

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF GENERAL SERVICES
DIVISION OF PURCHASES AND SUPPLY
P.O. BOX 1199
RICHMOND, VIRGINIA 23218-1199

NOTICE OF CONTRACT RENEWAL

1. DATE June 1, 2006
2. COMMODITY NAME Paper, Palletized
3. CONTRACT NUMBER 64602-06
4. SUPERSEDES 64602-05
5. CONTRACT PERIOD August 1, 2006 through July 31, 2007
6. AUTHORIZED USERS State Agencies, Institutions of Higher Education, Other Public Bodies
7. CONTRACTOR'S FEI NUMBER: 540437802
8. CONTRACTOR B.W. Wilson Paper Company, Inc.
2501 Brittons Hill Road
Richmond, VA 23230
9. CONTRACTOR'S PHONE NUMBER (804) 358-6715
10. CONTRACTOR'S FAX NUMBER (804) 358-4742
11. TERMS Net 30 days
12. DELIVERY One week after receipt of order
13. F.O.B. Delivered
14. MINIMUM ORDER One Pallet
15. FOR FURTHER CONTRACT INFORMATION CONTACT: J. Warren Mitchell, Jr., CPPO
Phone (804) 786-3858
16. NOTICE TO ALL STATE AGENCIES: This contract is the result of a competitive negotiation program to establish a single vendor, state-wide *optional use* contract for palletized paper to all participating state agencies, institutions of higher education, and other public bodies within the Commonwealth of Virginia.

By:  _____
J. Warren Mitchell, Jr., CPPO

INSTRUCTIONS

1. Order Placement. 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. If this contract is authorized for use by localities, Virginia cities, counties, town and political subdivisions may use this contract only if the orders are placed through eVA.

Exclusions for the use of eVA orders under this contract are:

- A. Petty cash purchases
 - B. Over-the-counter Small Purchase Charge Card (SPCC) that are made at the site of the sale and picked up by the individual card holder.
2. If this contract is authorized for use by localities (see line item 6, page 1), Virginia cities, counties, towns and political subdivisions may use this contract if the orders are placed through eVA.
 3. The applicable contract number, federal employer identification number (FEI), and item number (for itemized contracts) must be shown on each purchase order and copy, each facsimile transmission or given verbally when telephonic orders are placed.
 4. Inspection on delivery and approval of vendor's invoice is the responsibility of receiving state agency, Virginia city, county, town or political subdivision.
 5. 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 (804-786-4634). The electronic version may be downloaded from the internet at the following link: http://159.169.222.241/eo51_files/ComplaintA-10H.doc.
 6. Renewals. One, one-year renewal remains. The decision as to whether to exercise the next renewal option will be made by the contract officer approximately four to six months in advance of the expiration date of the current term.
 7. Price Adjustments. During the current term of the contract, price escalation may be allowed every 60 days after the first 60 days of the contract, if justified. The contract officer makes the decision to allow or deny a request for increase based upon the documentation submitted by the contractor. The contractor is required to pass on any price reductions immediately. **IMPORTANT!** All price increases must be approved by the contract officer. Contract users will be sent a Notice of Contract Change from this office as official notification of such changes, if approved.
 8. Orders must be placed in full pallet quantities. It is the agency's responsibility to break apart the pallets and make internal distribution.

Prices include shipping. Delivery will be made to one location per purchase order: receiving dock or inside to an individual floor's receiving station (i.e. reception area) if a freight elevator is available. If freight elevator is not available pallets will be delivered inside on the truck-level floor, in an area accessible by pallet jack.

SPECIAL CONDITIONS

CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:

1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.

2. The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
 - a. By mutual agreement between the parties in writing; or

 - b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the contractor's records and/or to determine the correct number of units independently; or

 - c. By ordering the contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.

DELIVERY: Delivery is required within one week from receipt of order. Boxes shall be shrink-wrapped to four-way pallets.

PRICE ESCALATION/DE-ESCALATION: Price adjustments may be permitted for changes in the contractor's cost of materials. The Producer's Price Index (PPI) will be used as guideline for determining allowable changes in

price. No price increases will be authorized for 90 calendar days after the effective date of the contract on Packaged Fine Paper groups, except for the eVA transaction fee. Price escalation may be permitted only at the end of this period and each 90 days thereafter. All instances of price adjustment require verification by to the satisfaction of the contract officer. 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: (1) verify that the requested price increase is general in scope and not applicable just to the Commonwealth of Virginia; and (2) 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.

SECURITY RULES AND REGULATIONS: The contractor shall be responsible for ensuring that all personnel connected with the work comply with the rules and regulations of the Agency. The Contractor shall maintain proper security and control over all personnel, equipment, tools and materials at all times. The Contractor’s equipment and personnel shall be subject to security checks and associated delays there from.

ADDITIONAL SECURITY REQUIREMENTS – DEPARTMENT OF CORRECTIONS

- 1) There shall be no verbal discussion or physical contact between a Contractor’s employees and inmates.
- 2) Anyone bringing any inmate any item such as weapons, tools, food, drink, clothing, cigarette, matches, correspondence, printed or electronic media or assisting inmates to escape, is in violation of State Law and will result in prosecution.
- 3) No weapon, alcohol, drugs or medication of any type is allowed on State property.
- 4) Keys shall be removed from all vehicles and other mobile equipment at all times when not in operation. Vehicle doors and tool compartments shall be locked at all times when not in use. Ladders left on vehicles shall be chained and locked at all times.
- 5) No tools shall be left about the job site unattended. When not in use, all tools and ladders shall be securely locked.
- 6) Any tools, especially any type of cutting tool, if left unattended will be confiscated.
- 7) All tools and ladders shall be removed daily from inside of the Institution. If storage is desired on Institution property, arrangements shall be made with the Secretary Chief of Director of Buildings and Grounds.
- 8) All security regulations shall be observed at all times. These will be made known to the contractor and his representatives by the Institutional Security Chief or his designee, at the point of entrance to the Institution.
- 9) All persons entering the prison complex are subject to being searched.

- 10) Contractors and their representatives are limited to movement to and from and within the immediate area of their work.
- 11) An institutional employee will be designated as liaison person between the Contractor and Institution. Unless otherwise stated, this person will be the Department Superintendent for whom the Contractor is performing the service.
- 12) Agency will provide an escort guard with truck.
- 13) No vehicle will be permitted to leave the facility until after the daily or routine security check.
- 14) Each day, Contractor shall provide a tool and equipment list for inventory check at the sally point.
- 15) Contractor shall remove all tools from facility at the conclusion of each workday.
- 16) All Contractors employees shall have a valid identification with photograph at all times for identification that is acceptable to the institution. A valid DMV driver's license is acceptable. No persons will be permitted to enter the institution without valid identification.
- 17) The Agency reserves the right to refuse entrance to anyone who appears, in the Agency's sole judgment, to be under the influence of drugs or alcohol or otherwise impaired.
- 18) Other additional security rules and regulations may also be required by the Agency.

SPECIAL EDUCATIONAL OR PROMOTIONAL DISCOUNTS: The contractor shall extend any special educational or promotional sale prices or discounts immediately to the Commonwealth during the term of the contract. Such notice shall also advise the duration of the specific sale or discount price.

SPECIAL SERVICE CHARGES: Contractors will be permitted to add charges to the invoice for orders requiring special services, such as hazardous materials handling and rush delivery, only if these services and charges are identified in the contract prior to the placement of the order and only if charges are agreed to by the agency prior to acceptance of the order. Special services descriptions and charges should be included with your offer.

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.

TWO PRICING PAGES FOLLOW

Contract 64602-06
Palletized Paper*

Page 1 of 2

Premium No. 4 Bond or Premium No. 4 Xerographic

	20#, 8-1/2" X 11" white, smooth finish.		
101	Cascade X-9000, packaged 200,000 sheets per pallet	\$ 951.20	/Pallet
101A	Truckload** quantity, using eVA and American Express	\$ 945.80	/Pallet
101B	Truckload** quantity, using only eVA	\$ 935.76	/Pallet
101C	Truckload** quantity, using only American Express	\$ 940.64	/Pallet
101D	Truckload** quantity, no eVA or American Express	\$ 930.61	/Pallet
102	Husky Xero Copy, packaged 200,000 sheets per pallet eVA Keyword = 6460205101	\$ 1,001.00	/Pallet
	20#, 8-1/2" X 11" white, smooth finish, three-hole drilled.		
103	Cascade X-9000, packaged 200,000 sheets per pallet	\$ 1,016.31	/Pallet
104	Husky Xero Copy, packaged 200,000 sheets per pallet eVA Keyword = 6460205103	\$ 1,062.15	/Pallet
	20#, 8-1/2" X 11" RECYCLED white, smooth finish.		
105	Aspen Xerographic, packaged 200,000 sheets per pallet	\$ 1,007.57	/Pallet
106	Husky Recycled, packaged 200,000 sheets per pallet eVA Keyword = 6460205105	\$ 1,062.15	/Pallet
	20#, 8-1/2" X 11", smooth finish. Colors available: buff, canary, cherry, colonial white, desert sand, fiesta pink, goldenrod, ice mint (light green), imperial ivory, lilac, meadow green, pewter gray, salmon, starlight blue.		
107	Fraser Torchglow, packaged 200,000 sheets per pallet eVA Keyword = 6460205107	\$ 1,418.00	/Pallet
	20#, 8-1/2" X 14" white, smooth finish.		
108	Cascade X-9000, packaged 150,000 sheets per pallet	\$ 981.15	/Pallet
109	Husky Xero Copy, packaged 150,000 sheets per pallet eVA Keyword = 6460205108	\$ 995.57	/Pallet
	20#, 11" X 17" white, smooth finish.		
110	Cascade X-9000, packaged 100,000 sheets per pallet	\$ 1,024.48	/Pallet
111	Husky Xero Copy, packaged 100,000 sheets per pallet eVA Keyword = 6460205110	\$ 1,067.00	/Pallet

Contract 64602-06
Palletized Paper*

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No. 3 Recycled Index

90#, 8-1/2" X 11" white, smooth finish.
115 Wausau Exact Index, packaged 112,000 sheets per pallet \$ 1,444.04 /Pallet
eVA Keyword = 6460205115

90#, 8-1/2" X 11", smooth finish. Colors available: buff,
canary, cherry, imperial ivory, meadow green, pewter gray,
salmon, starlight blue.
116 Torchglow/Worx Index, packaged 96,000 sheets per pallet \$ 1,291.87 /Pallet
eVA Keyword = 6460205116

Bond, 25% Cotton Fiber

20#, 8-1/2" X 11" white, cockle finish.
120 Fraser Synergy, packaged 200,000 sheets per pallet \$ 1,733.01 /Pallet
eVA Keyword = 6460205120

Bond/Offset, Chlorine-Free, 100% Post Consumer

20#/50#, 8-1/2" X 11", white, smooth finish.
125 Badger Envirographic 100, packaged 200,000 sheets per pallet \$ 1,562.40 /Pallet
eVA Keyword = 6460205125

Bond, Premium #1, Watermarked, Recycled

20#, 11" X 17", white, smooth finish.
130 Tanonka Recycled, packaged 100,000 sheets per pallet \$ 2,156.00 /Pallet
eVA Keyword = 6460205130

*See page 2 of the Notice of Contract Award document for important information.

**Truckload quantity is 22 pallets per truck of item #101.