



**Amendment No. 1
of
Contract No. GC150000012
for
Mail Folder/Inserter
between
Neopost USA Inc
and the
The City of Austin**

1.0 The Contract is hereby amended as follows: Add DBA to the Contractor's name as requested by the Contractor on 11/19/15:

	From	To
Vendor Name	Neopost USA Inc.	Neopost USA Inc. DBA, Neopost Texas
Vendor Code (for City use only)	USP7160190	USP7160190
Vendor Federal Tax ID (FEIN)		

2.0 All other terms and conditions of the Contract remain unchanged and in full force and effect.

BY THE SIGNATURE affixed below, this Amendment No. 1 is hereby incorporated into and made a part of the Contract.

Linell Goodin-Brown
Contract Compliance Supervisor
City of Austin, Purchasing Office

12-9-15

Date



Financial Service Department
Purchasing Office
124 W. 8th Street Suite 310 Austin, Texas 78767

July 29, 2015

Neopost USA Inc.
Attn: Caleb Ashby
478 Wheelers Farms Road
Milford, CT 06461

Dear Mr. Ashby:

The City of Austin has approved the lease of mail processing - DS-85 Document folder mail processing through the Texas Procurement and Support Services (TPASS) with your company.

Responsible Department:	Austin
Department Contact Person:	Roderick Burns
Department Contact Email Address:	Roderick.burns@austintexas.gov
Department Contact Telephone:	512-974-6338
Project Name:	Mail processing DS-85 document folder
Contractor Name:	Neopost USA, Inc.
Contract Number:	MA 6800 GC150000012
Dollar Amount	27,525.24
Requisition Number:	RQM 6800 15060800369
Solicitation Number:	TXMAS 985-L1

Thank you for your interest in doing business with the City of Austin. If you have any questions regarding this purchase, please contact the person referenced under Department Contact Person above.

Sincerely,

Georgia L. Billela
Buyer II
Purchasing Office
Financial Service Department

cc: Roderick Burns
Cassandra Alexander

**CONTRACT BETWEEN THE CITY OF AUSTIN (“City”)
AND
Neopost USA, Inc. (“Contractor”)
for
Lease for Mail Equipment; Meters; Scales; Purchase of Supplies**

Contract No. MA 6800 GC150000012

This Contract is between Neopost USA, Inc., having offices at 478 Wheelers Farms Road, Milford, CT 06461 and the City, a home-rule municipality incorporated by the State of Texas. Solicitation requirements are met by using Contractor’s TxSmartBuy Contract No. 985-L1.

1.1 This Contract is composed of the following documents:

- 1.1.1 TxSmartBuy Contract No. 985-L1 (“Cooperative Contract”)
- 1.1.2 This Document
- 1.1.3 Exhibit A, Supplemental Terms
- 1.1.4 Exhibit B, Neopost USA, Inc.’s Offer, dated June 8, 2015, including subsequent clarifications

1.2 Order of Precedence. Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

- 1.2.1 The Cooperative Contract as referenced in Section 1.1.1
- 1.2.2 This Contract
- 1.2.3 Supplemental Terms as referenced in Section 1.1.3
- 1.2.4 The Contractor’s Offer as referenced in Section 1.1.4, including subsequent clarifications

1.3 Quantity. Quantity of goods or services as described in Exhibit B.

1.4 Term of Contract. The Contract will be in effect on the date executed by the City (Effective Date) and shall remain in effect until the earliest of when the deliverables set forth in the Scope of Work are complete or the City terminates the Contract.

The Contract shall be in effect until the expiration of the Cooperative Contract referenced in Section 1.1.1, which is August 31, 2015. Up to two one-year extension options may be exercised, subject to the extension of the Cooperative Contract and approval of the Contractor and the City Purchasing Officer or his designee.

1.5 The City reserves the right to transfer this Contract by amendment to future TxSmartBuy contracts that supersede TxSmartBuy Contract No. 985-L1, if the terms and conditions are favorable to the City.

1.6 Compensation. The Contractor shall be paid as indicated in Exhibit B upon successful completion of the Scope of Work as indicated in Exhibit B, a total Not-to-Exceed amount of \$27,525.24, including all fees and expenses.

This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered,

amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the City has caused a duly authorized representative to execute this Contract on the date set forth below.

Neopost USA, Inc.

CITY OF AUSTIN

Kevin O'Connor

Printed Name of Authorized Person

Signature

Vice President, US Marketing

Title:

7/28/2015

Date:

Georgia Billela

Printed Name of Authorized Person

Signature

Buyer II

Title:

7/28/15

Date:

Exhibit A - Supplemental Terms

Exhibit B - Neopost USA, Inc.'s Offer dated June 8, 2015

Exhibit A
Supplemental Terms

1. **DESIGNATION OF KEY PERSONNEL.** The Contractor's Contract Manager for this engagement shall be Caleb Ashby, Phone: (512) 697-2492, Email Address: c.ashby@neopost.com. The City's Contract Manager for the engagement shall be Roderick Burns, Phone: (512) 974-6338, Email Address: Roderick.Burns@austintexas.gov. The City and the Contractor resolve to keep the same key personnel assigned to this engagement throughout its term. In the event that it becomes necessary for the Contractor to replace any key personnel, the replacement will be an individual having equivalent experience and competence in executing projects such as the one described herein. Additionally, the Contractor will promptly notify the City Contract Manager and obtain approval for the replacement. Such approval shall not be unreasonably withheld.
2. **END OF LEASE PURCHASE OF EQUIPMENT.** Upon termination of the lease, the City shall have the option, but is under no obligation, to purchase the equipment at fair market value.
3. **INSURANCE:** Insurance is required for this Contract.
 - A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.
 - i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
 - ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
 - iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
 - iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office
P. O. Box 1088
Austin, Texas 78767
 - B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.
 - i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's

Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.

(1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:

- (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
- (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage

ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).

(1) The policy shall contain the following provisions:

- (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
- (b) Contractor/Subcontracted Work.
- (c) Products/Completed Operations Liability for the duration of the warranty period.
- (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.

(2) The policy shall also include these endorsements in favor of the City of Austin:

- (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
- (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
- (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage

iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.

(1) The policy shall include these endorsements in favor of the City of Austin:

- (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
- (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
- (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.

C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

4. **INVOICES and PAYMENT:**

A. Invoices shall contain a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department. Invoices shall be itemized. The

Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Contractor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice. Invoices received without all required information cannot be processed and will be returned to the Contractor. Invoices shall be mailed to the below address:

Invoices shall be mailed to the below address:

	City of Austin
Department	Planning & Zoning Department
Attn:	Roderick Burns
Address	505 Barton Springs Road
City, State, Zip Code	Austin, TX 78704

- B. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.



Billela, Georgia ▾

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0 items

[Contracts](#)[Reports](#)[Help \(/help\)](#)

Contract Details: # 985-L1

[Search for items in this contract \(/ex_search/false/contract_number/985~L1\)](#)

Number	985-L1
Description	Lease For Mail Equipment; Meters; Scales; Purchase Of Supplies
Category	TxSmartBuy
Type	Term
Start Date	11/1/2012
End Date	8/31/2015
Purchase Category Code(Agencies Only)	PCC A Legal Cite: State agency mail operations are governed by state statute and administrative rules. Tex. Gov't Code Ann., Ch. 2176, Vernon 2000 & Supp. (2006); 1 Tex Administrative Code Sec. 117.31 (2006); See also Tex. Gov't Code Ann. Sec. 2113.103; General Appropriations Act, S.B. 1, 79th Leg., Art. Ix, Sec. 6.15 (2005).
Optional Renewal Terms	September 1, 2015 through August 31, 2016 September 1, 2016 through August 31, 2017

Purchase Orders	<p>Only purchase orders issued through TxSmartBuy are eligible for contract pricing. The Contractor will not ship any products or provide related services until receipt of a Purchase Order generated by the TxSmartBuy system. In the specific instances described below, purchase orders entered through TxSmartBuy will be put on automatic hold pending the review by CPA.</p> <p>Note that Customers have the ability in TxSmartBuy to select the Lease Renewal or Lease Extension quotes. A Customer may agree to a Lease Renewal with a Contractor after the initial lease term ends. At the end of the initial lease, a Customer may also decide to keep its existing equipment and agree to a Lease Extension with Pitney Bowes for a reduced price.</p> <p>This is a statewide contract and available for use by all eligible entities with special instructions for state agency orders placed within Travis County.</p> <p>Tiered Award:</p> <p>This contract was awarded using a tiered approach. There is a designated primary vendor, Neopost USA, and a secondary vendor, Pitney Bowes, Inc. State agencies and universities are required to utilize the primary vendor first.</p> <p>All state agencies seeking to utilize the secondary vendor must submit a request to the CPA via email to Email: joaquin.luna@cpa.state.tx.us (mailto:joaquin.luna@cpa.state.tx.us)</p> <p>for review and approval. Include requisition number in email. CO-OP members are not required to utilize the primary vendor first.</p> <p>State agency special instructions for mail equipment installed within Travis County:</p> <p>All state agencies located in Travis County are required to consult with CPA prior to purchasing, upgrading, or selling mail equipment per Tex. Gov't Code Ann. 2176.101 To expedite your purchase or upgrade mail equipment, please answer the questions on the General Mail Equipment Procurement Questionnaire (DOC) (http://www.window.state.tx.us/procurement/tools/proc_forms/MailEquipmentProcurementQuestionnaire.doc). Return the completed questionnaire via email to chris.christine@cpa.state.tx.us (mailto:chris.christine@cpa.state.tx.us) at CPA Mail Operations.</p>
NIGP Code(s)	208-83 420-66 600-08 600-63 600-67 600-68 600-71 600-77 600-80 600-83 780-78 924-05 924-40 985-54

CPA Contract Management

Questions regarding contract management issues, price changes, amendments or other post-award concerns should be directed to:

TPASS Contract Management Office (TCMO)

Texas Comptroller of Public Accounts (CPA)

Fax: (512) 936-0040

Email: tpass_cmo@cpa.state.tx.us (mailto:tpass_cmo@cpa.state.tx.us)

Questions concerning technical specifications should be directed to:

Joaquin Luna

Strategic Sourcing Division

Texas Comptroller of Public Accounts (CPA) (512) 463-0956

Email: joaquin.luna@cpa.state.tx.us (<mailto:joaquin.luna@cpa.state.tx.us>)

985-L1 Mailing Equipment and Supplies, Special Instructions and Contract Details(pdf)
([http://www.txsmartbuy.com/ShopFlow/Documents/Contract%20Attachments/985-L1-Special Instructions and Contract Details.pdf](http://www.txsmartbuy.com/ShopFlow/Documents/Contract%20Attachments/985-L1-Special%20Instructions%20and%20Contract%20Details.pdf))

985-L1 Pitney Bowes User Guide(pdf) (<http://www.txsmartbuy.com/ShopFlow/Documents/Contract%20Attachments/985-L1-pitney-user-guide.pdf>)

985-L1 Neopost Sample Mailing Machines and Available Options and Supplies (pdf)
(<http://www.txsmartbuy.com/ShopFlow/Documents/Contract%20Attachments/985-L1-neopost-samp-mailg-machines-optns-supplies.pdf>)

985-L1 Neopost Quality & Comprehensive Training Program (pdf)
(<http://www.txsmartbuy.com/ShopFlow/Documents/Contract%20Attachments/985-L1-neopost-qualcomp-trng-prog.pdf>)

985-L1 Neo Post Customer Service Plan(pdf) (<http://www.txsmartbuy.com/ShopFlow/Documents/Contract%20Attachments/985-L1-neopost-cust-svc-plan.pdf>)

985-L1 Neopost Accounting & Reporting Capabilities (pdf) (<http://www.txsmartbuy.com/ShopFlow/Documents/Contract%20Attachments/985-L1-neopost-acctg-reptg.pdf>)

985-L1 Pitney Bowes Lease Extension Offer(pdf) ([http://www.txsmartbuy.com/ShopFlow/Documents/Contract%20Attachments/985-L1 Pitney Bowes Lease Extension Offer.pdf](http://www.txsmartbuy.com/ShopFlow/Documents/Contract%20Attachments/985-L1-Pitney%20Bowes%20Lease%20Extension%20Offer.pdf))

Contractors	<p>Payee ID No.: 194238882500 Neopost USA, Inc. 478 Wheelers Farms Rd. Milford, Connecticut 06461 Contact: John Marin Phone: (512) 697-2493 E-mail: J.Marin@neopost.com (mailto:J.Marin@neopost.com)</p> <p>Payee ID No.: 10604950500 Pitney Bowes, Inc. 1 Elmcroft Road Stamford, Connecticut 06926 Contact: Lonnie Kennedy Phone: (512) 997-5511 E-mail: lonnie.kennedy@pb.com (mailto:Lonnie.Kennedy@pb.com)</p> <p>Pitney Bowes Remit To Address:</p> <p>Customers will make payment to Pitney Bowes at the following address: VID: 12013442871 Pitney Bowes Global Financial Services 20658 Stone Oak Parkway ste 104 San Antonio TX 78258</p>
Adding New Products to the Contract	<p>Following the contract award, additional products or services of the same general category that could have been encompassed in the award of this contract, and that are not already on the contract, may be added. TPASS customers are encouraged to request additional items by contacting the TPASS Contract Management Office.</p>
Delivery Delays by Contractor	<p>If delay is foreseen, Contractor shall give written notice to the Customer and must keep Customer advised at all times of status of order.</p> <p>Default in promised Delivery Days After Receipt of Order (ARO) without accepted reasons or failure to meet specifications authorizes the Customer to purchase goods and services of this contract elsewhere and charge any increased costs for the goods and services, including the cost of re-soliciting, to the Contractor.</p> <p>Failure to pay a damage assessment is cause for contract cancellation and/or debarment or removal of the contractor, as applicable, from the State Centralized Master Bidders List (CMBL).</p>
Compliant Products by Contractor	<p>Delivery does not occur until the Contractor delivers products, materials or services in full compliance with the specifications to Customer F.O.B. destination, unless delivery is specifically accepted, in whole or in part, by the Customer. Providing products, materials or services which do not meet all specification requirements does not constitute delivery.</p> <p>Customer reserves the right to require new delivery or a refund in the event that materials or products not meeting specifications are discovered after payment has been made.</p>
Purchase Order Cancellation	<p>The Customer may request that a Contractor cancel a specific line item or an entire purchase order. There shall be no fees charged for cancellation of an item and/or order prior to shipment by the Contractor. The cancellation must be processed through the TxSmartBuy system.</p>
Restocking Fee for Returned Products	<p>The Customer may request that a Contractor accept return of products already delivered. If the return is required through no fault of the Contractor, the Contractor may request a reasonable restocking charge. The Customer may pay a restocking charge if the CPA or Customer determines that the charge is justifiable. As a guideline, such charges shall not exceed 10%.</p>
Substitutions	<p>During the Contract term, the Contractor shall not substitute a product or brand unless the Contractor has obtained prior written approval from the CPA Contract Manager in coordination with the Customer. The Contractor must have written confirmation from the CPA Contract Manager of the substitution before making delivery.</p>

Contractor Performance	<p>The Texas Procurement and Support Services (TPASS), a division of the Comptroller of Public Accounts (CPA), administers a vendor performance program for use by all customers per Texas Government Code (TGC), §2262.055, and 34 Texas Administrative Code (TAC), §20.108. The Vendor Performance relies on the customer's participation in gathering information on vendor performance. State agency customers shall report vendor performance on purchases over \$25,000 from contracts administered by CPA, or any other purchase over \$25,000 made through delegated authority granted by CPA (TAC 20.108), or purchases exempt from CPA procurement rules and procedures. State agencies are additionally encouraged to report vendor performance on purchases under \$25,000.</p> <p>Vendor Performance shall be reported through the CPA VENDOR PERFORMANCE TRACKING SYSTEM (http://www.window.state.tx.us/procurement/prog/vendor_performance/).</p> <p>The purpose of the Vendor Performance Tracking System is to:</p> <ul style="list-style-type: none">* Identify vendors that have exceptional performance* Aid purchasers in making a best value determination based on vendor past performance* Protect the state from vendors with unethical business practices* Provide performance scores in four measurable categories for the CMBL vendors* Track vendor performance for delegated and exempt purchases
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Contractors Information

VID: 19423888825 Contractor: Neopost USA, Inc. Contact Name: John Marin Email: j.marin@Neopost.Com Phone: (512) 697-2493 Address: Neopost USA, Inc. 478 Wheelers Farms Road Milford CT 6461
VID: 10604950500 Contractor: PITNEY BOWES INC. Contact Name: Lonnie Kennedy Email: Lonnie.Kennedy@pb.com Phone: (877) 213-7292 Address: Pitney Bowes 1 Elmcroft Road Stamford, Connecticut 06926

Texas.gov (<http://www.texas.gov/en/Pages/default.aspx>) |
Statewide Search from the Texas State Library (<https://www.tsl.state.tx.us/trail/index.html>) |
State Link Policy (<http://www.dir.texas.gov/pubs/pages/weblink-privacy.aspx>) |
Texas Homeland Security (<http://governor.state.tx.us/homeland>) | Texas Transparency (<http://www.texas transparency.org/>) |
Report Fraud (<http://www.window.state.tx.us/fraud.html>)

Glenn Hegar, Texas Comptroller • Window on State Government (<http://www.window.state.tx.us/>) • Contact Us
(<http://www.window.state.tx.us/contact.html>)

Mailing Equipment and Supplies, Contract #985-L1

Special Instructions and Contract Details

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SHIPPING INFORMATION

All shipping shall be F.O.B. destination to the location(s) specified on the purchase order which may include inside deliveries. Prices must include all shipping and handling fees unless stated otherwise.

The Contractor shall be responsible for the following shipping requirements:

Identification of Shipments

In addition to the complete destination address, each delivery must be clearly marked with the purchase order number. Each shipment must be accompanied by a packing slip.

Packaging and Labeling

All items shipped must be properly labeled, with weather resistant labeling, showing the brand name, package quantity, lot number (if applicable) and any other necessary identifying information.

Special Delivery Requirements

Customers may have specific, internal delivery rules and policies. These will be provided on each purchase order issued by the customer. The Contractor will be required to adhere to those requirements.

Hours of Delivery

Delivery shall be made during the hours of 8:00 am to 4:00 pm (CST) unless prior approval for after-hours delivery has been obtained from the Customer. In the event of any approval by the Customer for after-hours delivery, Contract may not invoice any additional charges for that delivery.

Delivery Schedule

Contractor shall deliver all equipment twenty (20) calendar days after receipt of order (ARO), unless an alternate timeframe is agreed to and specified on the Customer's purchase order.

Delivery Delays

If delay is foreseen, Contractor shall give written notice to the Customer and must keep Customer advised on the status of the order. Default in promised delivery (without accepted reasons) or failure to meet specifications authorizes the Customer to purchase goods and services of this RFP elsewhere and charge any increased costs for the goods and services, including the cost of re-soliciting, to the Contractor. Failure to pay a damage assessment is cause for Contract cancellation and/or debarment or removal of the Contractor from the State's Centralized Master Bidders List (CMBL).

Late Delivery Fee

At the time of invoice payment, the Customer will have the option to deduct any accumulated late delivery fees prior to payment of the invoice. The Customer will have the option to charge the Contractor a fee of \$50 per business day per purchase order for late delivery. Late fees will not be assessed if the Contractor has obtained prior written approval for late delivery from the Customer.

MACHINE PERFORMANCE STANDARDS

- A. Each machine offered must process all size mail accepted by United States Postal Service (USPS) standards.
- B. Each machine offered must seal envelopes and provide a catcher tray.
- C. Each machine offered must work as technically designed with postage meters being proposed. Units proposed that do not allow for postage meter compatibility as provided will not be accepted.
- D. Each State of Texas Agency and field office that uses the Contract shall be provided, at no additional cost, an ad indicia that states:

OFFICIAL
BUSINESS
STATE OF TEXAS
PENALTY FOR
PRIVATE USE

MAILING EQUIPMENT SPECIFICATIONS

- 1. Mail size specifications:
 - a. Maximum 15" length minimum width 11 ½ for categories VI, VII, and VII
 - b. Maximum 13" length minimum width 10"
 - c. Maximum 12 ¾" length minimum 5"
 - d. Maximum 9 ½" width minimum 3 ½"
 - e. Maximum 3" flap depth minimum 1"
 - f. Maximum ¼" thickness minimum .007
- 2. Equipment to have automatic or semi-automatic feeder, sealer and meter to load, seal and affix postage to the mail in the same operation.
- 3. The State prefers to have auto on/off feature controlled by device that senses presence of mail.
- 4. Must have pressure sensitive automatic roll tape feature or adhesive strip tapes.
- 5. Must have adjustable wetness capability for envelope flaps for Categories VI, VII, and VII.
- 6. Must have disposable ink cartridge.
- 7. Must have thickness adjustment capability.
- 8. Must have tape sealer dispensers with visible sealer level.
- 9. Must have ink dispenser with low and out of ink indicators.
- 10. Mail processing system base electronically interfaced or integrated with scale and postage meter.
- 11. All units must be digital, USPS and Information Based Indicia Program (IBIP) compliant.
- 12. All units must operate on 110 Volt AC Power.

13. All units must be ENERGY STAR® compliant.
14. All units must have automatic date change, post-dating and zero postage in addition to manual postage imprinting capability.
15. All units must be new or refurbished (if requested by Customer).
16. There are eight (8) primary categories as listed below. All equipment must comply with the United States Postal Service (USPS) metering requirements. Reference USPS, Quick Service Guide 604c at <http://pe.usps.com/text/qsg300/Q604c.htm>

MAILING EQUIPMENT – CATEGORY I (MINIMUM 30 PIECES PER MINUTE)

MAILING EQUIPMENT – CATEGORY II (MINIMUM 65 PIECES PER MINUTE)

MAILING EQUIPMENT – CATEGORY III (MINIMUM 120 PIECES PER MINUTE)

MAILING EQUIPMENT – CATEGORY IV (MINIMUM 145 PIECES PER MINUTE)

MAILING EQUIPMENT – CATEGORY V (MINIMUM 175 PIECES PER MINUTE)

MAILING EQUIPMENT – CATEGORY VI (MINIMUM 200 PIECES PER MINUTE)

MAILING EQUIPMENT – CATEGORY VII (MINIMUM 240 PIECES PER MINUTE)

MAILING EQUIPMENT – CATEGORY VIII (MINIMUM 290 PIECES PER MINUTE)

WEIGHING SYSTEM SPECIFICATIONS

Equipment weighing systems must meet the following requirements as required by Customer:

1. Capable of handling USPS postcards, letters, flats, parcels and trifold and bifold mail pieces.
2. Maintaining an accuracy of within 0.1 ounce of the true value, with weight increments of 0.5 ounce between 0 and 70 pounds.
3. All weight measurements displayed as a digital readout.

POSTAGE METER SPECIFICATIONS

All equipment metering systems must meet the following requirements:

1. Capable of customer preset mail classes, e.g. Next Day Letters, Next Day Flats, Priority, Express.
2. Capable of adding new refill amounts.
3. Capable of user selection of multiple metering modes to include:
 - a. Selection of First Piece Weighing to allow the first piece of one or more stacks of mail pieces to be weighed and the same postage applied to all pieces in that lot.
 - b. Selection of Individual Piece Weighing which weighs each piece individually and applies the required postage for the weight of the individual mail piece
 - c. Selection of Seal and Count Only which does not apply postage.
4. Capable of following Sealing options:
 - a. Seal with flaps folded over envelope
 - b. Seal with flaps overlapping envelopes
 - c. Applying postage to envelope not requiring sealing or already sealed.

5. Capable of selecting and editing accounts.
6. Capable of changing between imprinted indicia and tape indicia.
7. Capable of providing meter reset through whatever method required by Customer placing each order and allowed by USPS.
8. Having displays for the following:
 - a. Amount of funds available on the meter
 - b. Amount of funds used on the meter
 - c. Total number of pieces metered
 - d. Current batch value
 - e. Current batch count
 - f. Operator identification

ACCOUNTING SYSTEM

1. If required by Customer, machines provided must have integrated postage accounting system with the capability of user established accounts and subaccounts and providing a minimum of the following reports:
 - a. Single day usage for one or more accounts and/or subaccounts
 - b. Monthly usage for one or more accounts and/or subaccounts
 - c. Annual usage for one or more accounts and/or subaccounts
 - d. Ad hoc adjustable dates usage for one or more accounts and/or subaccounts
2. Reports shall contain account name, identifier number, volume metered by class and postage information if required by Customer.
3. Accounting System must have the ability to add/edit accounts and/or subaccounts as required.

RATE CHANGES

All USPS postage rate changes are to update metering system through software download or other electronic means and must be included for the duration of the lease or ownership of the equipment.

ENGINEERING/SOFTWARE CHANGES

When a manufacturer of the equipment on Contract releases engineering or software changes at no cost to the general trade that improves the performance of the equipment bid, and while the equipment is still under lease, the Contractor must make the improvements to the equipment unless the Customer declines the improvements. Contractor must maintain and install equipment to include all released engineering changes at a current level at no increase in cost to the State. All safety enhancements must be installed per manufacturer's specifications without option.

MANUALS

Manuals containing operating and service instructions for the equipment shall be delivered with each unit. The manual(s) should be as detailed as possible outlining all operating instructions for each unit delivered. Necessary warnings and safety precautions shall also be included.

CONDITION OF PRODUCTS

Proposed and delivered products shall be new or refurbished (if requested by Customer), of current production, and in first class condition, and include the manufacturer's standard equipment and accessories. Containers must be suitable for shipment and storage.

Refurbished equipment must be certified and clearly noted that it is a refurbished product and must include warranty same as provided for new equipment.

All parts not specifically mentioned which are necessary for the unit to be complete and ready for operation or which are normally furnished as standard equipment will be furnished by the Contractor and included in the lease price. All parts will conform in strength, quality and workmanship to the accepted industry standards.

Contractor guarantees the equipment to be first quality grade in the field and that equipment offered has previously been sold in commercial trade. Contractor further guarantees that product offered is or was of normal production and not a special production item. Refurbished supplies are prohibited.

WARRANTY REQUIREMENTS

Purchased equipment must include at least a standard one year warranty.

MAINTENANCE/SERVICE

Contractor must provide a toll-free help desk phone number and customer service web system.

Neopost USA, Inc.: 1- 800-636-7678 [option 1 for service, option 2 for customer service or postage on call questions]. Customer service website: <http://neopostinc.com/>

Pitney Bowes, Inc.: 1-800-522-0020 for service/support. Customer service website: https://www.pb.com/bv2was/LoginHome.go?lang=en&country=US&request_locale=en_US

1. All broken or defective parts not caused by and directly due to the fault or negligence of the Customer and all necessary machine adjustments occasioned by such defective or broken parts shall be covered by the Contractor during the term of the lease. The Contractor agrees to promptly repair or replace any such parts, or make any such adjustments, on a one-for-one basis without additional cost to the Customer. Contractor will be responsible for pick up and/or delivery of units that require service.

2. While a unit is under a lease agreement, all rate changes and software updates shall be included.
3. Service response time for repair calls on leased units shall not exceed four business hours in urban areas or eight business hours in rural or remote areas if the machine is inoperable. The definition of urban is built on classifications of census blocks established in the 2010 National Census. An urban area is any area of census blocks with a population density of 1,000 people or more per square mile combined with any surrounding census blocks with densities of at least 500 people per square mile. Anything outside an urban area will be considered rural. Service is to be performed during normal working hours, 8:00 am to 5:00 pm (local time), Monday through Friday. Maintenance services must be performed by fully trained and qualified technicians.

LEASE PROVISIONS

Each Customer will be authorized to lease equipment under the Contract by issuance of a purchase order for the term of the lease. The Contractor's lease agreement form will not be used since the Contract and the purchase order will constitute the entire and complete agreement. No signatures will be solicited from the Customer at any time by the Contractor concerning equipment or software leased from this Contract.

- A. Risk of Loss or Damage: The Customer shall be relieved from all risks of loss or damage to equipment leased during the period of transportation, installation, and during the entire time the equipment is in the possession of and being used by the Customer, except when loss or damage is directly due to the fault or negligence of the Customer.
- B. Terms of the Lease:
 1. The Contractor shall lease to the Customer the equipment described on the purchase order for a period of 36, 48 or 60 months. The lease shall continue in force even after the termination of the Contract under which the lease was accepted. The terms and conditions of this Contract will remain in effect throughout the term of the lease even if the lease term continues beyond the termination of this contract (unless and until the Customer terminates the lease).
 2. Lease agreements shall be effective on the date of acceptance of the equipment. The date of acceptance is that date on which the equipment is installed at the agreed upon Customer location, the equipment is certified ready for use by the Contractor and accepted by the Customer as installed and in good working order. The confirmation of equipment acceptance shall be made by the Customer in writing. The Customer shall state the acceptance date on their written confirmation.
 3. Leases shall terminate upon completion of the specified lease term as defined by the Customer's written statement of acceptance date.

4. Upon mutual agreement with the Contractor, the Customer shall have the option to continue leasing the equipment for the same term and rate as the current lease by giving 30 days written notice prior to the end date of the initial lease provided the following conditions are met:
 - a. Prices are equal to or below that specified for like equipment available on State Contract.
 - b. Terms and conditions of the extension must be identical as those of the initial lease.
 - c. Customer may extend lease up to term of the initial lease period. During the extended lease, the Customer may cancel the lease, without cause or penalty, upon 60 days written notice to the Contractor.
5. The Customer will not pay installation or removal charges. Any such charges must be included in the Proposal pricing. It is the sole responsibility of the Contractor to install and remove the equipment from the premises. Equipment must be removed within ten (10) calendar days. The Customer will not be responsible for any damages after this time period.
6. Relocating equipment within the same building shall be performed by the Contractor at no charge. Relocation of equipment within the same complex shall be done at no charge unless the equipment must be trucked to another building – a standard industry charge is allowed and payable under this Contract if a truck is necessary. The Contractor owns the equipment and is responsible for the equipment at all times.
7. For the purpose of this Contract, the following definitions shall apply:
 - a. 36 Month Lease: A 36 consecutive month equipment plan that is not a lease purchase plan which shall terminate on the ending date of the 36 month period as defined above. No termination notice shall be required by either party if the full lease period is uninterrupted.
 - b. 48 Month Lease: A 48 consecutive month equipment plan that is not a lease purchase plan which shall terminate on the ending date of the 48 month period as defined above. No termination notice shall be required by either party if the full lease period is uninterrupted.
 - c. 60 Month Lease: A 60 consecutive month equipment plan that is not a lease purchase plan which shall terminate on the ending date of the 60 month period as defined above. No termination notice shall be required by either party if the full lease period is uninterrupted.

PAYMENT

Payment will be processed upon the satisfactory completion of delivery, installation, training and acceptance.

Payment terms of each lease, may be monthly, quarterly, semi-annually or annually at the Customer's option.

NEOPOST USA, INC. REMIT TO ADDRESS

Customers will make payments to Neopost, USA, Inc. at the following:

VID [19423888825](#)

Neopost USA, Inc.

478 Wheelers Farms Rd.

Milford, CT 06461

PITNEY BOWES, INC. REMIT TO ADDRESS

Customers will make payments to Pitney Bowes at the following:

VID 12013442871

Pitney Bowes Global Financial Services

PO Box 371887

Pittsburg PA 15250-7887

CANCELLATION OR FUNDING OUT

1. Any part of the lease may be cancelled for cause under any of the following circumstances:
 - a. The Contractor fails to make delivery of goods or services as specified in this Contract.
 - b. The Contractor fails to perform any of the provisions of this Contract.
 - c. Equipment fails to perform as represented by Contractor.
2. If cancellation should occur, the awarded Contractor shall refund, in full, any unused portion of the prepaid lease payment.

APPROPRIATIONS

All obligations of the CPA and Customers are subject to the availability of legislative appropriations and, for Customers expending federal funds, to the availability of the federal funds applicable to the Contract. The CPA and the Customers will use all reasonable efforts to ensure that such funds are available. The Contractor agrees that if future levels of funding for the CPA or a Customer are not sufficient to continue operations without any operational reductions, the CPA or the Customer, in its discretion, may terminate the Contract or a pending order under the Contract, either in whole or in part. In the event of such termination, the CPA or the Customer will not be considered to be in default or breach under the Contract, nor shall it be liable for any further payments ordinarily due under the Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination. The

CPA and the Customer shall make best efforts to provide reasonable written advance notice to the Contractor of any such Contract or order termination. In the event of such a termination, the Contractor shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination, either on that particular order if an order is being terminated, or the Contract, if the Contract is being terminated. The CPA or the Customer shall be liable for payments limited only to the portion of work the CPA or the Customer authorized in writing and which the Contractor has completed, delivered to the CPA or Customer, and which has been accepted by the CPA or Customer. All such work shall have been completed, per the Contract requirements, prior to the effective date of termination.

LIQUIDATED DAMAGES

The Customer shall notify Contractor in writing, for any default specified herein, and such liquidated damages shall be paid by Contractor within thirty (30) calendar days of the Customer notice. The Contractor's failure to pay the assessed liquidated damages within the designated time frame may be deemed by the state as a breach of Contract.

Liquidated damages for specific instances of noncompliance are:

1. Failure to meet response times for requested repair service calls within four business hours in urban areas and eight business hours in rural areas if the machine is inoperable - one hundred dollars (\$100) per hour.
2. Failure to remove equipment within ten (10) calendar days of a written request – seventy-five (\$75) dollars per day.
3. Failure to have a fully functional toll-free help desk phone number available at implementation - one thousand dollars (\$1,000.00) per day.
4. Failure of the toll-free help desk or customer service web system to be fully functional for a period of three (3) consecutive hours or greater - one hundred dollars (\$100) per hour beyond the three consecutive hours.

COMPTROLLER OF PUBLIC ACCOUNTS



STRATEGIC SOURCING DIVISION

REQUEST FOR PROPOSALS

Mailing Equipment and Supplies

RFP No. 985-L1

600-71	600-80	958-54	985-60
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Posting Date: July 2, 2012

**Proposal Due Date and Time (Central Time in Austin, Texas):
July 30, 2012, 4 P.M.**

****NOTE**** This RFP is composed of two parts: (1) Part A, Special Instructions, and (2) Part B, General Instructions and Contract Terms and Conditions. In the event an instruction or term in Part A conflicts with an instruction or term in Part B, the instruction or term in Part A prevails, and any addenda or amendments to either Part A or Part B control over the original versions. The Definitions in Part B, Section B.1.2 apply to Part A. The RFP controls over any attachments or exhibits to the RFP, including any technical specifications.

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A.1 DEFINITIONS

When capitalized, the following terms and acronyms have the meaning set forth below. All other terms have the meaning set forth in Webster’s II New College Dictionary.

TERM	DEFINITION
Contract	Any contract(s) resulting from this solicitation. <i>Note: There is no guarantee that any contract will result from this solicitation.</i>
Contractor	The Respondent(s) awarded a Contract as a result of the RFP.
CPA	The Comptroller of Public Accounts, the state agency issuing this solicitation.
Customer	Those state and local entities that are required and permitted by law to purchase goods and services under contracts established by CPA.
ESBD	The Electronic State Business Daily, which is available online at http://esbd.cpa.state.tx.us/ .
Gov't Code	The Texas Government Code.
Party / Parties	Either CPA and Respondent separately or collectively.
Proposal	The response submitted by a vendor to CPA as a result of this solicitation.
Respondent	Any person or vendor who submits a Proposal in response to this solicitation.
RFP	Request for Proposals, which is the type of solicitation embodied in this document.
TAC	The Texas Administrative Code, which is the publication for administrative rules.

A.2 DESCRIPTION

A.2.1 Description of Commodity/Services Required

The Strategic Sourcing Division, a division of the Texas Comptroller of Public Accounts (CPA), is seeking sealed proposals to establish a contract for Mailing Equipment and Supplies while best meeting the goals established in section A.2.2.

This RFP is intended to support Customers with the purchase or lease of complete mailing systems and components to include scales, meters, equipment (i.e. folders, inserters, openers), additional accessories and consumable supplies. The customers for CPA term contracts are State of Texas Agencies; Higher Education and Cooperative Purchasing Members.

Information about the Cooperative Purchasing program and the member list can be accessed at: <http://www.window.state.tx.us/procurement/prog/coop/>

A listing of the State Agencies can be found at: <http://esbd.cpa.state.tx.us/agaddress/addresslist.cfm>

Historical Data: The data provided below is for informational purposes only and does not guarantee sales of any amount.

From March 2011 through February 2012, the extended lease spend was approximately \$9 million.

A.2.2 RFP Goals

CPA wishes to contract with the Respondent(s) whose Proposal best meets the goals established in this section and provides the best value to the State. The RFP Goals are designed to be flexible to allow Respondents to propose innovative solutions to the State's mail equipment business needs. The goals are as follows:

- 1. Pricing:** Proposed pricing for both core and non-core items should reflect the absolute best available pricing for entities with purchasing volumes comparable to the State of Texas.
- 2. Enhanced Accounting and Reporting Functionality:** Respondents will be expected to provide dynamic accounting and reporting capabilities. Proposals should address the Respondent's capabilities in detail and explain the advantages over other competitors.
- 3. Quality and Comprehensive Training Program:** Respondents will be expected to provide ongoing training to Customers throughout the duration of the contract.
- 4. Enhanced Customer Service:** Respondents will be expected to provide best in class customer service. Proposals should address all aspects of customer service including but not limited to: response times, how to deal with customer complaints and order tracking.
- 5. Marketing:** Respondents will be expected to partner with CPA in marketing any resulting contract to potential CO-OP customers. Spend under this contract is expected to grow significantly with the inclusion of new customers.

A.2.3 Definitions of the Acquisition Plans

The Contract will include the following options:

- A. Three (3) different lease terms.
 - 1. Thirty-Six (36) Month Lease
 - 2. Forty-Eight (48) Month Lease
 - 3. Sixty (60) Month Lease
- B. Purchase option

A.2.4 Lease Provisions

Each Customer will be authorized to lease equipment under the Contract by issuance of a purchase order for the term of the lease. The Respondent's lease agreement form will not be used since the Contract and the purchase order will constitute the entire and complete agreement. No signatures will be solicited from the Customer at any time by the Respondent concerning equipment or software leased from this Contract.

- A. Risk of Loss or Damage: The Customer shall be relieved from all risks of loss or damage to equipment leased during the period of transportation, installation, and during the entire time the equipment is in the possession of and being used by the Customer, except when loss or damage is directly due to the fault or negligence of the Customer.
- B. Terms of the Lease:
 - 1. The Respondent shall lease to the Customer the equipment described on the purchase order for a period of 36, 48 or 60 months. The lease shall continue in force even after the termination of the Contract under which the lease was accepted. The terms and conditions of this Contract will remain in effect throughout the term of the lease even if the lease term continues beyond the termination of this contract (unless and until the Customer terminates the lease).
 - 2. Lease agreements shall be effective on the date of acceptance of the equipment. The date of acceptance is that date on which the equipment is installed at the agreed upon Customer location, the equipment is certified ready for use by the Respondent and accepted by the Customer as installed and in good working order. The confirmation of equipment acceptance shall be made by the Customer in writing. The Customer shall state the acceptance date on their written confirmation.
 - 3. Leases shall terminate upon completion of the specified lease term as defined by the Customer's written statement of acceptance date.
 - 4. Upon mutual agreement with the Respondent, the Customer shall have the option to continue leasing the equipment for the same term and rate as the current lease by giving 30 days written notice prior to the end date of the initial lease provided the following conditions are met:
 - a. Prices are equal to or below that specified for like equipment available on State Contract.
 - b. Terms and conditions of the extension must be identical as those of the initial lease.
 - c. Customer may extend lease up to term of the initial lease period. During the extended lease, the Customer may cancel the lease, without cause or penalty, upon 60 days written notice to the Respondent.

5. The Customer will not pay installation or removal charges. Any such charges must be included in the Proposal pricing. It is the sole responsibility of the Respondent to install and remove the equipment from the premises. Equipment must be removed within ten (10) calendar days. The Customer will not be responsible for any damages after this time period.
6. Relocating equipment within the same building shall be performed by the Respondent at no charge. Relocation of equipment within the same complex shall be done at no charge unless the equipment must be trucked to another building – a standard industry charge is allowed and payable under this Contract if a truck is necessary. Respondent is encouraged to submit price lists for moving, whether the charge is hourly rate or flat rate. The Respondent owns the equipment and is responsible for the equipment at all times.
7. For the purpose of this RFP and the Contract, the following definitions shall apply:
 - a. 36 Month Lease: A 36 consecutive month equipment plan that is not a lease purchase plan which shall terminate on the ending date of the 36 month period as defined above. No termination notice shall be required by either party if the full lease period is uninterrupted.
 - b. 48 Month Lease: A 48 consecutive month equipment plan that is not a lease purchase plan which shall terminate on the ending date of the 48 month period as defined above. No termination notice shall be required by either party if the full lease period is uninterrupted.
 - c. 60 Month Lease: A 60 consecutive month equipment plan that is not a lease purchase plan which shall terminate on the ending date of the 60 month period as defined above. No termination notice shall be required by either party if the full lease period is uninterrupted.

A.2.5 Lease Cancellation

- A. Any part of the lease may be cancelled for cause under any of the following circumstances:
 1. The Respondent fails to make delivery of goods or services as specified in this Contract.
 2. The Respondent fails to perform any of the provisions of this Contract.
 3. Equipment fails to perform as represented by Respondent.
- B. If cancellation should occur, the awarded Respondent shall refund, in full, any unused portion of the prepaid lease payment.

A.3 TERM OF CONTRACT

The Contract shall commence upon the issuance of a Notice of Award by CPA and shall automatically expire on August 31, 2015, with options for renewal for two (2) one-year periods. At the sole option of CPA, the Contract may be extended as needed, not to exceed a total of six (6) months. The optional renewal periods are as follows:

Renewal Periods:

September 1, 2015 through August 31, 2016
September 1, 2016 through August 31, 2017

A.4 PRICING STRUCTURE

Proposed prices/discounts offered to the State may be considered the Respondent's most favored pricing; however, CPA reserves the right to negotiate pricing. In the event a Contractor offers or provides a decrease in price or increase in discount to another entity for the same commodities or services, under the same terms and conditions provided for the State of Texas pursuant to its contract, the Contractor shall provide the same decrease in price or increase in discount for the State of Texas. It is recommended that the Contractor provide said price decrease or discount increase voluntarily. If CPA learns of a decrease in prices/rates from a source other than the Respondent, Respondent shall credit CPA or affected Customers with the difference between the Contract price/rate and the decreased price/rate from the date of said decrease or the Respondent's contract will be subject to cancellation at the discretion of CPA. The Respondent shall either give affected Customers a credit or a refund for the orders placed and paid for by the Customers since the date the decrease was provided to others by the Respondent.

Equipment or supplies offered but not included as core list items (See Attachment E) by the Respondent will be considered as discount off catalog. The discount proposed by Respondent must be submitted in the appropriate tab of Attachment E.

Respondent shall indicate lease and purchase price in the designated spaces of the price list, Attachment E. Respondent must include model number and a complete and precise description of each item offered. Numbers and letters in the description without a complete product description will not be accepted. Rates proposed should provide total unit price and not just upgrade costs.

A.4.1 TxSmartBuy On-Line Ordering System

Reference Attachment D – TexasOnLine – TxSmartBuy.

CPA has implemented the TxSmartBuy online ordering system to permit Customers to order from the Contract. **To cover the costs of the system, the Respondent will be charged a 1.5% administrative fee on all sales under the Contract, whether or not the sales are made through the online ordering system. The Respondent must consider this fee when developing pricing for their proposal.** In reviewing the Respondent's pricing, discounts, proposal and any subsequent Best and Final Offers (BAFO), CPA will conclude that Respondent's Proposal as submitted has factored in the 1.5% administrative fee.

Upon award, Respondent will be required to enter into an Administrative Fee Agreement with the online administrator of TxSmartBuy for payment of the administrative fee. Failure to do so will result in cancellation of the award or any resulting Contract.

CPA will not allow Respondent to adjust pricing to address the TxSmartBuy ordering system once the Proposal has been submitted.

A.4.2 Firm Price with Escalation

Pricing must remain firm during the initial term of the Contract with escalation in accordance with Section A.5. Shipping shall be F.O.B. destination to the location(s) specified on the purchase order which may include inside deliveries. Prices must include all shipping, handling fees, fuel surcharges and delivery fees.

A.5 PRICE ADJUSTMENTS

A.5.1 Price Decreases or Discount Increases

Contractors are required to immediately implement any price decrease or discount increase that may become available. CPA must be notified in writing for updating the contract.

A.5.2 Price Adjustment Requests

Prices are firm for the initial term of the contract and may be increased annually or at the sole discretion of CPA throughout the term of the contract. Prices may be adjusted upwardly or downwardly when correlated with the index as specified below and as published by the Bureau of Labor Statistics (BLS), Region VI, Washington, DC 20212.

BLS website: <http://data.bls.gov/cgi-bin/srgate>

When using the Producer Price Index (PPI), the baseline shall be the most recent monthly information available during the month in which the Respondent's Proposal is opened by CPA. The price adjustment index shall be the most recent monthly information available during the month in which the price adjustment is requested.

When using the most recent monthly information from the index, the following applies:

A = Index from the month of the due date for responses of this RFP, **OR**

the effective date/month of the last approved price increase

B = Current and/or latest baseline index

The allowable percentage change is determined by the difference between the baseline index ("B") and the price adjustment index ("A"), as follows:

$$(B-A)/A * 100 = \text{allowable percentage change}$$

The Respondent may offer price decreases in excess of the allowable percent change.

The TPASS Contract Management Office (TCMO) will accept or reject adjustments within 15 calendar days after receipt of a properly submitted request. If a properly submitted increase is rejected, the Contractor may request cancellation of such items from the Contract by giving the TCMO written notice. Cancellation will not go into effect for 15 calendar days after receipt of the written request. Pre-price increase prices must be honored on orders dated up to the official date of CPA approval and/or cancellation.

The request can be sent by e-mail to: tpass_cmo@cpa.state.tx.us

Or mail to:

Texas Comptroller of Public Accounts

Attn: TPASS Contract Management Office (TCMO)

PO Box 13186

Austin, TX 78711-3186

Upon receipt of a proper request for a price adjustment, CPA reserves the right to: (1) accept the price adjustment as within the allowable percentage change and competitive with the general market price at the time, effective 30 calendar days from receipt of the request; (2) deny the request for price adjustment; or (3) negotiate a price adjustment with the Respondent.

Under this requirement, the PPI that may be used is: PPI Series ID WPU11930753 for mailing, letter handling, and addressing machines.

A.5.3 Adding New Equipment

Following the Contract award, newly introduced equipment may be added semi-annually on March 1 and September 1 of each year. All additions must meet or exceed the specifications of the RFP.

Respondent must submit, in writing, equipment additions a minimum of thirty (30) working days prior to the effective dates. Respondent must include a copy of the manufacturer's current printed price list, full description and pricing to include lease and extended warranty pricing in the same format as the Proposal and in the correct categories. The final decision to add equipment will be at the sole option of CPA. There will be no exceptions to the dates specified.

A.6 REQUIREMENTS AND SPECIFICATIONS

A.6.1 Manuals

Manuals containing operating and service instructions for the equipment shall be delivered with each unit. The manual(s) should be as detailed as possible outlining all operating instructions for each unit delivered. Necessary warnings and safety precautions shall also be included.

A.6.2 Engineering/Software Changes

When a manufacturer of the equipment on Contract releases engineering or software changes at no cost to the general trade that improves the performance of the equipment bid, and while the equipment is still under lease, the Respondent must make the improvements to the equipment unless the Customer declines the improvements. Respondent must maintain and install equipment to include all released engineering changes at a current level at no increase in cost to the State. All safety enhancements must be installed per manufacturer's specifications without option.

A.6.3 Substitution of Equipment

Following the Contract award, alterations in product manufacturing fabrication or delivery of substitute commodities (models) require written approval of CPA. Proposed substitute equipment must meet or exceed specifications/requirements.

A.6.4 Machine Performance Standards

- A. Each machine offered must process all size mail accepted by United States Postal Service (USPS) standards.
- B. Each machine offered must seal envelopes and provide a catcher tray.

- C. Each machine offered must work as technically designed with postage meters being proposed. Units proposed that do not allow for postage meter compatibility as provided will not be accepted.
- D. Each State of Texas Agency and field office that uses the Contract shall be provided an ad indicia that states:

**OFFICIAL BUSINESS
STATE OF TEXAS
PENALTY FOR
PRIVATE USE**

This will be provided at no additional cost to the State Agency.

A.6.5 Mailing Equipment Specifications

1. Mail size specifications:
 - a. Maximum 15 3/8" length minimum width 12"
 - b. Maximum 13" length minimum width 10"
 - c. Maximum 12 3/4" length minimum 5"
 - d. Maximum 9 1/2" width minimum 3 1/2"
 - e. Maximum 3" flap depth minimum 1"
 - f. Maximum 1/4" thickness minimum .007
2. Equipment to have automatic and semi-automatic feeder, sealer and meter to load, seal and affix postage to the mail in the same operation.
3. Equipment to have auto on/off feature controlled by device that senses presence of mail.
4. Must have pressure sensitive automatic roll tape feature.
5. Must have adjustable wetness capability for tape and envelope flaps.
6. Must have disposable ink cartridge.
7. Must have thickness adjustment capability.
8. Must have tape sealer dispensers with visible sealer level.
9. Must have ink dispenser with low and out of ink indicators.
10. Mail processing system base electronically interfaced or integrated with scale and postage meter.
11. All units must be digital, USPS and Information Based Indicia Program (IBIP) compliant.
12. All units must operate on 110 Volt AC Power.
13. All units must be ENERGY STAR® compliant.
14. All units must have automatic date change, post-dating and zero postage in addition to manual postage imprinting capability.
15. All units must be new or refurbished (if requested by Customer).
16. There are eight (8) primary categories as listed below. All equipment must comply with the United States Postal Service (USPS) metering requirements. Reference USPS, Quick Service Guide 604c at <http://pe.usps.com/text/qsg300/Q604c.htm>

MAILING EQUIPMENT – CATEGORY I (MINIMUM 30 PIECES PER MINUTE)
MAILING EQUIPMENT – CATEGORY II (MINIMUM 65 PIECES PER MINUTE)
MAILING EQUIPMENT – CATEGORY III (MINIMUM 120 PIECES PER MINUTE)
MAILING EQUIPMENT – CATEGORY IV (MINIMUM 145 PIECES PER MINUTE)
MAILING EQUIPMENT – CATEGORY V (MINIMUM 175 PIECES PER MINUTE)
MAILING EQUIPMENT – CATEGORY VI (MINIMUM 200 PIECES PER MINUTE)

MAILING EQUIPMENT – CATEGORY VII (MINIMUM 240 PIECES PER MINUTE)
MAILING EQUIPMENT – CATEGORY VIII (MINIMUM 290 PIECES PER MINUTE)

A.6.6 Weighing System Specifications

All equipment weighing systems must meet the following requirements:

1. Capable of handling USPS postcards, letters, flats, parcels and trifold and bifold mail pieces.
2. Maintaining an accuracy of within 0.1 ounce of the true value, with weight increments of 0.5 ounce between 0 and 70 pounds.
3. All weight measurements displayed as a digital readout.

A.6.7 Postage Meter Specifications

All equipment metering systems must meet the following requirements:

1. Capable of customer preset mail classes, e.g. Next Day Letters, Next Day Flats, Priority, Express.
2. Capable of adding new refill amounts.
3. Capable of user selection of multiple metering modes to include:
 - a. Selection of First Piece Weighing to allow the first piece of one or more stacks of mail pieces to be weighed and the same postage applied to all pieces in that lot.
 - b. Selection of Individual Piece Weighing which weighs each piece individually and applies the required postage for the weight of the individual mail piece
 - c. Selection of Seal and Count Only which does not apply postage.
4. Capable of following Sealing options:
 - a. Seal with flaps folded over envelope
 - b. Seal with flaps overlapping envelopes
 - c. Applying postage to envelope not requiring sealing or already sealed.
5. Capable of selecting and editing accounts.
6. Capable of changing between imprinted indicia and tape indicia.
7. Capable of providing meter reset through whatever method required by Customer placing each order and allowed by USPS.
8. Having displays for the following:
 - a. Amount of funds available on the meter
 - b. Amount of funds used on the meter
 - c. Total number of pieces metered
 - d. Current batch value
 - e. Current batch count
 - f. Operator identification

A.6.8 Accounting System

1. All machines provided must have integrated postage accounting system with the capability of user established accounts and subaccounts and providing a minimum of the following reports:
 - a. Single day usage for one or more accounts and/or subaccounts
 - b. Monthly usage for one or more accounts and/or subaccounts
 - c. Annual usage for one or more accounts and/or subaccounts
 - d. Ad hoc adjustable dates usage for one or more accounts and/or subaccounts
2. Reports shall contain account name, identifier number, volume metered by class and postage information if required by Customer.

3. Accounting System must have the ability to add/edit accounts and/or subaccounts as required.

A.6.9 Rate Change

All USPS postage rate changes to P.R.O.M. (Programmable Read Only Memory) must be included for the duration of the lease or ownership of the equipment.

A.6.10 Peripheral Equipment

Respondents shall offer a full complement of commonly used peripheral postal equipment to include but not be limited to free standing scales, folders, inserters, feeders, tabbers, envelope openers and conveyors.

A.6.11 Service/Maintenance

Technical support and service are important components of the state's mail processing program. An inoperative metering machine or mail facility has a significantly adverse impact on the quality and efficiency of the operations of state agencies, universities and other entities using leased or purchased mail metering equipment. Respondent must provide a toll-free help desk phone number and customer service web system. Customers will have the option to purchase extended maintenance through the Contractor or through a third party.

Should maintenance be purchased by Customer, Respondent certifies acceptance of the following guarantees on leased units:

1. All broken or defective parts not caused by and directly due to the fault or negligence of the Customer and all necessary machine adjustments occasioned by such defective or broken parts shall be covered by the Respondent during the term of the lease. The Respondent agrees to promptly repair or replace any such parts, or make any such adjustments, on a one-for-one basis without additional cost to the Customer. Respondent will be responsible for pick up and/or delivery of units that require service.
2. While a unit is under a lease agreement, all rate changes and software updates shall be included.
3. Service response time for repair calls on leased units shall not exceed four business hours in urban areas or eight business hours in rural or remote areas if the machine is inoperable. The definition of urban is built on classifications of census blocks established in the 2010 National Census. An urban area is any area of census blocks with a population density of 1,000 people or more per square mile combined with any surrounding census blocks with densities of at least 500 people per square mile. Anything outside an urban area will be considered rural. Service is to be performed during normal working hours, 8:00 am to 5:00 pm (local time), Monday through Friday. Maintenance services must be performed by fully trained and qualified technicians.

A.6.12 Supplies

Respondents shall provide a full catalog of mail equipment and processing supplies to include but not limited to:

- Ink cartridges
- Cleaning wipes for ink cartridges
- Adhesive sealer

- Postage mailing tape
- Moisteners

A.6.13 Condition of Products

Proposed and delivered products shall be new or refurbished (if requested by Customer), of current production, and in first class condition, and include the manufacturer's standard equipment and accessories. Containers must be suitable for shipment and storage.

Refurbished equipment must be certified and clearly noted that it is a refurbished product and must include warranty same as provided for new equipment.

All parts not specifically mentioned which are necessary for the unit to be complete and ready for operation or which are normally furnished as standard equipment will be furnished by the Respondent and included in the lease price. All parts will conform in strength, quality and workmanship to the accepted industry standards.

Respondent guarantees the equipment to be first quality grade in the field and that equipment offered has previously been sold in commercial trade. Respondent further guarantees that product offered is or was of normal production and not a special production item.

Refurbished supplies are prohibited.

A.6.14 Quality Assurance Guarantee

The Contractor shall guarantee its products to be free from defects in materials and workmanship, given normal use and care, over the period of the manufacturer warranty. Respondents must specify the period of warranty in their response along with any limitations on the warranty. Any warranty limitations or conditions not specifically identified by Respondents in their response shall be considered waived. The Contractor shall agree to repair and/or immediately replace without charge (including freight both ways) to Customer any product or part thereof, which proves to be defective or fails within the manufacturer warranty period as specified.

A.6.15 Warranty Requirements

Purchased equipment must include at least a standard one year warranty.

A.6.16 Service Level Commitment

The State will measure participating Customer satisfaction throughout the term of the contract. Measurements will identify areas where service levels can be improved. Respondent must commit to quarterly reviews of customer satisfaction and strive for continuous improvement in service. Respondents must agree to work with the State in resolving any issues resulting from measurement of Customer satisfaction. The Contractor and CPA Contract Manager will work together to continually monitor the success levels of the contract.

In addition, the State may require quarterly or semi-annual conferences with the Contractor to review contract issues and/or Contractor performance. The conferences will be held at CPA offices in Austin, Texas.

A.6.17 Implementation Plan

Immediately upon award, the Respondent shall begin implementation of the contract. Within ten (10) calendar days from contract award, the Respondent shall submit to CPA Contract Manager a detailed final implementation plan consisting of the Respondent's plan to perform the responsibilities under this contract. The implementation plan shall include all elements and provide timelines for all RFP requirements.

The State will assist the awarded Contractor(s) by providing forecasting patterns based on historical usage, State Agency and CO-OP lists, and any other materials reasonably available to the State.

A.6.18 Contract Transition

The Respondent must agree that at the end of this contract, should the State conduct another procurement and award a new contract, the Respondent will work with CPA to ensure that an efficient and effective transition takes place.

A.7 LIQUIDATED DAMAGES

Respondent shall include in its offer an acknowledgement that the Customer will be damaged if Respondent fails to fulfill its obligations under the Contract, and shall further acknowledge that liquidated damages attach and will be payable from any funds established by Respondent, from any sums owed directly or indirectly to Respondent as a result of handling or accepting Customer funds, or from monies owed to Respondent under any other contract awards by the State.

Establishing the precise amount or value of such damage would be difficult to quantify, and the Customer would have no adequate remedy at law or equity to address Respondent's failure of performance on specific tasks. The liquidated damages provided for herein do not represent a penalty against Respondent; rather, the liquidated damages represent a good faith effort by the Customer and Respondent to establish a reasonable estimate of the damages that will be incurred by the Customer in the circumstances described.

The Customer shall notify Respondent in writing, for any default specified herein, and such liquidated damages shall be paid by Respondent within thirty (30) calendar days of the Customer notice. The Respondent's failure to pay the assessed liquidated damages within the designated time frame may be deemed by the state as a breach of Contract.

Liquidated damages for specific instances of noncompliance are:

1. Failure to meet response times for requested repair service calls within four business hours in urban areas and eight business hours in rural areas if the machine is inoperable - one hundred dollars (\$100) per hour.
2. Failure to remove equipment within ten (10) calendar days of a written request – seventy-five (\$75) dollars per day.
3. Failure to have a fully functional toll-free help desk phone number available at implementation - one thousand dollars (\$1,000.00) per day.
4. Failure of the toll-free help desk or customer service web system to be fully functional for a period of three (3) consecutive hours or greater - one hundred dollars (\$100) per hour beyond the three consecutive hours.

A.8 SHIPPING, DELIVERY AND PACKAGING

All shipping shall be F.O.B. destination to the location(s) specified on the purchase order which may include inside deliveries. Prices must include all shipping and handling fees unless stated otherwise.

A.8.1 Identification of Shipments

In addition to the complete destination address, each delivery must be clearly marked with the purchase order number. Each shipment must be accompanied by a packing slip.

A.8.2 Packaging and Labeling

All items shipped must be properly labeled, with weather resistant labeling, showing the brand name, package quantity, lot number (if applicable) and any other necessary identifying information.

A.8.3 Special Delivery Requirements

Customers may have specific, internal delivery rules and policies. These will be provided on each purchase order issued by the customer. The Contractor(s) will be required to adhere to those requirements.

A.8.4 Hours of Delivery

Delivery shall be made during the hours of 8:00 am to 4:00 pm (CST) unless prior approval for after-hours delivery has been obtained from the Customer. In the event of any approval by the Customer for after-hours delivery, Respondent may not invoice any additional charges for that delivery. Respondent is encouraged to obtain Customer's hours of operation at time of order.

A.8.5 Delivery Schedule

Respondent shall deliver all equipment twenty (20) calendar days after receipt of order (ARO), unless an alternate timeframe is agreed to and specified on the Customer's purchase order.

A.8.6 Delivery Delays

If delay is foreseen, Contractor shall give written notice to the Customer and must keep Customer advised on the status of the order. Default in promised delivery (without accepted reasons) or failure to meet specifications authorizes the Customer to purchase goods and services of this RFP elsewhere and charge any increased costs for the goods and services, including the cost of re-soliciting, to the Contractor. Failure to pay a damage assessment is cause for Contract cancellation and/or debarment or removal of the Respondent from the State's Centralized Master Bidders List (CMBL).

A.8.7 Late Delivery Fee

At the time of invoice payment, the Customer will have the option to deduct any accumulated late delivery fees prior to payment of the invoice. The Customer will have the option to charge the Respondent a fee of \$50 per business day per purchase order for late delivery. Late fees will not be assessed if the Respondent has obtained prior written approval for late delivery from the Customer.

A.8.8 Compliant Products:

Providing products or materials which do not meet all specification requirements does not constitute delivery. Delivery does not occur until the Respondent delivers products or materials in full compliance with the specifications to Customer's F.O.B. destination, unless delivery is specifically accepted, in whole or in part, by the Customer. Customer reserves the right to require new delivery or a refund in the event that materials or products not meeting specifications are discovered after payment has been made.

A.8.9 Restocking Fee

The Customer may request that a Contractor accept return of merchandise already delivered or that a Contractor cancel an order prior to delivery. If the return is required through no fault of the Contractor, the Contractor may request a reasonable restocking charge. The Customer may pay a restocking charge if CPA or Customer determines that the charge is justifiable. As a guideline, such charges shall not exceed 10%. There shall be no fees charged for cancellation of an order prior to shipment by the Contractor.

A.9 REPORTING AND FINANCIAL MATTERS

A.9.1 TxSmartBuy Administrative Fee Agreement – Attachment D

All responses submitted must contain a signed Administrative Fee Agreement with the online administrator of TxSmartBuy for the payment of the administrative fee. Failure to do so may result in the Proposal being deemed nonresponsive. CPA will NOT submit the signed Administrative Fee Agreement to the online administrator unless the Respondent is awarded a contract.

A.9.2 Invoices and Payment Requirements

Reference Part B, General Instructions and Contract Terms and Conditions, Section B.5.3 Invoicing and Payment Requirements.

Payment terms for the State of Texas are typically 30 days. Please indicate the additional discount extended to each monthly invoice for early payment on Attachment B – Respondent Contact Information Form.

Payment for lease equipment will be processed upon the satisfactory completion of delivery, installation, training and acceptance. Payment terms of each lease, may be monthly, quarterly, semi-annually or annually at the Customer's option.

A.9.3 Purchase Orders

Only purchase orders issued through the approved CPA purchasing system, TxSmartBuy, are eligible for Contract pricing. Respondents are encouraged to review the "Information for Vendors" along with all other information available at the TxSmartBuy link through the TPASS web page at: <http://www.window.state.tx.us/txsmartbuy/>

Purchase orders dated during the term of the Contract must be honored even if **received** after the Contract expiration date. Vendors may not specify a "final order" receipt date. Pricing is established by the date the purchase order is placed unless otherwise stated in the Contract.

A.9.4 Online Ordering

CPA has implemented the TxSmartBuy online ordering system to permit Customers to order from the Contract. Orders will be submitted to the Contractor by e-mail. Only one e-mail address can be used for the orders and this information is to be provided on Attachment B, Respondent Information.

You can find more information about TxSmartBuy at the following link:

<http://www.window.state.tx.us/txsmartbuy/>

Online ordering will also require the ability to identify and track the commodities/services purchased. Currently, CPA uses the National Institute of Governmental Purchasing, Inc. (NIGP) Commodity/Services Codes. Respondent shall include a statement with its completed Mandatory Pricing Sheet stating its ability to identify and include NIGP Codes and/or United Nations Standard Products and Services Codes (UNSPSC) with the commodities/services it offers to CPA. In addition, the Respondent may offer an alternative to NIGP/UNSPSC Codes and explain how the alternative meets the needs of the state.

The Respondent shall include or be able to provide an electronic version of its products in a format specified by CPA that can be uploaded to the online ordering system.

A.9.5 Reporting Requirements

Respondent shall provide periodic sales reports upon request by CPA. The reports shall be submitted electronically and shall include but not be limited to the following data elements:

Vendor ID, Order Method, Contract Number, Agency Customer (Ordering Entity) Name, Agency Customer (Ordering Entity) Number, County (Shipping Destination), Purchase Order Number, Order Date, Eleven (11)-digit Commodity Code, Description, Catalog Number, Brand, Packaging, Unit of Measure, Number of Units, Price Per Unit, Total Line Item Price, and Percentage off Retail / List (if applicable), and details for quote orders.

A.10 PROPOSAL REQUIREMENTS

A.10.1 Due Date for Proposals

Respondents shall submit Proposals to CPA in time for verification and confirmation that each Proposal is received and documented with a date and time no later than July 30, 2012 before or by 4:00 pm Central Time in Austin, Texas.

A.10.2 Calendar of Events

The solicitation process for this RFP will proceed according to the schedule below. CPA reserves the right to revise this schedule or any portion of this RFP by published Addendum.

Event	Date
ESBD Posting Date	July 2, 2012
Pre-Proposal Conference	July 13, 2012, 1:30 pm
Deadline for Submitting Questions	July 17, 2012

Official Response to Questions Posted on the ESBD	July 20, 2012 (or as soon thereafter as practical)
Proposal/Response Due Date and Time	July 30, 2012
Vendor Discussions	August 6 thru August 10, 2012
Anticipated Award of Contract	August 24, 2012

Any amendment to this solicitation will be posted as an addendum on the ESBD. It is the responsibility of interested parties to periodically check the ESBD for updates to the RFP prior to submitting a Proposal. The Respondent's failure to periodically check the ESBD will in no way release the selected Contractor(s) from the requirements of "addenda or additional information" nor will any resulting additional costs to meet the requirements be allowed after award(s).

A.10.3 Point of Contact

Respondents shall direct all inquiries and communications concerning this RFP to the Point of Contact listed below.

Note: This e-mail address is NOT to be used for submission of a response. Follow the instructions outlined in Sections A.13 and A.14 for proper submission.

CPA Purchaser:

Joaquin Luna, CTPM, CTCM

Phone: 512/463-0956

Email: joaquin.luna@cpa.state.tx.us

Respondents shall make no contact with other CPA personnel regarding this RFP, except as permitted by CPA Purchaser as listed above.

Failure to comply with these requirements may result in disqualification of the Respondent's Proposal.

After award of this RFP's subsequent contract, all requests for Contract changes and all communications relating to the contract will be processed through the TPASS Contract Management Office.

A.10.4 Pre-Proposal Conference

The Pre-Proposal Conference is scheduled for the date and time listed above in the Calendar of Events section. The location of the conference is:

Stephen F. Austin Building, Room 1-170
1700 N. Congress Avenue
Austin, Texas 78701

The pre-proposal conference allows Respondents opportunities to ask CPA questions and/or clarify provisions of this RFP. Respondents are encouraged to notify the point of contact regarding attendance of the Pre-Proposal Conference no later than July 10, 2012.

A.10.5 Documents and Attachments Included with this Part A of the RFP package

The RFP package also includes the following Documents and Attachments, which are posted separately on the ESBD.

Documents and Attachments – Posted Separately on the ESBD	
1.	Part B: General Instructions and Contract Terms and Conditions
2.	Execution of Proposal and Assurances (with Certification) – Attachment A Respondent Information Form – Attachment B Preferences – Attachment C HUB Subcontracting Plan (HSP) TxSmartBuy Administrative Agreement – Attachment D
3.	Mandatory Price Sheet (to be returned in format requested) – Attachment E

A.11 HUB SUBCONTRACTING PLAN – REFERENCE PART B; SECTION B.2.5

The HUB Subcontracting Plan (HSP) documentation must be completed, signed and returned with Response.

For assistance with the HSP, forward questions to the point of contact for this RFP (Section A.10.3).

Probable subcontracting opportunities:

Class	Item	Description
600	80	Postage Machine Supplies
600	71	Purchase of Mailing Machines
985	60	Rental of Postage Meters
985	54	Lease of Mailing Equipment
962	85	Transportation of Goods and Other Freight Services

This list should not be considered a mandatory or an exhaustive list. Other areas of subcontracting may be more appropriate given the Respondent's business structure and internal resources. Please see the attached HUB Subcontracting Plan for further instructions which require vendors to identify the specific areas intended for subcontracting.

A.12 EVALUATION OF PROPOSALS

CPA reserves the right to award a contract(s) without any negotiations and reserves the right to not make awards.

The Respondent is strongly encouraged to provide its best price in its Proposal because CPA makes absolutely no guarantee that there will be any opportunity to negotiate or provide alternative pricing at any point during the RFP process. CPA may limit the number of proposals in the competitive range to consist of the greatest number of proposals that will permit an efficient competition among the respondents based in accordance with the proposed pricing and the required

criteria specified in the RFP. CPA may seek additional information and solicit BAFOs only from those respondents determined to be in the competitive range.

A.12.1 Evaluation Process

CPA staff will initially review all proposals against the minimum qualifications set forth in the RFP. The Respondent's Proposal must contain all material requested and address all requirements identified in the RFP to the satisfaction of CPA to be considered responsive.

Copies of those proposals found to meet minimum qualifications will be distributed to the Evaluation Committee for their independent review and evaluation. The Evaluation Committee may include Comptroller employees from the Strategic Sourcing Division, Comptroller employees from other divisions, as well as employees of other Governmental Entities.

Based on the Evaluation Committee's review, evaluation, and consideration of the proposals according to the evaluation criteria set forth in this RFP (Section A.12.2), staff will process these recommendations to determine how best to proceed.

The Evaluation Committee may choose, in its sole discretion, to require one or more oral presentations from Respondents. The Evaluation Committee may also, at its sole discretion, choose to conduct additional rounds of negotiation with one or more Respondents. **However, Respondents are cautioned to provide their most competitive pricing and terms in their original proposals. The CPA makes absolutely no guarantee that Respondents will have any additional opportunities to improve upon their proposals.**

Based on its evaluation of the proposals and the presentations, if any, staff will prepare a written recommendation of the evaluation results of the proposals to the Deputy Comptroller for his review and consideration. The Deputy Comptroller will make the final selection with advice from the Statewide Procurement Advisory Council, as required by Government Code § 2155.087.

Upon the selection of an apparently successful Contractor, the Comptroller's legal counsel may proceed with contract negotiations and attempt to finalize the Contract with the Selected Contractor. CPA anticipates that these negotiations will involve few issues and be expedited; however, if a Contract cannot be successfully negotiated within a reasonable period of time, contract negotiations will be terminated, and negotiations with the next highest-ranking Respondent may commence. This process may continue until a Contract is signed or this RFP is withdrawn. CPA reserves the right, in its sole discretion to reissue or withdraw this RFP rather than continue with negotiations.

After the execution of the Contract with the Selected Contractor(s), all other Respondents will be able to find award information via the Electronic State Business Daily.

CPA reserves the right to conduct studies and other investigations as necessary to evaluate any Proposal. CPA reserves the right to waive any minor or immaterial response requirements noted in the submission process. Submission of proposals confers no legal rights upon any Respondent.

As CPA is awarding Contract(s) to Respondent(s) pursuant to Competitive Sealed Proposals as authorized by Government Code §2156.121, CPA may evaluate Respondent's Proposals on a variety of factors in addition to price. As such, CPA is **not authorized** to conduct proposal openings or provide proposal tabulations prior to award of Contract(s). Respondent(s) should be aware that such information cannot and will not be provided prior to award of Contract(s).

A.12.2 Evaluation

Each member evaluating proposals shall execute a confidentiality agreement (Non-Disclosure Affirmation) for this RFP.

Proposals will be evaluated by CPA employees and by other non-CPA employees who may be invited to assist as evaluators.

Each evaluated proposal will be reviewed and scored according to the table set out below.

Evaluation Criteria:

1	Price, Total Cost of Ownership	65%
2	Accounting and Reporting Capability	15%
3	Quality and Comprehensive Training	10%
4	Customer Service	5%
5	Marketing Plan	5%
	Total	100%

Price Scoring:

The Respondent's price score will consist of sixty-five (65) percent of the total score and be calculated by extending bid pricing by historical usage.

Technical Scoring:

Technical Scoring will consist of the following: (2) Accounting and Reporting Capability; (3) Quality and Comprehensive Training; (4) Customer Service; and, (5) Marketing Plan. Combined, the four evaluation criteria will compose thirty-five (35) percent of the total overall score. Scoring will be calculated qualitatively by the Evaluation Committee based upon the strength of the Respondent's narrative in Section A.13 (M) Statement of Meeting RFP Goals.

In determining the best value, CPA shall consider the following best value factors:

- (1) Price of the item, to include total cost of ownership, such as installation costs, life cycle costs and warranty provisions.
- (2) Compliance with the stated specification(s), coupled with the quality and reliability of the goods and services, such as fitness for use that meets or exceeds Customers expectations, and the characteristics of the product or service that bear on its ability to meet the stated/implied needs.
- (3) Delivery timeframe from receipt of purchase order (ARO).
- (4) Indicators of probable performance under the Contract to include: past Respondent performance, financial resources and ability to perform, experience or demonstrated capability and responsibility, references and the Respondent's ability to provide reliable maintenance agreements and support.
- (5) Other relevant factors, such as the Respondents anticipated economic impact to the state or a subdivision of the state, including potential tax revenue and employment, the effect of a purchase on agency productivity and the cost of any employee training associated with the purchase.

CPA reserves the right to conduct studies and other investigations as necessary to evaluate any proposal. CPA reserves the right to waive any minor or immaterial response requirements noted in the submission process. Submission of proposals confers no legal rights upon any Respondent. CPA will determine whether negotiations or Best and Final Offers are necessary and may invite selected Respondents to provide oral presentations of their proposals. Pursuant to Government Code §2155.087, the Chief Clerk of CPA, in a public meeting, may consider award recommendations for contracts related to this solicitation.

As CPA is awarding Contract(s) to Respondent(s) pursuant to Competitive Sealed Proposals as authorized by Government Code §2156.121, CPA may evaluate Respondent's Proposals on a variety of factors in addition to price. As such, CPA is **not authorized** to conduct proposal openings or tabulations prior to award of Contract(s). Respondent(s) should be aware that such information cannot and will not be provided prior to award of Contract(s).

Past Performance: A Respondent's past performance will be measured based upon pass/fail criteria, in compliance with applicable provisions of §§2155.074, 2155.075, 2156.007, 2157.003, and 2157.125, Gov't Code. Respondents may fail this selection criterion for any of the following conditions:

- A score of less than 90% in the Vendor Performance System,
- Currently under a Corrective Action Plan through CPA,
- Having repeated negative Vendor Performance Reports for the same reason,
- Having a record of repeated non-responsiveness to Vendor Performance issues
- Having purchase orders that have been cancelled in the previous 12 months for non-performance (i.e. late delivery, etc.).

Contractor performance information is located on CPA web site at:

http://www.window.state.tx.us/procurement/prog/vendor_performance/

CPA may conduct reference checks with other entities regarding past performance. In addition to evaluating performance through the Vendor Performance Tracking System (as authorized by 34 Texas Administrative Code §20.108), CPA may examine other sources of vendor performance including, but not limited to, notices of termination, cure notices, assessments of liquidated damages, litigation, audit reports, and non-renewals of contracts. Such sources of vendor performance may include any governmental entity, whether an agency or political subdivision of the State of Texas, another state, or the Federal government. Further, CPA may initiate such examinations of vendor performance based upon media reports. Any such investigations shall be at the sole discretion of CPA, and any negative findings, as determined by CPA, may result in non-award to the Respondent.

A.13 AWARD PROCESS

A.13.1 Award

Comptroller shall award a Contract(s) to the Respondent(s) whose proposal is considered to be the best value to the state, as defined in §2155.074, Gov't Code.

CPA may make its award to Respondent(s) based on individual line item or commodity groups that provide best value to the State.

A.13.2 Multiple Awards

CPA may award multiple term contracts from this solicitation. The Respondent(s) providing the best value to the State for each NIGP group description may be chosen as the State's primary or "best value vendor" for that group. Additional Respondents may be awarded contracts at the sole discretion of CPA in order to provide product variety

A.13.3 Adding New Commodities and/or Services to the Contract after Award

Following the Contract award, additional commodities and/or services of the same general category that could have been encompassed in the award of this contract, and that are not already on the contract, may be added. A formal written request may be sent to successful Contractor (s) to provide a proposal on the additional commodities and/or services and shall submit proposals to CPA as instructed. All prices are subject to negotiation with a Best and Final Offer ("BAFO"). CPA may accept or reject any or all proposals, and may issue a separate RFP for the products after rejecting some or all of the proposals. The commodities and/or services covered under this provision shall conform to the specifications and requirements as outlined in the request.

A.14 ORGANIZATION OF THE PROPOSAL FOR SUBMISSION

The Proposal shall include all information required in this RFP and shall be in the format described herein. The Respondent is solely responsible for thoroughly understanding the RFP and its attachments, exhibits and forms. Any questions concerning this RFP should be directed to the Point of Contact by the Deadline for Submitting Questions identified in Part A. The Respondent is cautioned to pay particular attention to the clarity and completeness of its Proposal. The Respondent is solely responsible for its Proposal and all documentation submitted.

The Respondent shall be precise, accurate and succinct. The Respondent shall provide detailed descriptions of how they will fulfill each requirement. The clarity and completeness of a Proposal may be considered by the CPA evaluators.

A. Confidential/Proprietary Information:

If any material in the Proposal is considered by Respondent to be confidential or proprietary information, Respondent **must** clearly mark the applicable pages of their submission to indicate their claim of confidentiality. Additionally, Respondent must include a statement on company letterhead identifying all Proposal section(s) and page(s) which have been marked as confidential.

B. Execution of Proposal – Attachment A

Respondent's signature is required to acknowledge that they can meet all requirements as stated and failure to sign and submit this form with its Proposal may disqualify the Proposal.

C. Respondent Contact Information Form – Attachment B

All information on this form must be provided as requested.

D. Preferences – Attachment C

Respondents are encouraged to carefully review this attachment and complete as applicable.

E. TxOnline-TxSmartBuy Administrative Fee Agreement – Attachment D

Reference Section A.4.1

This document must be completed, signed and returned with the response. This document will only be executed for those Respondents receiving an award.

F. HUB Subcontracting Plan - Reference Section A.10

The Respondent shall fill out the HUB Subcontracting Form and submit it with the Proposal in order for the Proposal to be considered responsive.

G. Mandatory Price Sheet (XML) – Attachment E

The Respondent shall complete the Pricing Sheet and return with Response in the format requested.

H. Assumptions and Exceptions

The Respondent shall clearly state any assumptions it made in its Proposal. The Respondent shall also clearly identify any exceptions it takes to specific provisions of this RFP, noting the specific RFP section number. If there are no exceptions, the Respondent shall explicitly state that the Respondent takes no exception to any part of this RFP. Any exception may result in the Contract not being awarded to the Respondent.

NOTE: CPA, as a state agency, is prevented by the Texas Constitution from indemnifying vendors. The Respondent is discouraged from including a term in its Proposal that requires CPA to indemnify it. Such a term may result in the Proposal being deemed non-responsive.

On company letterhead or in Excel, the Respondent shall identify exceptions using the following format:

Section	Section Title	Exception	Proposed Language

I. The Conflict of Interest Disclosure

By signing the Execution of Proposal, the Respondent affirms that the execution of an agreement between Respondent and the State will not create a conflict of interest or cause an appearance of a conflict of interest. In its Proposal, Respondent must disclose any existing or potential conflicts of interest or possible issues that might create appearances of impropriety relative to Respondent's (and its proposed subcontractors') submission of a proposal and possible selection as contractor or its performance of the Contract. A description of some conflicts of interest may be found in Part B, General Instructions and Contract Terms and Conditions, Section B.1.3, but this list should not be considered exhaustive or limiting.

If the circumstances certified by Respondent change or additional information is obtained subsequent to submission of proposals, by submitting a response Respondent agrees that it is under a continuing duty to supplement its response under this provision, and Respondent shall submit updated information as soon as reasonably possible upon learning of any change to their affirmation.

J. Manufacturer's Price List

Reference Section A.4 – Pricing Structure

The required price lists should be included with the Response.

K. Descriptive Literature for Products Offered:

Reference Section A.6 – Requirements and Specifications

If proposing other than the referenced brands/model number, Respondent must show manufacturer, brand or trade name, product number on Mandatory Price Sheet and provide complete descriptive information of product offered and include with Response. Failure to take exception to specifications or reference data will require Respondent to furnish specified brand names, numbers, etc.

L. Financial Responsibility/Stability

The Respondent must provide evidence of financial responsibility and stability for performance of the requirements/services for which a proposal is submitted. In addition, the Respondent must disclose the source of any outside financial resources that will be utilized by the Respondent to enable it to perform any Contract awarded pursuant to the RFP. If requested by CPA, Respondent must provide copies of documents to show the financial capability to demonstrate financial solvency, and to verify the capacity to fulfill the requirements of this RFP. The documents may include but are not limited to the Respondent's most recent audited financial statement. CPA reserves the right to require any additional information necessary to determine the financial integrity and responsibility of a Respondent and to reject a response on the grounds of the Respondent's financial soundness.

M. Proposals for Meeting RFP Goals

The Respondent shall explain how the proposal best meets the goals of the RFP established in section A.2.2. CPA has provided some insight into what should be provided in this section. However, this should not be considered an exhaustive list. Respondents are encouraged to provide innovative value-add solutions that will help to separate themselves from their competitors. The response should have specific sections devoted to the following in the same listed order:

1. **Pricing:** Proposed pricing for both core and non-core items should reflect the absolute best available pricing for entities with purchasing volumes comparable to the State of Texas.
2. **Accounting and Reporting Capability:** Respondents should provide narrative on all accounting, reporting, and business management systems that accompany metering machines.
3. **Quality and Comprehensive Training Program:** Proposal shall include a detailed plan of the proposed operator training and materials the Respondent will provide to inform Customers of the features and controls of mailing equipment, software, systems, and supplies. Respondent shall demonstrate best practices and make available development tools for the users of the equipment. The Proposal shall describe the training that will be available to Customers on an ongoing basis. Training should include but is not limited to, how to utilize equipment, software, systems, and supplies.

Respondent shall submit any applicable instructions to assist Customer's in placing orders and determining which supplies align with specific machines, as well as describing how the plan will be kept up to date. Respondent should explain whether the instructions will contain pictures or demonstrations to assist customers placing orders.

4. **Customer Service:** Respondents should provide narrative on customer service initiatives and include how the customer service unit will be structured (team size, location, etc.) to manage and resolve issues related to the contract and how the customer service personnel will be trained on contract requirement/issues.

- 5. Marketing Plan:** Respondents should provide a marketing plan detailing how it plans to increase usage under the new contract. CPA has placed a significant value on the ability of the awarded contractor to be able to market any resulting contract to current or potential CO-OP members. It will be the Respondent's responsibility to propose a plan on how to best achieve this goal. A list of current CO-OP member can be found at the following link: <http://window.state.tx.us/procurement/prog/coop/coopmemb/>

A.15 SUBMITTING THE PROPOSAL TO CPA

The Proposal shall clearly state the Proposal Due Date and Time identified in Section A.9.2, Calendar of Events and be titled: Proposal Submitted for Description - RFP #985-L1. CPA will only accept proposals by electronic submission. Use the following e-mail address to submit your proposal response electronically: SSCM.ebids@cpa.state.tx.us

The e-mail subject line should contain RFP number and title as indicated on the cover page. The respondent is solely responsible for ensuring that their complete electronic proposal is sent to, and actually received by, CPA in a timely manner and at the proper destination server.

All documents should be submitted in Microsoft Office Formats (Word and Excel) or in a form that may be read by Microsoft Office Software. Documents with signatures shall be submitted as an Adobe Portable Document Format (PDF) file. CPA is not responsible for documents that cannot be read or converted. Unreadable Proposals may be, at CPA's discretion, rejected as non-responsive.

Note: Please be aware that your Internet Service Provider may limit file sizes on your outgoing emails: so try to avoid graphics, pictures, letterheads, etc., which consume a lot of space. These typically include *.tif/*.tiff, *.gif, & *.bmp file extensions, but may include others, as well. CPA's firewall virus protection runs at all times, so during times of new active virus alerts, incoming traffic may be delayed while the virus software scans emails with attachments.

CPA takes no responsibility for electronic proposals that are captured, blocked, filtered, quarantined or otherwise prevented from reaching the proper destination server by any CPA anti-virus or other security software.

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B.1 INTRODUCTION

B.1.1 Authority to Contract

Pursuant to the authority and responsibility provided in §§2155.061, 2156.061, and 2156.121, Government Code, the Comptroller's office is authorized to procure statewide contracts using the sealed proposal method.

Pursuant to §§ 2155.202 – 2155.204, Government Code, statewide contracts procured by the Comptroller's office may additionally be used by community mental health and mental retardation centers, the Texas Legislature and related legislative agencies, and local government entities pursuant to Subchapter D, Chapter 271, Local Government Code. Local government is defined by §271.081 of the Local Government Code to include a county, municipality, special district, school district, junior college district, a local workforce development board created under Section 2308.253, Government Code, or other legally constituted political subdivision of the state.

B.1.2 Definitions

When capitalized, the following terms and acronyms have the meaning set forth below. All other terms have the meaning set forth in Webster's II New College Dictionary.

TERM	DEFINITION
Contract	Any contract(s) resulting from this solicitation. <i>Note: There is no guarantee that any contract will result from this solicitation.</i>
Contractor	The Respondent(s) awarded a Contract as a result of the RFP.
CPA	The Comptroller of Public Accounts, the state agency issuing this solicitation.
Customer	Those state and local entities that are required and permitted by law to purchase goods and services under contracts established by the CPA.
ESBD	The Electronic State Business Daily, which is available online at http://esbd.cpa.state.tx.us/ .
Gov't Code	The Texas Government Code.
Party / Parties	Either the CPA and Respondent separately or collectively.
Proposal	The response submitted by a vendor to the CPA as a result of this solicitation.
Respondent	Any person or vendor who submits a Proposal in response to this solicitation.
RFP	Request for Proposals, which is the type of solicitation embodied in this document.
TAC	The Texas Administrative Code, which is the publication for administrative rules.

B.1.3 Conflicts of Interest

B.1.3.1 Actual and Perceived Conflicts

By submitting a Proposal, the Respondent represents and warrants that neither it nor its employees and subcontractors have an actual or potential conflict of interest in entering a Contract with the CPA. The Respondent also represents and warrants that entering a Contract with the CPA will not create the appearance of impropriety. In its Proposal, the Respondent shall disclose any existing or potential conflict of interest that it might have in contracting with the CPA. The CPA will decide, in its sole discretion, whether an actual or perceived conflict should result in Proposal disqualification or Contract termination.

B.1.3.2 Current and Former CPA Employees

In addition to the disclosures required above, the Respondent shall also disclose any of its personnel who are current or former officers or employees of the CPA or who are related, within the third degree by consanguinity (as defined by §573.023, Gov't Code) or within the second degree by affinity (as defined by §573.025, Gov't Code), to any current or former officers or employees of the CPA.

Respondents must comply with all applicable Texas and federal laws and regulations relating to the hiring of former state employees (see e.g., Texas Government Code Chapters 572 and 573). Such “revolving door” provisions generally restrict former agency heads from communicating with or appearing before the agency on certain matters for two years after leaving the agency. The revolving door provisions also restrict some former employees from representing clients on matters that the employee participated in during state service or matters that were in the employees’ official responsibility. Respondent, by signing this solicitation, certifies that it has complied with all applicable laws and regulations regarding former state employees.

Respondent must identify each employee who works for more than one staffing company at any facility and ensure that the employee’s cumulative weekly hours worked at all state facilities through any one staffing company does not exceed 40 hours per week.

B.1.4 Construction of this RFP and the Contract

B.1.4.1 Global Drafting Conventions

The terms “include,” “includes,” and “including” are terms of inclusion and, where used in this Contract, are deemed to be followed by the words “without limitation.”

Unless explicitly stated otherwise, any references to “Sections,” “Articles,” “Exhibits,” or “Attachments” are deemed to be references to the Sections, Articles, Exhibits, and Attachments to this RFP and the Contract.

B.1.4.2 Headings

The Article and Section headings in this RFP and the Contract are for reference and convenience only and may not be considered in the interpretation of this RFP or the Contract.

B.2 THE RFP PROCESS

B.2.1 Submitting Questions about the RFP

The Respondent will have until the Deadline for Submitting Questions, identified in Part A, to submit in writing all questions regarding this RFP. Questions may only be sent to the Point of Contact. All questions shall, to the highest degree possible, cite the specific RFP section to which the question refers. The CPA will, at its discretion, answer the questions in a Question and Answer Document posted on the ESBD.

Only answers provided in writing by the CPA shall be considered official. Information in any form other than the materials constituting this RFP, the Question and Answer Document, and any RFP addendum shall not be binding on the CPA.

All questions submitted to the CPA must include the identity of the sender, the sender's title, company name, mailing address, telephone number, and facsimile number or e-mail address, as applicable.

NOTE: Minor questions for which the answer will not affect the interpretation of the RFP or change the contents of a Proposal (for example, a question regarding delivery of the sealed Proposal) may be answered orally or by e-mail by the CPA.

B.2.2 Addenda to the RFP

Should an addition or correction to this RFP become necessary, an addendum relating the necessary information will be posted on the ESBD. The Respondent is responsible for periodically checking the ESBD for addenda or additional information relating to this RFP. The Respondent is required to acknowledge each addendum by returning a signed copy of the addendum with its Proposal.

B.2.3 Testing and Inspection

The CPA and Customers may test and inspect goods and services purchased under the Contract to ensure compliance with the specifications of this RFP and the Contract. The CPA may also test and inspect goods and services before they are purchased under the Contract.

Authorized CPA personnel shall have access to the Respondent's place of business for the purpose of inspecting the goods. To the extent practical, the CPA inspections will not disrupt the Respondent's daily operations. Tests shall be performed on samples submitted with the Proposal or on samples taken from regular shipments. All costs of testing and inspection shall be borne by the Respondent. In the event the goods tested fail to meet or exceed all conditions and requirements of the RFP and Contract, the goods will be rejected in whole or in part, at the State's option, and returned to the Respondent or held for disposition at the Respondent's expense. Latent defects may result in cancellation of the Contract at no expense to the state.

If material fails to meet specifications, the Respondent will be notified by fax / mail or e-mail. The Respondent will have ten (10) working days after receipt of the notification to remove the rejected material from state property. Material will be removed at the Respondent's expense. Material not removed in the allotted time period will be disposed by the Customer. The Respondent will be charged for all disposable expenses conducted by the Customers.

B.2.4 Accuracy of the Proposal

The Respondent's Proposal shall be true and correct and shall contain no cause for claim of omission or error. Proposals may be withdrawn in writing at any time prior to the submittal deadline.

B.2.5 HUB Subcontracting Plan Requirements

It is the policy of the CPA to promote and encourage contracting and subcontracting opportunities for State of Texas certified Historically Underutilized Businesses (HUBs) in all contracts in compliance with Chapter 2161, Gov't Code. Eligible Respondents are encouraged to become HUB certified. State of Texas HUB applications may be found at:

<http://www.window.state.tx.us/procurement/prog/hub/hub-forms/>

Definitions for State of Texas HUB certifiable businesses can be found in 34 TAC Chapter 20, Subchapter B, which is available at:

[http://info.sos.state.tx.us/pls/pub/readtac\\$ext.ViewTAC?tac_view=5&ti=34&pt=1&ch=20&sch=B&rl=Y](http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=5&ti=34&pt=1&ch=20&sch=B&rl=Y)

A HUB Subcontracting Plan Form must be filled out and returned with the Proposal to be considered responsive. If the Proposal does not include a HUB Subcontracting Plan, it shall be rejected as a material failure to comply with advertised specifications.

Any probable subcontracting opportunities are identified in Part A. This list should not be considered a mandatory or an exhaustive list. Other areas of subcontracting may be more appropriate given the Respondent's business structure and internal resources. Please see the attached HUB Subcontracting Plan for further instructions which require vendors to identify the specific areas intended for subcontracting.

Search the State of Texas HUB Database for HUB vendors by the NIGP class and item at:

<http://www2.cpa.state.tx.us/cmbl/hubonly.html>

Additional minority and women owned business association resources are available for subcontracting notices at: <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

Questions about the HUB Subcontracting Form, finding HUB vendors, or the State of Texas HUB Program, should be directed to the HUB Coordinator identified in Part A.

Additional information and training regarding how to complete a HUB Sub-Contracting Plan can be found on the CPA Website at the following link:

<http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

B.2.6 Cost of Submitting the Proposal

The CPA will not reimburse the Respondent for any cost related to its Proposal. The Respondent is responsible for any expense related to the preparation and submission of its Proposal.

B.2.7 Public Information Act Disclosures

The CPA is a government agency subject to the Texas Public Information Act (PIA), Chapter 552, Gov't Code. The Proposal and other information submitted to the CPA by the Respondent are subject to release as public information. The Proposal and other submitted information shall be presumed to be subject to disclosure unless a specific exception to disclosure under the PIA applies. If it is necessary for the Respondent to include proprietary or otherwise confidential information in its Proposal or other submitted information, the Respondent must clearly label that proprietary or confidential information and identify the specific exception to disclosure in the PIA. Merely making a blanket claim that the entire Proposal is protected from disclosure because it contains some proprietary information is not acceptable, and shall make the entire Proposal subject to release under the PIA. In order to trigger the process of seeking an Attorney General opinion on the release of proprietary or confidential information, the specific provisions of the Proposal that are considered by the Respondent to be proprietary or confidential must be clearly labeled as described above. Any information which is not clearly identified as proprietary or confidential shall be deemed to be subject to disclosure pursuant to the PIA.

If Respondent's proposal contains any information, which Respondent claims is confidential and not subject to release under the PIA, Respondent must prepare and deliver to CPA four CDs containing the following information:

1. Two CDs containing complete copies of all of Respondent's submissions pursuant to this RFO. These shall be marked "Complete Offer Documents, [Offeror's Name], CPA RFO _____. CONTAINS CONFIDENTIAL INFORMATION."
2. Two CDs, each containing copies of all of Respondent's submissions with all information claimed as confidential excised, blacked out or otherwise redacted. Each of these CDs shall also contain an Appendix which contains clear references to all redacted information including a general description of the redacted information. These CDs shall be marked "For Public Release: Redacted Version of [Offeror's Name], CPA RFO _____. "

The Respondent, by submitting a Proposal, shall thereby be irrevocably deemed to have fully indemnified and agreed to defend the CPA from any claim of infringement in the intellectual rights of Respondent or any third party for any materials appearing in the Proposal.

B.2.8 Irrevocability of the Proposal

The Proposal is irrevocable for one hundred twenty (120) calendar days following the Proposal Opening Date and Time identified in Part A. This period may be extended at the CPA's request with the Respondent's written agreement.

B.3 CONTRACT INFORMATION

B.3.1 Amending the Contract

Any alterations, additions, or deletions in the terms and conditions of the Contract shall be by written amendment executed by both Parties and put into effect with a Contract Amendment issued by the CPA. The Respondent shall not be entitled to payment for any additional services, work, or products that are not authorized by a properly executed Contract amendment.

B.3.2 Order of Precedence

In the event of conflicts or inconsistencies between this contract and its exhibits or attachments, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority: Signed Contract (or Notice of Award), Attachments to the Contract (or Notice of Award), Request for Proposals, and Respondent's Response to Request for Proposals.

B.3.3 Terminating the Contract

B.3.3.1 Convenience of the State of Texas

The CPA reserves the right to terminate the Contract at any time, in whole or in part, without cost or penalty, by providing 30 calendar days' advance written notice, if the CPA determines that such termination is in the best interest of the state. In the event of such a termination, the Respondent shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. Customers shall be liable for payments for any goods or services ordered from the Respondent before the termination date.

B.3.3.2 Cause/Default

If the Respondent fails to provide the goods or services contracted for according to the provisions of the Contract, or fails to comply with any of the terms or conditions of the Contract, the CPA may, upon written notice of default to the Respondent, immediately terminate all or any part of the Contract. Termination is not an exclusive remedy, but will be in addition to any other rights and remedies provided in equity, by law or under the Contract.

The CPA may exercise any other right, remedy or privilege which may be available to it under applicable law of the state and any other applicable law or may proceed by appropriate court action to enforce the provisions of the Contract, or to recover damages for the breach of any agreement being derived from the Contract. The exercise of any of the foregoing remedies will not constitute a termination of the Contract unless the CPA notifies the Respondent in writing prior to the exercise of such remedy. The Respondent shall remain liable for all covenants and indemnities under the Contract. The Respondent shall be liable for all costs and expenses, including court costs, incurred by the CPA with respect to the enforcement of any of the remedies listed herein.

B.3.3.3 Change in Federal or State Requirements

If federal or state laws or regulations or other federal or state requirements are amended or judicially interpreted so that either the CPA or the Respondent cannot reasonably fulfill the Contract and if the Parties can not agree to an amendment that would enable substantial continuation of the Contract, the Parties shall be discharged from any further obligations under the Contract.

B.3.3.4 TCPDP Purchasing Preference

Pursuant to Texas Human Resources Code Chapter 122, state agencies shall purchase products and services meeting the agency's specifications offered by a Community Rehabilitation Program (CRP) certified by the Texas Council on Purchasing from People with Disabilities (TCPDP), or its Central Nonprofit Agency, Texas Industries for the Blind and Handicapped (TIBH). Should any item(s) awarded under any contract pursuant to this RFP become available from a CRP through TIBH or TCPDP during the term of the contract, the state may cease all

use of the awarded contract immediately upon the availability of such product or service, and may terminate the contract for some or all of such products or services awarded.

B.3.3.5 Rights upon Termination or Expiration of Contract

In the event that the Contract is terminated for any reason, or upon its expiration, the CPA and the Customers shall retain ownership of all associated work products and documentation obtained from the Respondent under the Contract.

B.3.3.6 Survival of Terms

Termination of the Contract for any reason shall not release the Respondent from any liability or obligation set forth in the Contract that is expressly stated to survive any such termination or by its nature would be intended to be applicable following any such termination, including the provisions regarding confidentiality, indemnification, transition, records, audit, property rights, dispute resolution, and invoice and fees verification.

B.3.4 Contract Documentation

The Contract will consist of the Notice of Award, Listing of Awarded Items, and any Contract Amendments thereto issued by the CPA; this RFP, together with any modifications made through Addenda thereto; and the successful Proposal, together with any clarifications thereto that are submitted at the request of the CPA. In the event of any conflict or contradiction between or among these documents, the Notice of Award, as modified by any Contract Amendments, shall control over the RFP and the Proposal. The RFP, as modified by any Addenda, shall control over the Proposal.

B.4 CONTRACT MANAGEMENT

B.4.1 Contract Managers

B.4.1.1 The CPA Contract Manager

The CPA Contract Manager has the authority to:

- sign Controlled Correspondence
- serve as the day-to-day point of contact
- coordinate quality control reviews
- approve invoices
- coordinate meetings with the Respondent
- investigate complaints
- receive requests for substitutions or changes in goods or services awarded under the Contract
- initiate contract amendments
- accept, deny or negotiate pricing changes

B.4.1.2 The Respondent's Contract Manager

The Respondent shall identify its Contract Manager to the CPA in writing within 10 days of the issuance of the Purchase Order. Changes to the Respondent's Contract Manager shall hereafter be documented by the Respondent through Controlled Correspondence. The Respondent's Contract Manager has the authority to:

- make decisions regarding the deliverables required by the Contract
- sign Controlled Correspondence

- serve as the day-to-day point of contact
- coordinate quality control reviews
- coordinate meetings with the CPA
- investigate complaints

B.4.2 Controlled Correspondence

In order to track and document requests for decisions and/or information pertaining to the Contract, and the subsequent response to those requests, the CPA and the Respondent shall use Controlled Correspondence. The CPA shall manage the Controlled Correspondence for the Contract. For each Controlled Correspondence document, the CPA shall assign a tracking number and the document shall be signed by the appropriate Party's Contract Manager.

Controlled Correspondence shall not be used to change pricing or alter the terms of the Contract. Controlled Correspondence shall not be the basis of a claim for equitable adjustment of pricing. Any changes that involve the pricing or the terms of the Contract must be by a properly executed Contract amendment. However, the Controlled Correspondence process may be used to document refinements and interpretations of the provisions of the Contract, to document the cost impacts of proposed changes, and to document CPA-approved changes to the Respondent's HUB subcontracting plan.

Controlled Correspondence documents shall be maintained by both Parties in on-going logs and shall become part of the normal status reporting process. Any communication not generated in accordance with such process shall not be binding upon the Parties and shall be of no effect.

B.4.3 Notices and Liaisons

B.4.3.1 Delivery of Written Notices

Any notice required or permitted to be given under the Contract by one Party to the other Party shall be in writing and shall be addressed to the receiving Party at the address hereinafter specified. The notice shall be deemed to have been given immediately if delivered in person to the recipient's address hereinafter specified. It shall be deemed to have been given on the date of certified receipt, if placed in the United States mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the receiving Party at the address hereinafter specified.

B.4.3.2 Notice to the Respondent

Within 10 days of the issuance of the Purchase Order, the Respondent shall identify in writing to the CPA the address and contact person for all notices. If there is any change to this information during the term of the contract, the Respondent shall notify the CPA by Controlled Correspondence.

B.4.3.3 Notice to the CPA

The CPA's address for all purposes under this Contract and for all notices hereunder shall be:

Director, TPASS Division
 Comptroller of Public Accounts
 P. O. Box 13186 (physical address: 1711 San Jacinto Blvd)
 Austin, Texas 78711-3186 (physical: 78701)

With copies to (registered or certified mail with return receipt is not required for copies):

Deputy General Counsel for TPASS
Comptroller of Public Accounts
P. O. Box 13186 (physical address: 1711 San Jacinto Blvd)
Austin, Texas 78711-3186 (physical: 78701)

B.4.4 Subcontracting Approval

The Respondent shall perform the Contract with its own resources and those subcontractors identified in the Respondent's HUB Subcontracting Plan. In the event that the Respondent should determine that it is necessary or expedient to execute additional or alternative subcontracts for any of the performances under the Contract, the Respondent shall submit a revised HUB Subcontracting Plan for prior approval before executing any subcontracts. The Respondent shall also transmit to the CPA for review and prior CPA approval a true copy of the subcontract it proposes to execute with a subcontractor.

The Respondent, in subcontracting for any performances specified herein, expressly understands and acknowledges that in entering into such subcontract(s), the CPA is in no manner liable to any subcontractor(s) of the Respondent. In no event shall this provision relieve the Respondent of the responsibility for ensuring that the performances rendered under all subcontracts are rendered so as to comply with all terms of this RFP and Contract. The Respondent shall manage all quality and performance, project management, and schedules for subcontractors. The Respondent shall be held solely responsible and accountable for the completion of all work for which the Respondent has subcontracted.

B.4.5 No Implied Authority

Any authority delegated to the Respondent by the CPA is limited to the terms of the Contract. The Respondent shall not rely upon implied authority and specifically is not delegated authority under the Contract to: (1) make public policy; (2) promulgate, amend, or disregard CPA program policy; or (3) unilaterally communicate or negotiate, on behalf of the CPA, with any member of the U.S. Congress or any member of their staff, any member of the Texas Legislature or any member of their staff, or any federal or state agency.

B.4.6 Cooperation with the CPA

The Respondent must ensure that it cooperates with the CPA and other state or federal administrative agencies, at no charge to the CPA, for purposes relating to the administration of the Contract. The Respondent agrees to reasonably cooperate with and work with the CPA's contractors, subcontractors, and third party representatives as requested by the CPA.

B.4.7 Dispute Resolution

Chapter 2260 of the Texas Government Code prescribes dispute resolution processes for certain breach of contract claims applicable to certain contracts for goods and services. As required by Chapter 2260, the CPA has adopted rules, codified at 34 TAC §§1.360-1.387. The Respondent shall comply with such rules, as revised from time to time.

The dispute resolution process provided for in Chapter 2260 shall be used, as further described herein, to attempt to resolve any claim for breach of contract asserted by the Respondent under the Contract. If the Respondent's claim for breach of Contract cannot be resolved by the Parties in the ordinary course of business, it shall be submitted to the negotiation process provided in Chapter 2260. To initiate the process, the Respondent shall submit written notice, as required by Chapter 2260, to the Deputy Comptroller or his or her designee. The notice shall also be given to the individual identified in the Contract for receipt of notices. Compliance by the Respondent with Chapter 2260 is a condition precedent to the filing of a contested case proceeding under Chapter 2260.

The contested case process provided in Chapter 2260 is the Respondent's sole and exclusive process for seeking a remedy for an alleged breach of Contract by the CPA if the Parties are unable to resolve their disputes as described above.

Compliance with the contested case process provided in Chapter 2260 is a condition precedent to seeking consent to sue from the Legislature under Chapter 107, Civil Practices and Remedies Code. Neither the execution of the Contract by the CPA nor any other conduct of any representative of the CPA relating to the Contract shall be considered a waiver of sovereign immunity to suit.

For all other specific breach of contract claims or disputes under the Contract, the CPA and the Respondent shall first attempt to resolve them through direct discussions in a spirit of mutual cooperation. If the Parties' attempts to resolve their disagreements through negotiations fail, the dispute will be mediated by a mutually acceptable third party to be chosen by the CPA and the Respondent within fifteen (15) days after written notice by one of them demanding mediation under this Section. The Respondent shall pay all costs of the mediation unless the CPA, in its sole good faith discretion, approves its payment of all or part of such costs. By mutual agreement, the CPA and the Respondent may use a non-binding form of dispute resolution other than mediation. The purpose of this Section is to reasonably ensure that the CPA and the Respondent shall, in good faith, utilize mediation or another non-binding dispute resolution process before pursuing litigation. The CPA's participation in, or the results of, any mediation or other non-binding dispute resolution process under this Section or the provisions of this Section shall not be construed as a waiver by the CPA of (1) any rights, privileges, defenses, remedies or immunities available to the CPA as an agency of the State of Texas or otherwise available to the CPA; (2) the CPA's termination rights; or (3) other termination provisions or expiration dates of the Contract.

Notwithstanding any other provision of the Contract to the contrary, unless otherwise requested or approved in writing by the CPA, the Respondent shall continue performance and shall not be excused from performance during the period any breach of contract claim or dispute is pending under either of the above processes; however, the Respondent may suspend performance during the pendency of such claim or dispute if the Respondent has complied with all provisions of §2251.051, Gov't Code, and such suspension of performance is expressly applicable and authorized under that law.

B.4.8 Fraud, Waste, and Abuse

By submitting a Proposal to the RFP, the Respondent represents and warrants that it has read and understood and shall comply with CPA's Anti-Fraud Policy, found at: <http://www.window.state.tx.us/ssv/ethics.html>, as such Policy currently reads and as it is amended throughout the term of the Contract.

B.4.9 Renegotiation of Price

The CPA shall monitor market prices and prices paid by other states for substantially similar goods and services during the term of the Contract. If the CPA determines that substantially similar goods and services are selling for meaningfully lower prices than the prices established in the Contract, the CPA may initiate price renegotiations with the Respondent and amend the Contract to reflect a new, lower price, if agreed to by the Parties.

B.4.10 Name Changes and Sales

If the Respondent changes its name or is sold to another entity, it must notify the CPA through Controlled Correspondence. The Respondent, in its notice, shall describe the circumstances of the name change or sale, state its new name, provide the new Tax Identification Number, and describe how the change will impact its ability to perform the Contract. If the change entails personnel changes for personnel performing the responsibilities of the Contract for the Respondent, the Respondent shall identify the new personnel and provide resumes to the CPA, if resumes were originally required by the RFP. The CPA may request other information about the change and its impact on the Contract and the Respondent shall supply the requested information within five (5) working days of receipt of the request.

The CPA may terminate the Contract due to a sale of or change to the Respondent that materially alters the Respondent's ability to perform under the Contract. The CPA has the sole discretion to determine if termination is appropriate.

B.4.11 News Releases

The CPA does not endorse any vendor, commodity, or service. News releases pertaining to this transaction and/or advertisements, publications, declarations and any other pronouncements by the Respondent using any means or media mentioning the State of Texas or the CPA must be approved in writing by the CPA prior to public dissemination. Respondent may not send out unsolicited electronic mail or facsimile transmissions to CPA and/or customer entities without prior written approval of the CPA Contract Manager, regardless of whether the proposed communication specifically references the awarded contract.

B.5 FINANCIAL INFORMATION

B.5.1 Appropriations

All obligations of the CPA and Customers are subject to the availability of legislative appropriations and, for Customers expending federal funds, to the availability of the federal funds applicable to the Contract. The Respondent acknowledges that the ability of the CPA and the Customers to make payments under the Contract is contingent upon the continued availability of funds. The Respondent further acknowledges that funds may not be specifically appropriated for the Contract and the CPA's or Customers' continual ability to make payments under the Contract is contingent upon the funding levels appropriated for each particular appropriation period. The CPA and the Customers will use all reasonable efforts to ensure that such funds are available. The Respondent agrees that if future levels of funding for the CPA or a Customer are not sufficient to continue operations without any operational

reductions, the CPA or the Customer, in its discretion, may terminate the Contract or a pending order under the Contract, either in whole or in part. In the event of such termination, the CPA or the Customer will not be considered to be in default or breach under the Contract, nor shall it be liable for any further payments ordinarily due under the Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination. The CPA and the Customer shall make best efforts to provide reasonable written advance notice to the Respondent of any such Contract or order termination. In the event of such a termination, the Respondent shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination, either on that particular order if an order is being terminated, or the Contract, if the Contract is being terminated. The CPA or the Customer shall be liable for payments limited only to the portion of work the CPA or the Customer authorized in writing and which the Respondent has completed, delivered to the CPA or Customer, and which has been accepted by the CPA or Customer. All such work shall have been completed, per the Contract requirements, prior to the effective date of termination.

B.5.2 Audit Requirements

Pursuant to §2262.003, Gov't Code, the State Auditor's Office, or successor agency, may conduct an audit or investigation of the Respondent or any other entity or person receiving funds from the state directly under the Contract or indirectly through a subcontract under the Contract. The acceptance of funds by the Respondent or any other entity or person directly under the Contract or indirectly through a subcontract under the Contract acts as acceptance of the authority of the State Auditor's Office, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Respondent or other entity that is the subject of an audit or investigation must provide the State Auditor's Office with access to any information the State Auditor's Office considers relevant to the investigation or audit. The Contract may be amended unilaterally by the CPA to comply with any rules and procedures of the State Auditor's Office in the implementation and enforcement of §2262.003. **The Respondent shall ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through the Respondent and the requirement to cooperate is included in any subcontract it awards.**

Customers who order under the Contract using federal or grant funds may have additional audit requirements that are required by law or regulation. Those additional requirements will be included on the purchase order for that particular order.

B.5.3 Invoicing and Payment Requirements

In order to receive payment under the Contract, the Respondent must submit an original invoice to the Customer placing the order, which will be designated in the purchase order as the "Bill To" address. To be a proper invoice that may be accepted and paid, the invoice must include the following information and/or attachments:

- (1) Name and address of the Respondent.
- (2) The Respondent's Texas Identification Number (TIN).
- (3) The Respondent's invoice remittance address.
- (4) The purchase order number authorizing the delivery of products or services.

- (5) A description of what the Respondent delivered, including, as applicable, the time period, serial number, unit price, quantity, and total price of the products and services. If the invoice is for a lease, the Respondent must also include the payment number (e.g., 1 of 36).

If an authorized dealer has fulfilled the purchase order, then the dealer's information should be supplied in lieu of the Respondent's information.

If an invoice does not meet this Section's requirements, the state will send the Respondent written notice with the improper invoice within 21 calendar days after receipt of the invoice. The notice will contain a description of the defect or impropriety and any additional information the Respondent needs to correct the invoice.

NOTE: For purposes of this Section and Sections B.5.4 and B.5.5, the CPA shall only be receiving and paying invoices when the CPA has placed an order with the Respondent for CPA needs. Otherwise, the orders will be for the Customers, as defined in Section B.1.2.

B.5.4 Disputed Invoices

As stated above, the Respondent will receive notice of an error in an invoice submitted for payment by not later than the 21st day after the date the invoice was received by the state. If an invoice dispute is resolved in favor of the Respondent, the Respondent is entitled to receive interest on the unpaid balance of the invoice, beginning on the date the invoice became overdue, pursuant to §2251.021, Gov't Code. If a dispute is resolved in favor of the CPA or a Customer, the Respondent shall submit a corrected invoice that must be paid in accordance with §2251.021. The unpaid balance accrues interest if the corrected invoice is not paid by the appropriate date.

B.5.5 Time and Manner of Payment

Pursuant to Texas Government Code Chapter 2251, Payment by the CPA or a state entity Customer is overdue on the 31st day after the later of: (1) the date the CPA or Customer receives the goods under the Contract; (2) the date the performance of the service under the contract is completed; or (3) the date the CPA or Customer receives the invoice for the goods or service.

Payment by a political subdivision Customer whose governing body meets only once a month or less frequently is overdue on the 46th day after the later event of: (1) the date the Customer receives the goods under the Contract; (2) the date the performance of the service under the contract is completed; or (3) the date the Customer receives the invoice for the goods or service.

B.5.6 Antitrust and Assignment of Claims

Pursuant to Texas Government Code §2155.005, the Respondent affirms that the Respondent and any person, firm, corporation, partnership, or institution represented by the Respondent, and any person or entity representing the Respondent (1) have not violated the antitrust laws of Texas (Tex.Bus. & Com.Code §15.01, *et seq.*) or the United States (15 U.S.C. §1 *et seq.*); and (2) have not, directly or indirectly, communicated Respondent's Proposal for the Contract, or any pertinent portion thereof, to any competitor or any other person engaged in such line of business.

The Respondent hereby assigns to the State of Texas all of Respondent's rights, title and interest in and to all claims and causes of action Respondent may have under the antitrust laws of Texas or the United States for overcharges associated with the Contract.

B.5.7 Debts and Delinquencies

As required by §2252.903, Gov't Code, the Respondent agrees that any payments due under the Contract shall be directly applied towards eliminating any debt or delinquency including, but not limited to, delinquent taxes, delinquent student loan payments, and delinquent child support.

B.5.8 Liability for and Payment of Taxes

The CPA and certain Customers are exempt from State Sales tax and Federal Excise tax. Customers will furnish Tax Exemption Certificate(s) to the Respondent upon request. The Respondent shall pay all taxes resulting from the RFP and Contract including but not limited to any federal, state or local income, sales, excise or property taxes. The CPA and the Customers shall not be liable to reimburse the Respondent for the payment of such taxes incurred by the Respondent in acquiring any goods or services as a part of any work called for in this RFP and the Respondent's invoice shall not include any amount for such taxes, as long as the Customer has provided the requested Tax Exemption Certificates.

B.5.9 Method of Purchase and Vesting Ownership

All goods or services purchased pursuant to the Contract shall be purchased using an outright purchase. Upon installation, acceptance, and payment, the Customer shall receive title to any personal property delivered pursuant to the purchase, except as otherwise agreed to in the Contract.

B.5.10 No Debt Against the State

The Contract shall not be construed as creating any debt by or on behalf of the State of Texas.

B.5.11 Refunds

If the CPA determines that it or a Customer has overpaid the Respondent under the Contract, the Respondent shall refund that amount to the CPA or Customer, depending on the entity that overpaid. The CPA or Customer may offset and deduct the amount of the overpayment from any amount owing, as a reimbursement, but unpaid to the Respondent. The Respondent shall refund any overpayment within 30 calendar days of receipt of the notice of the overpayment.

If any reimbursement, or a portion of a reimbursement, is disallowed as a result of an audit finding that the Respondent failed to follow the requirements for the Contract, then the Respondent agrees that the CPA or Customer may recoup the disallowed amount from funds payable under the Contract, to the extent the disallowed amount was incurred by the CPA or Customer. If an audit identifies a disallowed amount after the expiration date of the Contract, the CPA or Customer shall send the Respondent notice of the audit results and specifically identify the amount that must be refunded by the Respondent. The Respondent shall refund the disallowed amount within 30 calendar days of receipt of the notice.

B.5.12 Travel

Any travel or per diem required by the Respondent to perform its obligations under the Contract will be at the Respondent's expense. All travel and per diem that the state requests in addition to what the Contract requires the Respondent to provide at the Respondent's expense will be paid in accordance with State of Texas Travel Allowance Guide.

B.5.13 Direct Deposit

The Texas Comptroller of Public Accounts encourages vendors to receive payment by direct deposit. To receive future payments by direct deposit, vendors should download and fill out the New Setup Direct Deposit/Advance Payment Notification, Form 74-207 available at www.txdirectdeposit.org.

Vendors may request Advance Payment Notification by fax or e-mail. This feature includes notification one business day before the deposit posts to the vendor's bank account. It also provides the amount of the deposit and which agency it came from. Vendors may also receive remittance information with the notification.

B.6 CONFIDENTIALITY AND SECURITY

The Respondent should not receive any sensitive or confidential information under the Contract. Any information the Respondent compiles or creates as a result of the Contract must be maintained and protected in accordance with any federal, state, or local laws and regulations that apply. The Respondent shall establish a method to secure the confidentiality of records and other information relating to clients in accordance with applicable federal and state laws, rules, and regulations.

The obligations of the Contractor under this Security and Confidentiality Article shall survive this Contract and shall be included in all subcontracts.

B.7 TERMS AND CONDITIONS

B.7.1 Affirmations

Submitting a Proposal with a false statement is a material breach of contract and shall void the Proposal or the Contract, and the Respondent shall be removed from all bid lists. By signature thereon affixed, the Respondent thereby certifies that:

B.7.1.1 The Respondent has not given, offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with the submitted response. Violation of this requirement may result in the termination of the Contract at the discretion of the CPA.

B.7.1.2 The CPA is subject to the provisions of the Texas Public Information Act. If a request for disclosure of this Contract or any information related to the goods or services provided under the Contract or information provided to the CPA under this Contract constituting a record under the Act is received by the CPA, the information must qualify for an exception provided by the Texas Public Information Act in order to be withheld from public disclosure. The Respondent authorizes the CPA to submit any information contained in the Contract, provided under the

Contract, or otherwise requested to be disclosed, including information Respondent has labeled as confidential proprietary information, to the Office of the Attorney General for a determination as to whether any such information may be excepted from public disclosure under the Act. If the CPA does not have a good faith belief that information may be subject to an exception to disclosure, the CPA is not obligating itself by this Contract to submit the information to the Attorney General. It shall be the responsibility of the Respondent to make any legal argument to the Attorney General or appropriate court of law regarding the exception of the information in question from disclosure. The Respondent waives any claim against and releases from liability the CPA, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in this Contract or otherwise created, assembled, maintained, or held by the Respondent and determined by the Attorney General or a court of law to be subject to disclosure under the Texas Public Information Act.

B.7.1.3 The Respondent shall promptly notify the CPA in the event that any representations and warranties provided in this Contract are no longer true and correct. The Respondent acknowledges that all of its representations and warranties contained in any part of its Proposal and this Contract are material and have been relied upon by the CPA in selecting the Respondent for the award of the Contract. Further, the Respondent warrants and represents that all of its statements and representations made to the CPA prior to being awarded the Contract, and those made during the negotiation of this Contract, are material, true and correct.

B.7.2 Civil Rights

The Respondent agrees that no person shall, on the ground of race, color, religion, sex, national origin, age, disability, political affiliation, or religious belief, be excluded from the participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of, or in connection with, any program or activity funded in whole or in part with funds available under this Contract. The Respondent shall comply with Executive Order 11246, "Equal Employment Opportunity," as amended by Executive Order 11375, "Amending Executive Order 11246 relating to Equal Employment Opportunity," and as supplemented by regulations at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity Department of Labor."

B.7.3 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion

CPA is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing - Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing respondents/vendors with the Federal General Services Administration's Excluded Parties List System (ELLS), <http://www.epls.gov>, which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list.

Respondent certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and the Respondent is in compliance with the State of Texas statutes and rules relating to procurement and that Respondent is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <http://www.epls.gov>.

B.7.4 Records Retention

The Respondent shall retain all financial records, supporting documents, statistical records, and any other records or books relating to the performances called for in the Contract. The Respondent shall retain all such records for a period of four (4) years after the expiration of the Contract, or until the CPA or State Auditor's Office is satisfied that all audit and litigation matters are resolved, whichever period is longer. The Respondent shall grant access to all books, records and documents pertinent to the Contract to the CPA, the State Auditor of Texas, and any federal governmental entity that has authority to review records due to federal funds being spent under the Contract.

B.7.5 Environmental Protection

The Respondent shall be in compliance with all applicable standards, orders, or regulations issued pursuant to the mandates of the Clean Air Act (42 U.S.C. §7401 *et seq.*) and the Federal Water Pollution Control Act, as amended, (33 U.S.C. §1251 *et seq.*).

B.7.6 Prohibition on Lobbying

The Respondent shall comply with the provisions of a federal law known generally as the Lobbying Disclosure Act, 2 U.S.C. §1601 *et seq.* By submitting a Proposal, the Respondent certifies that it shall not and has not used federally appropriated funds to pay any person or organization for influencing or attempting to influence any officer or employee of any federal agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. §1352. It also certifies that the Respondent shall disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award by completing and submitting Standard Form LLL.

B.7.7 Copyrights and Publications

The Respondent understands and agrees that, where activities supported by the Contract produce original books, manuals, films, or other original material (hereinafter referred to as “the works”), the Respondent may copyright the works subject to the reservation by the CPA and affected Customers of a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for state and/or political subdivision purposes:

- the copyright in the works developed under the Contract, and
- any rights of copyright to which the Respondent purchases ownership with funding from the Contract.

The Respondent may publish, at its expense, the results of Contract performance with prior CPA review and approval of that publication. Any publication (written, visual, or sound) shall include acknowledgment of the support received from the CPA and Customers. One (1) copy of any such publication must be provided to the CPA. The CPA reserves the right to require additional copies before or after the initial review. All copies shall be provided free of charge to the CPA.

B.7.8 Certifications

B.7.8.1 Child Support Obligations

Under §231.006, Texas Family Code, (relating to child support) the Respondent, by submitting its Proposal, certifies that it is not ineligible to receive a payments under the Contract and acknowledges that the Contract may be terminated and payment may be withheld if this certification is inaccurate.

B.7.8.2 Texas Corporate Franchise Tax Certification

The Respondent, by submitting its Proposal, certifies that its Corporate Texas Franchise Tax payments are current, or that it is exempt from or not subject to such tax.

B.7.8.3 Certification Concerning Dealings with Public Servants

The Respondent, by submitting its Proposal, certifies that it has not given and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this transaction.

B.7.8.4 Certification Concerning Financial Participation

Pursuant to §2155.004, Gov't Code, the Respondent certifies that the individual or business entity named in its Proposal is not ineligible to receive the Contract and acknowledges that the Contract may be terminated and payment withheld if this certification is inaccurate. Section 2155.004 prohibits a person or entity from receiving a state contract if that person or entity received compensation for participating in preparing the solicitation or specifications for the Contract.

B.7.8.5 Certification Concerning Hurricane Relief

Sections 2155.006 and 2261.053, Government Code, prohibit the CPA from awarding a contract to any person who, in the past five years, has been convicted of violating a federal law or assessed a penalty in connection with a contract involving relief for Hurricane Rita, Hurricane Katrina, or any other disaster, as defined by §418.004, Gov't Code, occurring after September 24, 2005. Under §2155.006, Gov't Code, the Respondent certifies that the individual or business entity named in its Proposal is not ineligible to receive the Contract and acknowledges that the Contract may be terminated and payment withheld if this certification is inaccurate.

B.7.9 Independent Contractor

The Contract shall not render the Respondent an employee, officer, or agent of the CPA for any purpose. The Respondent is and shall remain an independent contractor in relationship to the CPA. The CPA shall not be responsible for withholding taxes from payments made under the Contract. The Respondent shall have no claim against the CPA for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind.

B.7.10 No Assignment by Contractor

The Respondent shall not assign its rights under the Contract or delegate the performance of its duties under the Contract without prior written approval from the CPA.

B.7.11 Indemnification and Liability

The Respondent shall defend, indemnify, and hold harmless the State of Texas, its officers, and employees, and the CPA, its officers, and employees and contractors, from and against all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, including without limitation attorneys' fees and court costs, arising out of, connected with, or resulting from any acts or omissions of the Respondent or any agent, employee, subcontractor, or supplier of the Respondent in the execution or performance of the Contract. The Respondent shall coordinate its defense with the Texas Attorney General as requested by the CPA.

This section is not intended to and shall not be construed to require the Respondent to indemnify or hold harmless the State of Texas or the CPA for any claims or liabilities resulting from the negligent acts or omissions of the CPA or its employees.

B.7.12 Respondent Liability for Damage to Government Property

The Respondent shall be liable for all damages to government-owned, leased, or occupied property and equipment caused by the Respondent and its employees, agents, subcontractors, and suppliers, including any delivery or cartage company, in connection with any performance pursuant to the Contract. The Respondent shall notify the CPA Contract Manager in writing of any such damage within one (1) calendar day.

B.7.13 Force Majeure

The CPA, any Customer, and the Respondent shall not be responsible for performance under the Contract should it be prevented from performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributable to the fault or negligence of the CPA.

In the event of an occurrence under this Section, the Respondent will be excused from any further performance or observance of the requirements so affected for as long as such circumstances prevail and the Respondent continues to use commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay. The Respondent shall immediately notify the CPA Contract Manager by telephone (to be confirmed in writing within five (5) calendar days of the inception of such occurrence) and describe at a reasonable level of detail the circumstances causing the non-performance or delay in performance.

B.7.14 Buy Texas

In accordance with §2155.4441, Gov't Code, the Respondent shall, in performing any services under the Contract, purchase products and materials produced in Texas when they are available at a comparable price and in a comparable period of time to products and materials produced outside Texas.

B.7.15 Miscellaneous Terms and Conditions

B.7.15.1 Permits

The Respondent shall be responsible, at the Respondent's expense, for obtaining any and all permits or licenses required by city, county, state, or federal rules, regulations, law, or codes that pertain to the Contract.

B.7.15.2 Electrical Items

All electrical items provided by the Respondent to the CPA or a Customer under the Contract must meet all applicable OSHA standards and regulations, and bear the appropriate listing from UL, FMRC, or NEMA.

B.7.15.3 Executive Head

Pursuant to §669.003, Gov't Code, the CPA may not enter into a contract with a person who employs a current or former Executive Head of a state agency until four years have passed since that person was the executive head of the state agency. By submitting a Proposal, the Respondent certifies that it does not employ any person who was the Executive Head of a state agency in the past four years.

B.7.15.4 Terminated Contracts

By submitting a Proposal, the Respondent certifies that it has not had a contract terminated or been denied the renewal of any contract for non-compliance with policies or regulations of any state or federally funded program within the past five (5) years nor is it currently prohibited from contracting with a governmental agency. If the Respondent does have such a terminated contract, the Respondent shall identify each and provide an explanation for the termination.

B.7.16 Non-Waiver of Rights

Failure of a Party to require performance by another Party under the Contract will not affect the right of such Party to require performance in the future. No delay, failure, or waiver of either Party's exercise or partial exercise of any right or remedy under the Contract shall operate to limit, impair, preclude, cancel, waive or otherwise affect such right or remedy. A waiver by a Party of any breach of any term of the Contract will not be construed as a waiver of any continuing or succeeding breach.

B.7.17 No Waiver of Sovereign Immunity

The Parties expressly agree that no provision of the Contract is in any way intended to constitute a waiver by the CPA or the State of Texas of any immunities from suit or from liability that the CPA or the state may have by operation of law.

B.7.18 Severability

If any provision of the Contract is construed to be illegal or invalid, such construction will not affect the legality or validity of any of its other provisions. The illegal or invalid provision will be deemed severable and stricken from the contract as if it had never been incorporated herein, but all other provisions will continue in full force and effect.

B.7.19 Applicable Law and Venue

The Respondent agrees that the Contract in all respects shall be governed by and construed in accordance with the laws of the State of Texas, except for its provisions regarding conflicts of laws. The Respondent also agrees that the exclusive venue and jurisdiction of any legal action or suit concerning the CPA under this Contract is, and that any such legal action or suit shall be brought, in a court of competent jurisdiction in Travis County, Texas.

B.7.20 Compliance with Laws; Dealing with Public Servants

The Respondent must comply with all applicable laws at all times, including, without limitation, the following: (i) §36.02 of the Texas Penal Code, which prohibits bribery; (ii) §36.09 of the Texas Penal Code, which prohibits the offering or conferring of benefits to public servants; (iii) §2155.003, Gov't Code, which prohibits the chief clerk or any other employee of the CPA from having an interest in, or in any manner be connected with, a contract or bid for a purchase of goods or services by an agency of the state or accept from any person to whom a contract has been awarded anything of value or a promise, obligation, or contract for future reward or compensation.

The Respondent shall give all notices and comply with all laws and regulations applicable to furnishing and performance of the Contract. Except where otherwise expressly required by applicable laws and regulations, CPA shall not be responsible for monitoring Respondent's compliance with any laws or regulations. If Respondent performs any work knowing or having reason to know that it is contrary to laws or regulations, Respondent shall bear all claims, costs, losses and damages caused by, arising out of or resulting therefrom.

B.7.21 Insurance and Other Security

The Respondent represents and warrants that it will obtain and maintain for the term of the Contract all insurance coverage required to ensure proper fulfillment of the Contract and its liabilities thereunder. The Respondent shall insure any of its motor vehicles used to fulfill its duties under the Contract and ensure that its subcontractors do the same. Such insurance shall comply with Texas statutory requirements and also cover any cargo being delivered to Customers.

The Respondent represents and warrants that all of the above coverage will be obtained from companies that are licensed in the state of Texas, have an "A" rating from Best, and are authorized to provide the coverage. The Respondent shall furnish proof of insurance upon request of a Customer or the CPA.

B.7.22 Deceptive Trade Practices; Unfair Business Practices

The Respondent represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Tex. Bus. & Com. Code, Chapter 17, or allegations of any unfair business practice in any administrative hearing or court suit and that the Respondent has not been found to be liable for such practices in such proceedings. The Respondent certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

B.7.23 Immigration

The Contractor represents and warrants that it shall comply with the requirements of the Immigration Reform and Control Act of 1986 and 1990 regarding employment verification and retention of verification forms for any individuals hired on or after November 6, 1986, who will perform any labor or services under the Contract and the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA") enacted on September 30, 1996.

B.7.24 Change Management

The Respondent agrees that the key personnel assigned to the Contract shall remain available for the entirety of the project throughout the term of the Contract as long as that individual is employed by the Respondent or unless the CPA agrees to a change in the key personnel.

B.7.25 Federal, State, and Local Requirements

Respondent shall demonstrate on-site compliance with the Federal Tax Reform Act of 1986, Section 1706, amending Section 530 of the Revenue Act of 1978, dealing with issuance of Form W-2's to common law employees. Respondent is responsible for both federal and State unemployment insurance coverage and standard Worker's Compensation insurance coverage. Respondent shall comply with all federal and State tax laws and withholding requirements. The State of Texas shall not be liable to Respondent or its employees for any Unemployment or Workers' Compensation coverage, or federal or State withholding requirements. Contractor shall indemnify the State of Texas and shall pay all costs, penalties, or losses resulting from Respondent's omission or breach of this Section.

B.7.26 No Liability Upon Termination

If this Contract is terminated for any reason, CPA and the State of Texas shall not be liable to Respondent for any damages, claims, losses, or any other amounts arising from or related to any such termination. However, Respondent may be entitled to the remedies provided in Government Code, Chapter 2260.

B.7.27 Felony Criminal Convictions

Respondent represents and warrants that Respondent has not and Respondent's employees have not been convicted of a felony criminal offense, or that, if such a conviction has occurred, Respondent has fully advised CPA as to the facts and circumstances surrounding the conviction. If awarded the contract, Respondent has a continuing duty to amend, supplement or correct this representation and warranty not later than ten (10) days after discovering additional information relating to felony criminal convictions of Respondent or any of its employees. Respondent shall not allow any employee convicted of a felony criminal offense to perform tasks related to the contract without such disclosure and express permission from CPA.

B.7.28 Drug Free Workplace

The contractor shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 ET SEQ.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department of Defense (32 CFR Part 280, Subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and the contractor shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

B.7.29 Vendor Performance

In accordance with Texas Government Code, 2155.074 and 2155.75, vendor performance may be used as a factor in the award.

B.7.30 Electronic and Information Resources Accessibility Standards, As Required by 1 TAC Chapter 213 (Applicable to State Agency and Institutions of Higher Education Purchases Only)

(1) Effective September 1, 2006 state agencies and institutions of higher education shall procure products which comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapter 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.

(2) Respondent shall provide DIR with the URL to its Voluntary Product Accessibility Template (VPAT) for reviewing compliance with the State of Texas Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act), or indicate that the product/service accessibility information is available from the General Services Administration "Buy Accessible Wizard" (<http://www.buyaccessible.gov>). Respondents not listed with the "Buy Accessible Wizard" or supplying a URL to their VPAT must provide DIR with a report that addresses the same accessibility criteria in substantively the same format. Additional information regarding the "Buy Accessible Wizard" or obtaining a copy of the VPAT is located at <http://www.section508.gov/>.



Purchase Order

PO No. 15235695

Order Date: 07/29/2015

Internal Tracking No.: GC150000012

Contractor Info

Neopost USA, Inc.
19423888825
478 Wheelers Farms Road
Milford, CT 6461

(972) 277-6723

Bill To

505 BARTON SPRINGS RD
AUSTIN TX 78704

Ship To

City Of Austin - M2270
505 BARTON SPRINGS RD
AUSTIN TX 78704

NOTE TO CONTRACTOR: Please reference Master Agreement MA 6800 GC150000012 and the individual Delivery Order provided on invoice

Disclaimer

The State of Texas is exempt from all Federal Excise Taxes except as noted in each contract.

STATE AND CITY SALES TAX EXEMPTION CERTIFICATE:

The undersigned claims an exemption from taxes under Texas Tax Code, Section 151.309(4), for purchase of tangible personal property described in this numbered order, purchased from contractor and/or shipper listed above, as this property is being secured for the exclusive use of the State of Texas, or a Texas County, City, Special District, or Other Political Subdivision.

Dee Dorsey

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS - CTPM

Agency	Purchaser	Email	Phone
City Of Austin - M2270	Georgia Billela	Georgia.Billela@austintexas.gov	(512) 974-7955

Line #	NIGP Code	Commodity Code/ Supplier Part #	Item	QTY	UOM	Unit Price	Extended Price
1	98554	98554003681	DS-85 4st Expert: 4 Auto Fdrs Contract: 985-L1 Contract Type: Term Delivery ARO (days): 20 Delivery Date: 8/18/2015 Notes: Please reference Master Agreement MA 6800 GC150000012 and the individual Delivery Order provided on invoice MPN: DS85E4 Manufacturer Name: Neopost	36	MO	\$758.99	\$27,323.64
2	98554	98554012903	ICPP-15, Power Protector 15 Amp for IS-480/490, IN700/750 & IS-5000/5500/6000 bases and DS-75, DS-85 & DS-90 inserters, 36 mo Contract: 985-L1 Contract Type: Term Delivery ARO (days): 20 Delivery Date: 8/18/2015 Manufacturer Name: Neopost	36	MO	\$5.598	\$201.53



Purchase Order

PO No. 15235695

Order Date: 07/29/2015

Internal Tracking No.: GC150000012

Total \$27,525.17

City of Austin, Texas
EQUAL EMPLOYMENT/FAIR HOUSING OFFICE
NON-DISCRIMINATION CERTIFICATION

City of Austin, Texas
Human Rights Commission

To: City of Austin, Texas, ("OWNER")

I hereby certify that our firm conforms to the Code of the City of Austin, Section 5-4-2 as reiterated below:

Chapter 5-4. Discrimination in Employment by City Contractors.

Sec. 4-2 Discriminatory Employment Practices Prohibited. As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations and agrees:

- (B) (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter. Such affirmative action shall include, but not be limited to: all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising; selection for training and apprenticeship, rates of pay or other form of compensation, and layoff or termination.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by OWNER setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, veteran status, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with OWNER's Human Rights Commission in connection with any investigation or conciliation effort of said Human Rights Commission to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require compliance with provisions of this chapter by all subcontractors having fifteen or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with OWNER subject to the terms of this chapter.

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Nondiscrimination Policy set forth below.

City of Austin
Minimum Standard Non-Discrimination in Employment Policy:

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE A COPY TO THE CITY OF THE CONTRACTOR'S NON-DISCRIMINATION POLICY ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION POLICY, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES (THE FORM OF WHICH HAS BEEN APPROVED BY THE CITY'S EQUAL EMPLOYMENT/FAIR HOUSING OFFICE), WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

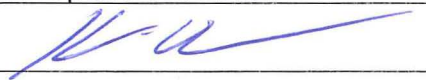
Sanctions:

Our firm understands that non-compliance with Chapter 5-4 may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination Certificate or the Contractor's separate conforming policy, which the Contractor has executed and filed with the Owner, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payments, the Contractor's Non-Discrimination Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 23 day of July, 2015

CONTRACTOR	<u>Neopost USA Inc.</u>
Authorized Signature	<u></u>
Title	<u>Vice President, US Marketing</u>

City of Austin, Texas
NON-SUSPENSION OR DEBARMENT CERTIFICATION
SOLICITATION NO.

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. Covered transactions include procurement contracts for goods or services equal to or in excess of \$25,000.00 and all non-procurement transactions. This certification is required for all Vendors on all City of Austin Contracts to be awarded and all contract extensions with values equal to or in excess of \$25,000.00 or more and all non-procurement transactions.

The Offeror hereby certifies that its firm and its principals are not currently suspended or debarred from bidding on any Federal, State, or City of Austin Contracts.

Contractor's Name: Neopost USA Inc.

Signature of Officer
or Authorized
Representative:



Date: 7/23/2015

Printed Name:

Kevin O'Connor

Title

Vice President US Marketing



Commodity Code, Supplier Part #, NIGP or Keyword

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Commodity Code 98554003681

Neopost, DS85E4, DS-85 4st Expert: 4 Auto Fdrs , 36 mo lease

Price

\$758.99

UOM

MO

Min. Order Qty: 36

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Contract 985-L1 (/contracts/view/237)**Manufacturer Part # DS85E4****Contractor** Neopost USA, Inc.
Award Level 1

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Neopost, ICPP-15, Power Protector 15 Amp for IS-480/490, IN700/750 & IS (/product/3329380)

Commodity Code 98554012903

ICPP-15, Power Protector 15 Amp for IS-480/490, IN700/750 & IS-5000/5500/6000 bases and DS-75, DS-85 & DS-90 inserters, 36 mo

Price

\$5.60

UOM

MO

Min. Order Qty: 36

Add to cart (/product /3329380)☐ Compare

ITEM

CONTRACTOR

Contract 985-L1 (/contracts /view/237)**Contractor** Neopost USA, Inc.
Award Level 1

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