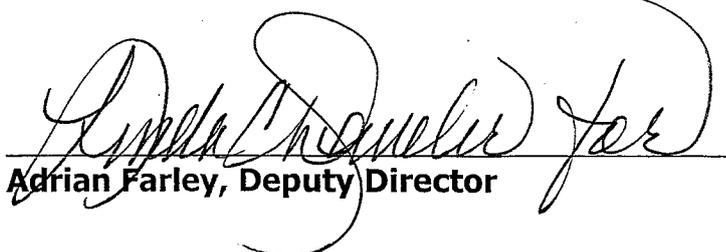




Department of General Services
Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605-2811

State of California
CONTRACT NOTIFICATION
****NON-MANDATORY****

CONTRACT NUMBER:	1-08-81-03
DESCRIPTION:	Bags, Paper Grocery
CONTRACTOR(S):	San Joaquin Distributors, Inc.
CONTRACT TERM:	01/23/2008 through 01/22/2010
DISTRIBUTION LIST:	Statewide Posted Electronically on http://www.pd.dgs.ca.gov/contracts/81-03.htm
STATE CONTRACT ADMINISTRATOR:	Christina Nunez (916) 375-4482 christina.nunez@dgs.ca.gov


Adrian Farley, Deputy Director

Effective Date: **01/23/2008**

Contract (Non-Mandatory) 1-08-81-03
Contract Notification and User Guide

1. SCOPE

The State's contract with San Joaquin Distributors, Inc. (contractor) is a non-mandatory contract that provides paper grocery bags at contracted pricing to the State of California and local agencies in accordance with the requirements of Contract # 1-08-81-03. The contractor shall supply all paper grocery bags as identified in the contract and will be the primary point of contact for data collection, reporting, and distribution of paper grocery bags to the State & local agencies.

Note: A local agency is any city, county, and county district, or local governmental body or corporation empowered to expend public funds (California Public Contract Code Section 10298).

The contract term is for two (2) years, and the State has the option to extend the contract for one (1) additional one (1) year period or portion thereof. Terms and conditions shall remain the same for the entire contract period including any extensions. Exercising the contract extension option shall be by mutual agreement between the contractor and the State. If a mutual agreement cannot be met the contract may be terminated at the end of the current contract term.

2. CONTRACT PRICING STRUCTURE

All pricing is listed on Attachment A, Contract Pricing. The contract pricing is categorized under three (3) groups based on the quantity and weight ordered:

Group	Quantity
1	Orders of 10,001 lbs. or more
2	Orders of 5001 to 10,000 lbs.
3	Orders of 2 bales to 5000 lbs.

3. CONTRACT USAGE/RULES

- A. The use of this contract is non-mandatory and may be utilized by all State and local agencies.
- B. Ordering State departments must adhere to all applicable State laws, regulations, policies, best practices, and purchasing authority requirements, e.g. California Codes, Code of Regulations, State Administrative Manual, Management Memos, and State Contract Manual Volume 2 and 3, as applicable.
- C. Prior to placing orders against this contract, State departments must have been granted purchasing authority by the Department of General Services, Procurement division (DGS/PD) for the use of the State's contracts. The department's current purchasing authority number must be entered in the appropriate location on each purchase document. Departments that have not been granted purchasing authority by DGS/PD for the use of the State's contracts may access the Purchasing Authority Application at <http://www.pd.dgs.ca.gov/deleg/pamanual.htm> or may contact DGS/PD's Purchasing Authority Management Section by e-mail at pams@dgs.ca.gov.
- D. State departments and local agencies are required to have a Department of General Services (DGS) agency billing code prior to using this contract. DGS agency billing codes may be obtained by contacting the DGS billing code contact and providing the following:
 - State Department or local agency name
 - Contact name
 - Telephone number
 - Mailing address
 - Facsimile number and e-mail address

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Email the required information to the following DGS billing code contacts:

- Marilyn.ebert@dgs.ca.gov and
- Wilson.lee@dgs.ca.gov

4. DGS ADMINISTRATIVE FEES

The DGS will bill State Departments & local agencies an administrative fee for use of this contract. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS. (You may click on "DGS Price Book" at: <http://www.ofs.dgs.ca.gov/Price+Book/P/Purchasing.htm> for current fees.)

5. CONTRACT ADMINISTRATION

Both the State and the contractor(s) have assigned contract administrators as the single points of contact for problem resolution and related contract issues.

State Contract Administrator:	Christina Nunez
Address:	DGS/Procurement Division 707 Third Street, 2 nd Floor West Sacramento, CA 95605
Telephone:	(916) 375-4482
Facsimile:	(916) 375-4613
E-Mail:	christina.nunez@dgs.ca.gov

San Joaquin Distributors, Inc. Contract Administrator:	Stephen Simpson
Address:	San Joaquin Distributors, Inc. 2724 E. Annadale Ave. Fresno, Ca 93706
Telephone:	(559) 497-5818
Facsimile:	(559) 497-6130
E-Mail:	sdi-custserv@pacbell.net

6. PROBLEM RESOLUTION

State departments, local agencies and/or contractors shall inform the State's contract administrator of any technical or contractual difficulties encountered during contract performance in a timely manner. This includes and is not limited to informal disputes, supplier performance, outstanding deliveries, etc.

7. PURCHASE EXECUTION

- A. State departments must use the Purchasing Authority Purchase Order (Std. 65). An electronic version of the Std. 65 is available at the Office of State Publishing web site: <http://www.dgs.ca.gov/osp> (select Standard Forms). All Purchasing Authority Purchase Orders (Std. 65) must contain the following:
1. Agency Order Number (Purchase Order Number)
 2. Purchasing Authority Number
 3. Ordering Agency Name
 4. Agency Billing Code
 5. Leveraged Procurement Number (Contract Number)

Contract (Non-Mandatory) 1-08-81-03
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6. Commodity Code Number
7. Line Item number
8. Quantity
9. Unit of Measure
10. Product Description
11. Unit Price
12. Extension Price
13. Additional Requirements as needed

- B. Local agencies may submit a local agency purchase order following the same guidelines as described above. The purchase documents must include the same data elements as listed above (Exception: Purchasing Authority Number is used by State departments only.) However, local agencies must obtain a State-issued billing code prior to submitting orders.
- C. All State Departments and local agencies will submit a copy of executed purchase documents to:

DGS - Procurement Division (IMS# Z-1)
Attn: Data Entry Unit
707 Third Street, 2nd Floor North
West Sacramento, CA 95605-2811

8. ORDERING PROCEDURE:

State departments and local agencies must submit a Purchasing Authority Purchase Order (Std. 65) or local agency purchase order directly to the contractor.

There are three ordering methods available on this contract:

- U.S. Mail
- Facsimile
- Email

When using any of the three ordering methods, all State departments must conform to proper State procedures.

The ordering information is listed below:

Company Name: San Joaquin Distributors, Inc.
Address: 2724 E. Annadale Ave.
Fresno, Ca 93706
Facsimile: (559) 497-6130
Email: sdi-custserv@pacbell.net

9. ORDER ACKNOWLEDGEMENT

Within 48 hours, the contractor must confirm receipt of the purchase order either via e-mail or facsimile, providing the user a receipt acknowledging the order. The acknowledgement must include total cost and delivery date information.

Contract (Non-Mandatory) 1-08-81-03
Contract Notification and User Guide

10. MINIMUM ORDER

The minimum order shall be 2 bales of any size

11. SPECIFICATIONS

All products offered must conform to the attached State of California Bid Specification Number 8105-07 BS-001, dated October 25, 2007 (Attachment B)

12. DELIVERY SCHEDULES

Delivery is to be completed in full within thirty (30) days after receipt of order (ARO). Delivery shall be made to any State or local agency within California.

It shall be the contractor's responsibility to obtain proper clearance for delivery drivers prior to any and all deliveries throughout the California State Prison system. The contractor must contact the individual agency for specific clearance procedures, as these procedures may vary from facility to facility.

Contractor is requested to make deliveries in Los Angeles County, Orange County, San Bernardino Metropolitan Area, and San Diego Metropolitan Area during off-peak hours. Off-peak hours are Monday through Friday, 10:00 AM to 4:00 PM.

Note: In accordance with paragraph 15 of the General Provisions entitled "Delivery", the contractor shall strictly adhere to the delivery terms and completion schedule as specified in this solicitation. Failure to comply with the delivery requirements, as stated, may be considered a breach of contract and subject the contractor to General Provisions 26, entitled "Rights and Remedies of the State for Default".

13. FREIGHT ON BOARD (F.O.B.) DESTINATION

All prices are F.O.B. destination; freight prepaid by the contractor, to the ordering organization's receiving point. Responsibility and liability for loss or damage for all orders will remain with the contractor until final inspection and acceptance, when all responsibility will pass to the ordering organization, except the responsibility for latent defects, fraud, and the warranty obligations.

14. PACKAGING

The bags shall be banded in units of 500 and packaged as bales in heavy paper that completely enclose and seal the contents. Quantity per bale shall be as specified in Table I, Section 3.1.2 of State Bid Specification 8105-07BS-001 dated October 25, 2007 (Attachment B). Each bale shall contain bags of one size only.

15. MARKING

Each bag shall be imprinted with the appropriate bag number. Each bale shall be marked as follows:

- Commodity
- Name of manufacturer
- Quantity
- Item code number
- Purchase order number or contract number

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16. PALLETIZATION

The contractor's standard shipping pallet will be acceptable and shall be of sturdy construction and adequate condition to assure delivery of the goods without damage to the goods or safety hazards. Exchange pallets may be available; however, the State assumes no responsibility for the availability to exchange pallets. Delivery drivers shall not remove more pallets from the institutions than delivering at time of delivery.

Some agencies may require special palletized delivery. In those cases, the contractor must deliver on the specific size and type of pallet specified on the order. All pallets must comply with the State of California Specification 3990-01A-01, dated January 2001 (Attachment C). The supplier upcharge cost for special palletized delivery is \$7.50 per pallet.

17. INVOICING

The contractor is to render invoices as instructed on individual orders. The contractor's invoice must include at a minimum:

1. Contractor's name, address and telephone number
2. State's contract number
3. Agency purchase order number
4. Item and commodity code number
5. Quantity purchased
6. Contract price and extension
7. State sales and/or use tax
8. Prompt payment discounts/cash discounts, if applicable
9. Totals for each order

The State's obligation to make payment pursuant to the contract is subject to availability of appropriation funds. Receipt of a contract/delegation purchase order under this contract is proof of funds for that order.

18. PAYMENT

Payment terms for this contract are net forty-five (45) days. Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927 etc. seq. Unless expressly exempted by statute, the Act requires State departments to pay properly submitted, undisputed invoices not more than forty-five (45) days after the date of acceptance of goods, performance of services, or receipt of an undisputed invoice, whichever is later.

19. PAYEE DATA RECORD

Each State accounting office must have a copy of the Payee Data Record (Std. 204) in order to process payments. Agencies should forward a copy of the Std. 204 to their accounting office(s). Without the Std. 204, payment may be unnecessarily delayed. Ordering agencies should contact the appropriate contractor(s) for copies of the Payee Data Record.

**Contract (Non-Mandatory) 1-08-81-03
Contract Notification and User Guide**

20. CALIFORNIA SELLER'S PERMIT

The California seller permit number for the contractor is listed below. Agencies can verify that the permits are currently valid at the following website: www.boe.ca.gov. State departments must adhere to the file documentation required identified in the State Contract Manual Volume 2 and Volume 3, as applicable.

Contractor Name	Seller Permit #
San Joaquin Distributors, Inc.	97125690

21. RECYCLED CONTENT

State agencies are required to report the purchase of virgin and recycled paper on a fiscal-year basis. The contractor shall supply Procurement Division with a report that identifies each State agency that purchases material from the contract and the dollar amount during the reporting period. In addition to the usage by individual State agencies, the report shall show the total for all State agencies.

22. SMALL BUSINESS/DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION

The small business (SB) and disabled veteran business enterprise (DVBE) certifications and percentages for each contractor are listed below. Agencies can verify that the certifications are currently valid at the following website: <http://www.pd.dgs.ca.gov/smbus/default.htm>.

Ordering agencies shall confirm with the contractor the exact percentage amount of DVBE participation for each individual order.

Contractor Name	OSDS Certification #	SB Percent (%)	DVBE Percent (%)
San Joaquin Distributors, Inc.	11527	100%	
Sub-Contractor Name	OSDS Certification #	SB Percent (%)	DVBE Percent (%)
Ostrow & Associates	42458		3.1%

ATTACHMENTS

- Attachment A – Contract Pricing
- Attachment B – Specification, Paper Grocery Bags, 8105-07BS-001
- Attachment C – Specification, Wooden Pallet Specification, 3990-01A-01

Contract Pricing

GROUP 1 - PRICE FOR ORDERS OF 10,001 LBS. OR MORE				
Line Item	Unit	Commodity #	Description	Unit Price
1	BE	8105-281-1162-0	Bag, Paper Grocery 6 lb (2000/BE) Brand: Duro Model: 6# Lbs./Bale: 44	28.80
2	BE	8105-281-1425-6	Bag, Paper Grocery 8 lb (2000/BE) Brand: Duro Model: 8# Lbs./Bale: 52	33.72
3	BE	8105-271-1485-6	Bag, Paper Grocery 12 lb (1000/BE) Brand: Duro Model: 12# Lbs./Bale: 37	23.91
4	BE	8105-281-1429-3	Bag, Paper Grocery 25 lb (1000/BE) Brand: Duro Model: 25# Lbs./Bale: 54	35.25
5	BE	8105-281-1431-1	Bag, Paper Grocery 35 lb (500/BE) Brand: Duro Model: 35# Lbs./Bale: 40	19.86

GROUP 2 - PRICE FOR ORDERS OF 5,001 to 10,000 LBS.				
Line Item	Unit	Commodity #	Description	Unit Price
6	BE	8105-281-1162-0	Bag, Paper Grocery 6 lb (2000/BE) Brand: Duro Model: 6# Lbs./Bale: 44	30.13
7	BE	8105-281-1425-6	Bag, Paper Grocery 8 lb (2000/BE) Brand: Duro Model: 8# Lbs./Bale: 52	35.27
8	BE	8105-281-1426-8	Bag, Paper Grocery 10 lb (2000/BE) Brand: Duro Model: 10# Lbs./Bale: 57	42.32
9	BE	8105-271-1485-6	Bag, Paper Grocery 12 lb (1000/BE) Brand: Duro Model: 12# Lbs./Bale: 37	25.01
10	BE	8105-281-1429-3	Bag, Paper Grocery 25 lb (1000/BE) Brand: Duro Model: 25# Lbs./Bale: 54	36.87

GROUP 3 - PRICE FOR ORDERS OF 2 BALES to 5,000 LBS.

Line Item	Unit	Commodity #	Description	Unit Price
11	BE	8105-281-1162-0	Bag, Paper Grocery 6 lb (2000/BE) Brand: Duro Model: 6# Lbs./Bale: 44	31.32
12	BE	8105-281-1425-6	Bag, Paper Grocery 8 lb (2000/BE) Brand: Duro Model: 8# Lbs./Bale: 52	36.10
13	BE	8105-281-1426-8	Bag, Paper Grocery 10 lb (2000/BE) Brand: Duro Model: 10# Lbs./Bale: 57	43.32
14	BE	8105-271-1485-6	Bag, Paper Grocery 12 lb (1000/BE) Brand: Duro Model: 12# Lbs./Bale: 37	25.59
15	BE	8105-281-1429-3	Bag, Paper Grocery 25 lb (1000/BE) Brand: Duro Model: 25# Lbs./Bale: 54	37.73
16	BE	8105-281-1431-1	Bag, Paper Grocery 35 lb (500/BE) Brand: Duro Model: 35# Lbs./Bale: 40	21.27



Bid Specifications
Paper Grocery Bags

8105-07BS-001

- 1.0 **SCOPE:** This specification describes the minimum requirements for Type I, self-opening, Kraft paper grocery bags, of standard sizes and weights of paper.
- 2.0 **SPECIFICATIONS AND STANDARDS:** Specifications and standards referenced in this document in effect on the opening of the Invitation for Bid forms a part of this specification where referenced.
- 3.0 **REQUIREMENTS**
 - 3.1 **Configuration:**
 - 3.1.1 **Shape:** The bags shall be Type I; grocer's self-opening style (automatic) with a folded square bottom.
 - 3.1.2 **Size:** The approximate dimensions of the bags shall be as shown in Table I below, and are furnished as a guide only and to determine capacity. Measurements of the bags and computing capacity shall be in accordance with standard industry practices. The dimensions of the standard bag numbers as produced by different manufacturers may vary somewhat and shall be considered acceptable provided such bags meet applicable minimum cubic inch capacity as specified in Table I.

Table I: TYPE I, SELF-OPENING BAGS

Stock Item Code Number	Bag Number	Face Width (in.)	Bottom Width (in.)	Bag Length (in.)	Min. Capacity (cu. In.)	Quantity Per Bale (thousand)	Basis Weight 24x36-500 Tolerance +5% (Pounds) TAPPI ***T410	TAPPI *T403 (Points)	TAPPI **T414 (Grams)
8105-281-1162-0	6	5	3 3/4	11	240	2	35 (56.0 g/m ²)	18	50
8105-281-1425-6	8	6 3/8	3 3/4	12 3/4	304	2	35 (56.0 g/m ²)	18	50
8105-281-1426-8	10	6 1/2	4 1/8	13 1/8	350	2	35 (56.0 g/m ²)	18	50
8105-281-1485-6	12	7	4 1/2	13 7/8	433	1	40 (65.1 g/m ²)	22	63
8105-281-1429-3	25 or	8 1/4	5 1/4	18	779	1	40 (65.1 g/m ²)	22	63
	425	8 1/2	6	16	779	1	40 (65.1 g/m ²)	22	63
8105-281-1431-1	735	9 3/4	6	16 3/4	980	1/2	52 (84.7 g/m ²)	29	86

* Average Bursting Strength minimum in accordance with TAPPI T403 in points
 ** Average Tearing resistance machine direction minimum in accordance with TAPPI T414 in grams
 *** Grammage of Paper, weight per unit area, in accordance with TAPPI T410 in grams or pounds.

- 3.2 **Materials:**
 - 3.2.1 **Type:** The paper stock shall consist of unbleached sulphate (natural Kraft, brown in color) fibers and shall meet the minimum 30% post-consumer recycled content requirement as defined in California Public Contract Code Sections 12207(a) and 12209(a).
 - 3.2.2 **Weight and Strength:** The bursting strength and tearing resistance basis weight of the bag material based on 500 sheets, 24 inches by 36 inches, per Technical Association of the Pulp and Paper Industry (TAPPI), Standards and Suggested Methods and shall be in accordance with Table I.

3.2.3 Chemical Formulation: Materials used in the production of grocer's bags shall conform to the provisions of the Federal Food, Drug and Cosmetic Act and Regulations. No coating, inks, or dyes shall be applied. Materials shall contain no additives containing arsenic, cadmium, chromium, lead, or mercury. Materials shall contain no added fungicides, including ortho-phenylphenol.

3.3 Workmanship: The bags shall be uniformly constructed and shall be free from holes, tears, cuts, splits or any other defects or imperfections which impair their usefulness and shall conform to the levels of quality established in the industry for first class workmanship.

All glued and/or bounded seams shall adhere throughout their entire area.

4.0 QUALITY ASSURANCE PROVISIONS

4.1 Sampling and Inspection: This commodity will be sampled and inspected for compliance to this specification as deemed necessary. Sampling and inspection by attributes will be in accordance with ANSI/ASQ Z 1.4 2003, Sampling Procedures and Tables for Inspection by Attributes. An inspection lot is defined as one delivery to one agency at one time.

STATE OF CALIFORNIA SPECIFICATION PALLETS, WOODEN

1 SCOPE

This specification covers pallets intended for use with low lift pallet trucks or forklift trucks.

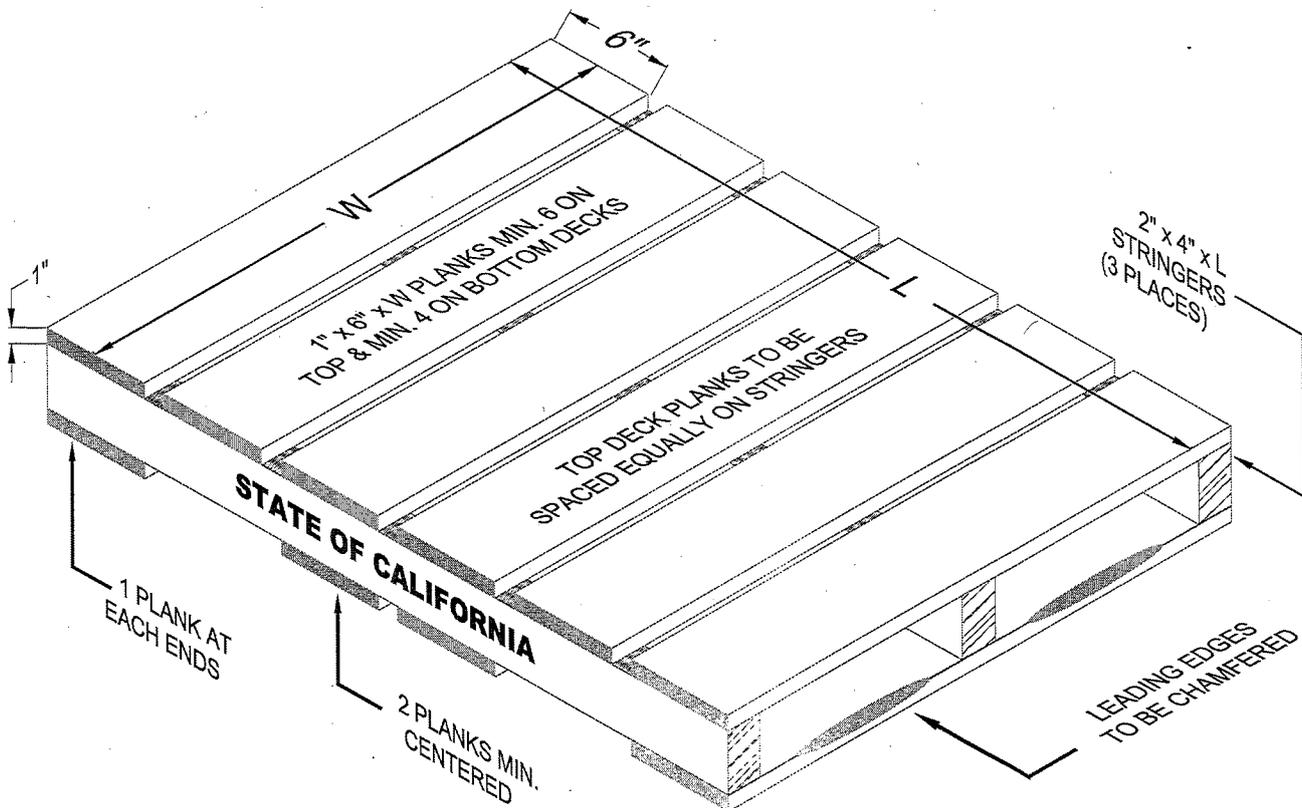
2 SPECIFICATION AND STANDARDS

Specifications and standards referenced in this document in effect on the opening of the Invitation for Bid form a part of this specification where referenced.

3 REQUIREMENTS

3.1 Material

The pallets shall be constructed from nominal size standard or better (West Coast Lumber Inspection Bureau, Standard Grading Rules for West Coast Lumber) grade Douglas Fir, Hemlock, Larch or Hem-Fir. The stringers shall be S4S and the decking S4S or S1S2E (re-



**FIG. 1 - TYPE 2
WOODEN PALLET**

sawed) with no edge knots. Sawed side is to be assembled to the inside of the pallets. Fastening shall be accomplished with 2¼ inch (+1/16 inch) 7 penny flat head drive screws (helical threaded nail) or 2¼ (+1/16 inch) #10 wire gauge annular ring nails as recommended in Specifications and Grades for Warehouse. Permanent or Returnable Pallets of West Coast Woods as published by the National Wooden Pallet and Container Association (Specifications and Grades, NWPCA).

3.2 Non-Standard Duty-Cycle Pallets

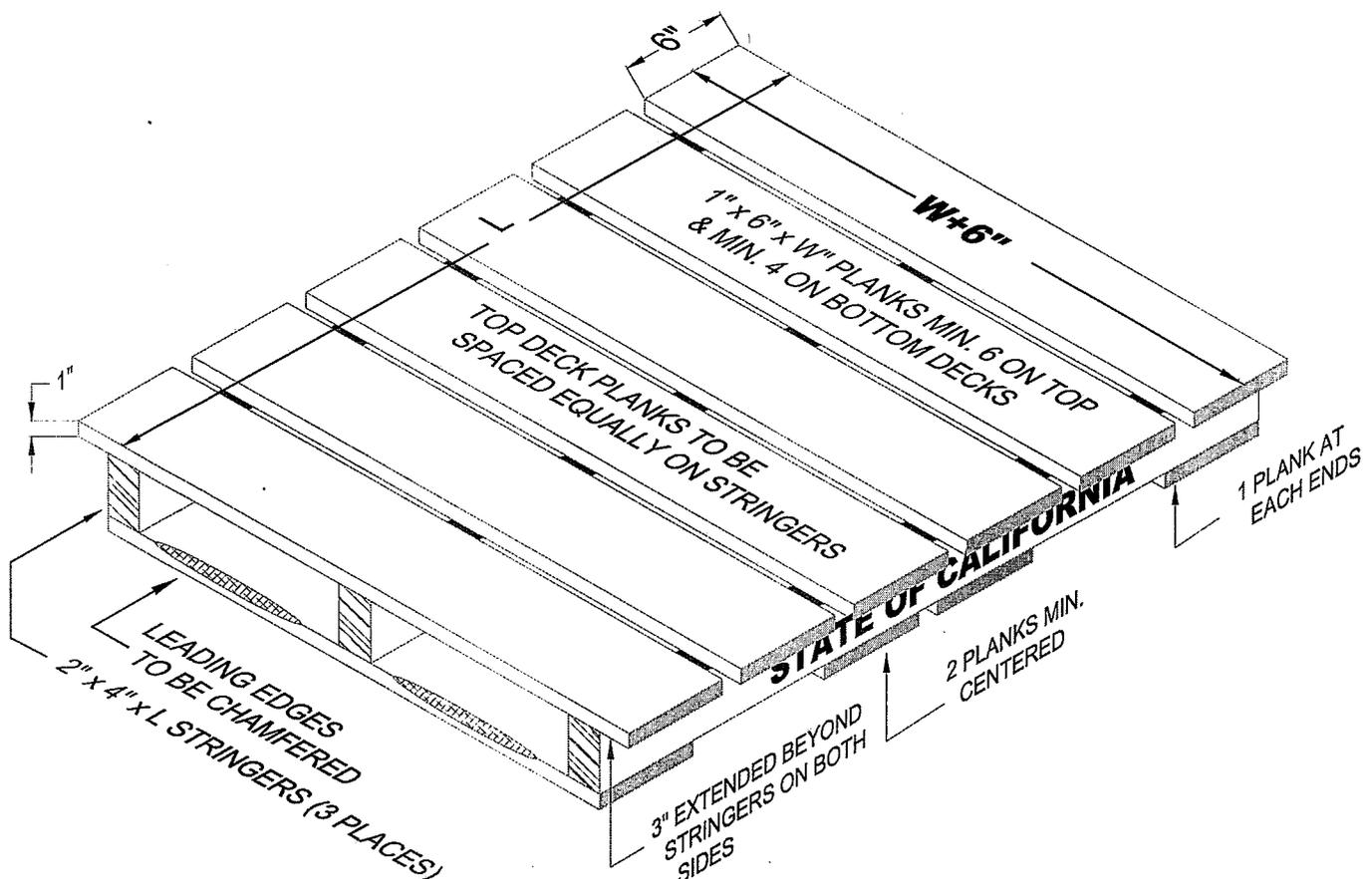
When specifically requested by the user, pallets may be manufactured using pine, oak or ash woods.

3.3 Construction

Pallet type and construction shall comply with Specifications and Grades, NWPCA. The pallets shall be Grade "Quality" (QAL).

The decking shall be secured with 3 nails or screws at each surface of contact with the stringer. Nails shall not be within ½ inch of deck-board edges or another nails.

All leading and outside edges of the bottom deck shall be chamfered. The chamfers shall be at least 12 inches long and shall be cut on an approximate 35 degree angle to the face so as to leave an edge adjacent to the chamfer not less than ¼ inch nor more than ½ inch from the outer



**FIG. 2 - TYPE 4
SINGLE WING WOODEN PALLET**

edge of the deck-board. The chamfer shall extend to within 3 inches of the stringers. Pallet configuration shall comply with table below.

COMMONLY USED PALLET TYPES & SIZE			
SIZE	TYPE	TOP DECK	BOTTOM DECK
1	2 (Fig. 1)	42"L x 36"W Six 1" x 6" x 36" deck-boards, spaced evenly along the pallet width	42"L x 36"W Min. Four 1" x 6" x 36" boards. One placed each end of the stringers Two at center of the stringers
2	2 (Fig. 1)	42"L x 42"W Six 1" x 6" x 42" deck-boards, spaced evenly along the pallet width	42"L x 42"W Min. Four 1" x 6" x 42" boards. One placed each end of the stringers Two at center of the stringers
3	2 (Fig. 1)	44"L x 44"W Six 1" x 6" x 44" deck-boards, spaced evenly along the pallet width	44"L x 44"W Min. Four 1" x 6" x 44" boards. One placed each end of the stringers Two at center of the stringers(Fig. 1)
4	2 (Fig. 1)	45"L x 36"W Six 1" x 6" x 36" deck-boards, spaced evenly along the pallet width	45"L x 36"W Min. Four 1" x 6" x 36" boards. One placed each end of the stringers Two at center of the stringers
5	2 (Fig. 1)	46"L x 44"W Six 1" x 6" x 44" deck-boards, spaced evenly along the pallet width	46"L x 44"W Min. Four 1" x 6" x 44" boards. One placed each end of the stringers Two at center of the stringers
6	2 (Fig. 1)	48"L x 48"W Six 1" x 6" x 48" deck-boards, spaced evenly along the pallet width	48"L x 48"W Min. Four 1" x 6" x 48" boards. One placed each end of the stringers Two at center of the stringers
Note: SIZE 1, TYPE 4 - has a single wing applied to top deck.			
1	4 (Fig. 2)	42"L x 36"W Six 1" x 6" x 36" deck-boards, spaced evenly along the pallet width with 3" wings extending beyond the stringers outboard faces	42"L x 30"W Min. Four 1" x 6" x 36" boards. One placed each end of the stringers, Two at center of the stringers

4 SAMPLING AND INSPECTION

This commodity will be sampled and inspected for compliance to this specification as deemed necessary. Sampling and inspection by attributes will be in accordance with ANSI/ASQ Z1.4 1993, Sampling Procedures and Tables for Inspection by Attributes. An inspection lot is defined as one delivery to one agency at one time.

4.1 Workmanship

The pallets shall be free from defects as outlined under Grade "Quality" (QAL) in the "Specifications and Grades", NWPCA.

5 MARKING

Each pallet shall be marked (two places), "STATE OF CALIFORNIA". Marking shall be easily readable, in black letters and on outboard faces of stringers.