COMMONWEALTH OF VIRGINIA
DIVISION OF PURCHASES AND SUPPLY
1111 E. BROAD STREET, 6th Floor/ P. O. BOX 1199
RICHMOND, VIRGINIA 23218-1199

NOTICE OF CONTRACT AWARD & Extension

1. DATE ..... May 1, 2004

2. COMMODITY NAME ..... License Plate Reflective Sheeting
..... and Related Goods and Services

3. CONTRACT NUMBER 5504500-04

4. CONTRACT PERIOD ..... May 1, 2004 through **October 31, 2009**

5. SUPERSEDES ..... N/A

6. AUTHORIZED USERS ..... Dept. of Motor Vehicles and Virginia Correctional Enterprises

7. CONTRACTOR(S) FEIN NUMBER 410417775

8. CONTRACTOR ..... 3M Traffic Control / Material Division
..... 3M Center, Bldg. 255-5S-08 / Box 33225
..... St. Paul, MN 55133-3225

9. CONTRACTOR(S) PHONE NUMBER 1-800-553-1380, (x3)
..... 1-800-591-9293 Order Fax Number

10. TERMS ..... Net 30 Days

11. DELIVERY ..... See Attached

12. F.O.B. ..... Agency

13. MINIMUM ORDER ..... See pricing pages

14. FOR FURTHER CONTRACT INFORMATION CONTACT: Chris A. Nichols
Phone: (804) 786-3849 / Fax: (804) 786-0223

15. ADDITIONAL COPIES OF CONTRACTS AND ANY ASSOCIATED CONTRACT CHANGES MAY BE VIEWED AND PRINTED AT THE DPS WEBSITE: www.eVA.virginia.gov

16. NOTICE TO STATE AGENCIES: This contract is the result of a competitively negotiated program and its use is mandatory for the listed State Agencies (indicated in item 6 above) in the purchase of any commodity listed herein.

17. **Note:** This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

By: _____
Chris. A. Nichols, CPPB, VCO
Statewide Commodity Contract Officer

INSTRUCTIONS

1. Purchase orders: To the maximum extent possible, purchase orders shall be submitted to the contractor via the Commonwealth of Virginia's electronic procurement system, also known as eVA. The orders will be governed by this agreement and the terms and conditions contained in the separate agreement for participation in eVA executed by the contractor.

2. Inspection on delivery and approval of vendor's invoice is the responsibility of receiving state agency, Virginia city, county, town or political subdivision.

3. Any complaint as to quality, faulty or delinquent delivery, or violation of contract provisions by contractor shall be reported to the Division of Purchases and Supply for handling with the contractor. Preprinted forms (DGS-41-024), by which to facilitate the notification of the contractor and this office of complaints, are available from the Division of Purchases and Supply (786-8873).

5. **PRICE ESCALATION/DE-ESCALATION:** Price adjustments may be permitted for changes in the contractor's cost of materials. The Producer's Price Index PPI index for commodities 0661 (laminating resins), 662 (Thermoplastic resins), 2822 (plastic materials & resins), 1089 (metal foil/leaf), paper or other similar published commodity type data as applicable to the manufacture of reflective license plate materials may be used as a guide. No price increases will be authorized for three (3) years from date of contract award (May 1, 2004) but annual price adjustments may occur thereafter for the remaining two (2) year period of the contract.

   The application of PPI increases and such costs passed to 3M from their suppliers for the beginning of the 4th year of the contract (May 1, 2007) would cover the period from the date of contract award. Any additional price increases for the 5th year of the contract beginning May 1, 2008, would include those increases which occurred during the 4th year of the contract. If no price increase occurs at the beginning of the 4th year of the contract, then the basis for any price increase effective at the beginning of the 5th year would cover the period from the beginning of contract award in 2004. However, "across the board" price decreases are subject to implementation at any time and shall be immediately conveyed to the Commonwealth.

   Contractor shall give not less than 30 days advance notice of any price increase to the purchasing office. Any approved price changes will be effective only at the beginning of the calendar month following the end of the full 30 day notification period. The contractor shall document the amount and proposed effective date of any general change in the price of materials. Documentation shall be supplied with the contractor's request for increase which will verify the amount or percentage of increase which is being passed on to the contractor by the contractor's suppliers.

   The purchasing office will notify the using agencies and contractor in writing of the effective date of any increase which it approves. However, the contractor shall fill all purchase orders received prior to the effective date of the price adjustment at the old contract prices. The contractor is further advised that decreases which affect the cost of materials are required to be communicated immediately to the purchasing office.

5. MINIMUM ORDERS: See the individual price sheets.

X. eVA Business To Government Vendor Registration: The eVA Internet electronic procurement solution, web site portal www.eVA.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will

result in the bid/proposal being rejected.

a. eVA Basic Vendor Registration Service: $25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.

b. eVA Premium Vendor Registration Service: $25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.

c. For orders issued prior to July 1, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of $500 per order.

d. For orders issued July 1, 2006 and after, the Vendor Transaction Fee is:

(i) DMBE-certified Woman-Owned Businesses: 1%, capped at $500 per order.
(ii) DMBE-certified Minority-Owned Businesses: 1%, capped at $500 per order.
(iii) Other Businesses not specified in (i) or (ii) above: 1%, capped at $1,500 per order.

59. **eVA Business-To-Government Contracts and Orders:** It is anticipated that the contract will result in multiple purchase orders (i.e., one for each delivery requirement) with the eVA transaction fee specified in below assessed for each order."

a. For orders issued prior to July 1, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of $500 per order.

b. For orders issued July 1, 2006 and after, the Vendor Transaction Fee is:

(i) DMBE-certified Woman-owned Businesses: 1%, Capped at $500 per order.
(ii) DMBE-certified Minority-owned Businesses: 1%, Capped at $500 per order.
(iii) Other Businesses not specified in (i) or (ii) above: 1%, Capped at $1,500 per order.

The eVA transaction fee will be assessed approximately 30 days after each purchase order is issued. Any adjustments (increases/decreases) will be handled through eVA change orders.

Internet electronic procurement solution, web site portal www.eva.state.va.us , streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following:

If this solicitation is for a term contract, failure to provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to reject your bid/offer or terminate this contract for default. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from www.eVA.virginia.gov. Contractors should email Catalog or Index Page information to eVA-catalog-manager@dgs.virginia.gov.

DELIVERY

1) Delivery of prototype license plates (laminated to aluminum) for new license plate designs shall be made to DMV within 30 calendar days after receipt of the request from the DMV. A formal request will be made by DMV but a DMV purchase order will not be issued for the design work and prototype license plates because the Contractor provides them at no cost.

2) Delivery of rolls of graphic sheeting for approved, new license plate designs shall be made to VCE within 45 calendar days after verbal receipt of VCE's purchase order number.

3) Delivery of rolls of graphic sheeting for existing license plate designs shall be made within 45 calendar days after verbal receipt of VCE's purchase order number.

4) Delivery of rolls of standard issue sheeting shall be made to VCE within 45 calendar days after verbal receipt of VCE's purchase order numbers. The two standard issue sheeting types are 1) plain white with Virginia 400th anniversary text and 2) plain white with no graphics and no text.

5) Delivery of all opaque roll coat inks and any other production materials shall be made within 14 calendar days after verbal receipt of the request from VCE. Note: A VCE purchase order will not be issued for these materials because the Contractor provides them at no cost.

6) All deliveries shall be provided F.O.B. Destination to the COVA's designated point of delivery.

7) General Characteristics And Packaging: To ensure easy access and proper inventory control and to prevent roll damage due to double stacking, the reflective sheeting shall be shipped in bulk packages as follows:

   a) Production run sequence numbers shall be affixed to the outside of each shipping package that corresponds to the materials contained therein;

   b) Each roll shall be additionally designated by a core identifier stamped or affixed with a permanent label on the inside of each roll core;

   c) A date of manufacture, as well as shipment date, shall be clearly visible on the outside of each bulk package.

PRICING SHEET FOR LICENSE PLATE MATERIAL

(Contract No. 5504500-04)

4-28-04

		PRICE BASED ON PER LINEAR FEET			
Item Number	SHEETING DESCRIPTION	Tier 1	Tier 2	Tier 3	Tier 4
		225–35,999	36,000-134,999	135,000-179,999	180K & Greater
	Passenger – 12 1/16"			(1% Discount)	(2% Discount)
1	White (Non-graphic)	$0.992	$0.992	$0.983	$0.972
2	Yellow – Traditional (Non-graphic)	$1.097	$1.097	$1.087	$1.075
3	Sky Blue (Non-graphic)	$1.097	$1.097	$1.087	$1.075
4	Sand (Non-graphic)	$1.097	$1.097	$1.087	$1.075
5	1 Color Graphic Specialty	$1.920	$1.097	$0.983	$0.972
6	2 Color Graphic Specialty	$2.100	$1.132	$1.120	$1.109
7	3 Color Graphic Specialty	$2.340	$1.165	$1.153	$1.142
8	4 Color Graphic Specialty	$2.630	$1.199*	$1.187*	$1.175*
9	5 Color Graphic Specialty	$2.970			
10	6 Color Graphic Specialty	$3.280			
11	7 Color Graphic Specialty	$3.600			
12	8 Color Graphic Specialty	$3.960			
13	9 Color Graphic Specialty	$4.360			
14	Additional charge for per each color over 9 colors	$0.525			
	Motorcycle – 7 1/16"				
15	White (Non-graphic)	$0.620			
16	Yellow – Antique (Non-graphic)	$1.120			
17	Yellow – Traditional (Non-graphic)	$0.610			
18	1 Color Graphic Specialty	$1.120			
19	2 Color Graphic Specialty	$1.230			
20	3 Color Graphic Specialty	$1.370			
21	4 Color Graphic Specialty	$1.540			
22	5 Color Graphic Specialty	$1.740			
23	Additional charge for per each color over 5 colors	$0.525			

*This pricing does not apply to the following 4 sheeting programs: Scenic; Heritage; Jamestown; and Scenic Autumn Maple Leaf. The pricing for these 4 sheeting programs are: Tier 2, $1.135, Tier 3, $1.125, and Tier 4, $1.115

NOTE: Orders will be shipped for total quantities ordered. Incremental deliveries will not be authorized.

	CHEMICALS		PRICE
24	Thinner – Vinyl	Drum	No Charge
25	Thinner – Non-Vinyl	Drum	No Charge
	ROLL COAT INKS		
27	Blue Pantone 295	Gallons	No Charge
	DRY ROLLER COATING FINISHER RIBBONS		
33	Blue Pantone 295 – 1000 Ft. Length	Linear Feet	$0.108

DEFINITIONS AND CLARIFICATIONS
(Contract Number 55045500-04)
(4-13-04)

TIER 2 PRICING *(Qualified Price)*:

Tier 2 Pricing is achieved upon the submission of any single order single shipment at any time during the term of the contract calling for at least 36,000 LN FT of a single sheeting program. Once Tier 2 Pricing is achieved for that sheeting program, that "Qualified Price" is retained for all subsequent orders regardless of the quantity ordered during the term of this contract except for those orders placed under Tier 3 and Tier 4 quantities. The discounts associated for Tiers 3 and 4 do not qualify as ongoing pricing for subsequent orders that are less than these Tier 3 and Tier 4 quantities. Orders for Tier 3 and Tier 4 will also be single order single shipment to receive this discount. The pricing for subsequent orders of lesser quantities will revert to the Tier 2 pricing.

PROGRAMS HAVING PREVIOUSLY ACHIEVED "Qualified Price" STATUS:

Sheeting Program RM 5515 - Jamestown Passenger, RM 5024 - Scenic Autumn, RM 5071 - Scenic, RM 5016 - Scenic Heritage, RM 5019 - Jamestown 458 JE, have previously achieved "Qualified Price" status and remain a qualified sheeting program for the duration of this contract. The approved Price Qualification Agreements for these sheeting programs are attached. As new programs achieve "Qualified Price" status, a "Price Qualification Agreement" will be completed by both parties to the contract to document attainment of permanent Tier 2 "Qualified Pricing" status.

DISCOUNTED PAYMENT TERMS:

1% discount on the invoice value if payment is received at 3M on or before the 10th day after the date of the invoice. To receive this discount, COVA must implement 3M's Electronic Invoice Presentment and
and Payment (EIPP Software. This software assists in automating the invoice and payment process.

MINIMUM ORDER:

See the pricing pages.

PRICE QUALIFICATION AGREEMENT

CONTRACT # 5504500-04

Sheeting Part Number:	RM 5515
Sheeting Name:	Jamestown Passenger (Virginia 400th Anniversary)
Qualified Price:	$0.945 per Linear Foot
This sheeting has achieved “Qualified Price” status and remains a qualified sheeting program for the remainder of the contract term.	
Minimum Order is 225 Linear Foot or 1 Roll.	

Sheeting Part Number:	RM 5024
Sheeting Name:	Scenic Autumn Maple Leaf
Qualified Price:	$1.135 per Linear Foot
This sheeting has achieved “Qualified Price” status and remains a qualified sheeting program for the remainder of the contract term.	
Minimum Order is 225 Linear Foot or 1 Roll.	

PRICE QUALIFICATION AGREEMENT

CONTRACT # 5504500-04

(continued)

Sheeting Part Number:	RM 5071
Sheeting Name:	Scenic
Qualified Price:	$1.135 per Linear Foot
This sheeting has achieved “Qualified Price” status and remains a qualified sheeting program for the remainder of the contract term.	
Minimum Order is 225 Linear Foot or 1 Roll.	

Sheeting Part Number:	RM 5016
Sheeting Name:	Heritage
Qualified Price:	$1.135 per Linear Foot
This sheeting has achieved “Qualified Price” status and remains a qualified sheeting program for the remainder of the contract term.	
Minimum Order is 225 Linear Foot or 1 Roll.	

PRICE QUALIFICATION AGREEMENT

CONTRACT # 5504500-04

(continued)

Sheeting Part Number:	RM 5019
Sheeting Name:	Jamestown
Qualified Price:	$1.135 per Linear Foot
This sheeting has achieved “Qualified Price” status and remains a qualified sheeting program for the remainder of the contract term.	
Minimum Order is 225 Linear Foot or 1 Roll.	

PRIORITY I	XREF TO LINE ITEM ON PRICING SHEET	PRIORITY II	XREF TO LINE ITEM ON PRICING SHEET	PRIORITY III	XREF TO LINE ITEM ON PRICING SHEET	PRIORITY IV	XREF TO LINE ITEM ON PRICING SHEET
VIRGINIA 400th ANNIVERSARY	PQA	173RD AIRBORNE BRIGADE	6	ANTIQUE MOTORCYCLE YELLOW 7"	16	AIR FORCE RESERVE	
ANIMAL FRIENDLY	8	AFL-CIO	6	ANTIQUE YELLOW 12"	5	AIR FORCE CROSS	
AVIATION ENTHUSIASTS	8	BRONZE STAR	8	AVERETT COLLEGE	6	ALPHA KAPPA ALPHA	
CHESAPEAKE BAY (FRIENDS OF CHP)	8	CITY OF CHESAPEAKE	8	BLUE RIDGE COMMUNITY COLLEGE	6	ARMY RESERVE	
CLEAN SPECIAL FUELS	8	CITY OF FAIRFAX	7	CIVIL AIR PATROL	5	AUBURN UNIVERSITY	
CONS. WILDLIFE TURKEY	8	DISABLED VETERAN	5	COMMONWEALTH COLLEGE	6	BLUEFIELD COLLEGE	
DEALER (FRANCHISED)	5	FLORIDA STATE	8	CREDIT UNION	7	BRIDGEWATER COLLEGE	
DEALER (INDEPENDENT)	5	FORMER POW	8	DELTA SIGMA THETA SORORITY	6	CHILDREN'S PROGRAM HAND	
EASTERN MENNONITE UNIV.	7	FRATERNAL ORDER OF POLICE	6	DRIVE SMART	8	CHILDREN'S PROGRAM HEART	
EASTERN SHORE	9	FREEMASONS	5	DUCKS UNLIMITED	7	CHILDREN'S PROGRAM STAR	
FIGHT TERRORISM	7	GEORGE MASON UNIV.-NEW	6	EMORY & HENRY COLLEGE	8	COAST GUARD AUX	
GRAPHIC MULTI-YEAR VA standard plate	5	GEORGETOWN UNIVERSITY	7	NATIONAL COLLEGE OF BUSINESS	7	COAST GUARD RESERVE	
GREAT SEAL	7	GEORGIA INSTITUTE OF TECH	6	UNIV. OF NOTRE DAME	7	DABNEY S. LANCASTER COMM. COLL.	
HERITAGE	PQA	GREYHOUND ADOPTION	7	UNIV.OF RICHMOND (SPIDER)	7	DANVILLE COMM. COLLEGE	
HORSE ENTHUSIASTS	7	HARLEY OWNERS GROUP	8	UNIVERSITY OF VIRGINIA AT WISE	7	DISTINGUISHED FLYING CROSS	
JAMESTOWN	PQA	J. SARGENT REYNOLDS	6	VA. COMMONW. UNIV. (TREE)	7	DISTINGUISHED SERVICE CROSS	
KIDS FIRST	8	JOHN TYLER COMM. COLLEGE	7	VA. STATE UNIVERSITY	6	DUKE UNIVERSITY	
MARINE ACTIVE-RETIRED	8	KNIGHTS OF COLUMBUS	7	VILLANOVA UNIV.	7	ELON COLLEGE	
MOTORCYCLE SCENIC	21	KOREAN WAR VETERAN (MEDAL)	8	VIRGINIA SOCIETY OF CPA'S	7	EMERGENCY VEHICLE	
NASA LANGLEY RES CENTER	7	LOCAL GOVERNMENT (MOTORCYCLE)	19	INTERNET CAPITAL	6	FERRUM COLLEGE	
NATIONAL AIR & SPACE MUSEUM	8	LONGWOOD UNIVERSITY	5	APPALACHIAN STATE UNIV.	7	FIGHT TERRORISM - MOTORCYCLE	
NATIONAL GUARD	6	LYNCHBURG COLLEGE	7	SCENIC PATRIOT FIFE PLAYER	8	HAMDEN-SIDNEY COLLEGE	
NATURAL BRIDGE	8	MARY WASHINGTON COLLEGE	6	STATE GOVERNMENT (MOTORCYCLE)	18	HAMPTON UNIVERSITY	
OCEANA NAVAL AIR STATION	8	NATIONAL RIFLE ASSOCIATION	8	VA BREAST CANCER FOUNDATION	7	HARLEY OWNERS GROUP-MOTORCYCLE	
PROFESS. FIREFIGHTERS	7	NAVAL AVIATOR	8	PENNSYLVANIA STATE UNIV.	6	HOLLINS COLLEGE	
PURPLE HEART/COMBAT WOUNDED	8	NON-GRAPHIC MULTI-YEAR	1	OFFICAL STATE USE ONLY	6	MARINE CORPS LEAGUE	
SCENIC	PQA	NON-GRAPHICMULI- YEAR 1/16" 3750	15	OFFICIAL LOCAL GOVNMT. USE	6	NATIONAL GUARD RETIRED	
SCENIC AUTUMN MAPLE LEAF	PQA	NORFOLK STATE UNIVERSITY	8			NAVAL RESERVE	

PRIORITY I	XREF TO LINE ITEM ON PRICING SHEET	PRIORITY II	XREF TO LINE ITEM ON PRICING SHEET	PRIORITY III	XREF TO LINE ITEM ON PRICING SHEET	PRIORITY IV	XREF TO LINE ITEM ON PRICING SHEET
SONS OF CONFEDERATE VETS	7	MOST WORSHIPFUL PRINCE HALL GRAND LODGE	7			NAVY CROSS	
STATE INSECT (BUTTERFLY)	8	OMEGA PSI PHI FRATERNITY	8			PEARL HARBOR SURVIVOR	
U.S. NAVAL ACADEMY	7	PRISONER OF WAR MEDAL	8			STATE POLICE	
UNITED WE STAND	7	RADFORD UNIVERSITY	7			STATE POLICE -MOTORCYCLE	
USS COLE	8	RANDOLPH MACON COLL. (BEE)	7			TEXAS A&M UNIVERSITY	
VA. TECH (HOKIES)	7	RANDOLPH MACON COLL. (SCHOOL)	7			U.S. MILITARY ACADEMY	
VIRGINIA LIGHTHOUSES	8	ROANOKE COLLEGE	6			UNITED WE STAND-MOTORCYCLE	
VIRGINIA TECH (SEAL)	6	SHRINER	6			UNIVERSITY OF FLORIDA	
WASHINGTON REDSKINS	9	SWEET BRIAR COLLEGE	7			UNIVERSITY OF VIRGINIA (CREST)	
WILDFLOWERS	8	THE CITADEL	7			VIRGINIA UNION UNIVERSITY	
WILDLIFE CONSERVATION BEAR	9	TOBACCO HERITAGE	7			WASHINGTON AND LEE UNIVERSITY	
WILDLIFE CONSERVATION.-EAGLE	9	UNC TARHEELS	7			WORLD WAR II VETERAN	
WILDLIFE CONSERVATIONIST (DEER)	8	UNIVERSITY OF OHIO	8				
VIRGINIA BOWLER	8	VA. ASSOC. OF REALTORS	5				
CITY OF VA. BEACH	8	VA. COMMONW. UNIV. (RAM)	7				
UNIV. OF VIRGINIA (SCHOOL)	8	VA. FOR THE ARTS	9				
UNIV. OF VIRGINIA (SPORTS)	7	VA. MILITARY INSTITUTE	7				
JAMES MADISON UNIV-ATHLETIC	9	VIETNAM VETERANS (MEDAL)	8				
		VIETNAM VETERANS OF AMERICA	8				
		WILDLIFE CONSERV. (TROUT)	8				
		WILDLIFE CONSERVATIONIST (BASS)	8				
		WILDLIFE CONSERVATIONIST (DUCK)	8				
		WILLIAM & MARY COLLEGE	8				
There are 46 license plates		There are 51 license plates		There are 27 license plates		There are 40 license plate designs	

PRIORITY I	XREF TO LINE ITEM ON PRICING SHEET	PRIORITY II	XREF TO LINE ITEM ON PRICING SHEET	PRIORITY III	XREF TO LINE ITEM ON PRICING SHEET	PRIORITY IV	XREF TO LINE ITEM ON PRICING SHEET
designated as Priority I		designated as Priority II		designated as Priority III		currently silk-screened by VCE, and therefore are not required at the beginning of the contract period. However, COVA retains the option to request these license plate designs be produced on sheeting by the Contractor at any time during the contract period.	