUSTRIES, INC.	773315	15600
Handling Material	12	1/2 SNAP-ON SEAL	31162406	250	EA	SIGNODE ACME	1304105	10218
Handling	22	SJ-5007.10"X.41"Bik	24141600	3000	EA	3M PRODUCTS	00021200627286	3000

Answer 35: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 36: If we bid an exact match and an alternate item that is functionally equivalent for the same line item then which item, the exact match or the alternate will you evaluate?

Answer 36: See Addendum No. 2, Question & Answer #13.

Question 37: If we bid an exact match and an alternate for the same item, what item price will be used to calculate the bidder's bid sheet total for the category, the exact match or alternate? Answer 37: See Addendum No. 2, Question & Answer #13.

Question 38: If we provide an exact match and an alternate for a product, will the evaluators use both product prices in calculating the bid sheet total? If one or the other item price will be used, which one will it be? The exact match? The alternate? Or the item bid with the lowest price?

Answer 38: See answer to Question #1 above.

Question 39: In Attachment D-1, in Column K we are asked to provide "List Price of Unit of Measure from Column I", then in Column L we are asked to provide "List Price of Each Individual Item in the Unit of Measure". Given that we are asked to provide list price for both the UOM (i.e., CS, BX, PK) in Column K and the list piece price in Column L, should there be another column for us to submit our Net piece Price next to Column N, which asks for Net Price of UOM (which is Column I)?

Answer 39: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 40: Line 6 in Cleaning is the same as Line 8A in Sanitation, will the duplication be removed?

Answer 40: See Addendum No. 2 Attachment D-1 revised 12-2017.

Question 41: Pg. 19 of revised Attachment A

6.7.4.1 Sourced Products (3) "The offeror must list in their cost proposal Attachment D and D-1 their up charge for all sourced products. Up charges must be detailed on invoices as a separate item from the product charge" Attachment D and D-1 do not include a column or space to include upcharge...will these attachments be revised to include an area for this? If not, please provide direction on where Offeror should list upcharge for sourced products.

Answer 41: Offeror needs to respond in Attachment A.

Question 42: Are freight charges acceptable to non-contiguous states or territories (Alaska, Hawaii, Guam, Puerto Rico)?

Answer 42: See Addendum No. 2 Question & Answer #31.

Question 43: There are no forms for remitting reference contact information or the survey to references. There is a mention of references in the technical proposal narrative but last time there was an attachment of the reference contact / contract information and a survey that was sent to the reference and remitted directly by the reference to the State. Are the forms missing by mistake?

Answer 43: No.

Question 44: Item # 28 in Janitorial, the UOM in the description calls out a pack of 24 boxes of Toilet Seat covers, but the UOM column references 20 packs. For that item, Kimberly Clark's case quantity is 24. Do you want this item quoted per 20 boxes or 24?

Answer 44: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 45: Is the estimated annual usage reflective of the UOM column? For example, if a case quantity is listed in the UOM, is the usage reflective of the case quantity or per piece?

Answer 45: See Addendum No. 2, Attachment D-1 revised 12-2017.

Question 46: Order 13A on Sanitation Cleaning Chemicals: The MFG information does not match the description given. How would you like us to quote this type of discrepancy?

Skin Cleanser, 1 gal. Bottle Bostitch 105577 (not a skin cleanser number).

Answer 46: See Addendum No. 2, Attachment D-1 revised 12-2017.

Proposer/Offerors must acknowledge receipt of this Addendum in the space provided on the bottom of this page and return this page along with Proposal documents. Failure to do so may result in rejection of a Proposal.

The purpose of this Addendum is to answer questions, clarify information in the RFP, and make modifications to the RFP.

Any prospective Proposer/Offeror who feels it has been adversely affected by these modifications must submit a written protest of this Addendum No. 3 to the Single Point of Contact identified in RFP DASPS-2183-17 by 5:00 pm (Pacific time) on December 29, 2017 or protest will not be considered. DAS PS will not consider requests or protests of matters not added to or modified by this Addendum.

*I hereby acknowledge having received this Addendum No. 3
Authorized Signature: L. Porter
Print name of signer: Chris Porter, Sr. Government Sales Manager
Date: January 5, 2017
Company Name of Proposer/Offeror:
W.W. Grainger, Inc. (Please Print)

ATTACHMENT D DASPS-2183-17

FOR THE ONES WHO GET IT DONE

2183 NASPO ValuePoint Categories	Discount
Janitorial Equip. & Supplies	17%
Sanitation Cleaning Chemicals	22%
Fasteners	35%
Material Handling	11%
Plumbing	20%
Power Sources	19%
Outdoor Garden	13%
Lamps, Lighting and Ballasts	22%
HVAC	17%
Hand Tools	14%
Power Tools	11%
Electrical	23%
Paint	13%
Security	17%
Safety	19%