



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

State of California
CONTRACT NOTIFICATION
****MANDATORY/FOR DOT ONLY****

| | |
|-------------------------------|---|
| CONTRACT NUMBER: | 1-09-97-34 |
| DESCRIPTION: | Retroreflective Signs, Framed and Unframed |
| CONTRACTOR(S): | Safeway Sign Co. |
| CONTRACT TERM: | 01/28/2009 through 01/27/2011 |
| DISTRIBUTION LIST: | Posted Electronically on http://www.pd.dgs.ca.gov/contracts/97-34.htm |
| STATE CONTRACT ADMINISTRATOR: | Tom Shinmoto 916-375-5954 Tom.Shinmoto@dgs.ca.gov |

A handwritten signature in cursive script, appearing to read "Tom Shinmoto".

Date: 1/30/09

Tom Shinmoto/Contract Administrator

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1. SCOPE

The State's contract with Safeway Sign Co. (contractor) provides retroreflective signs at contracted pricing to the State of California/Department of Transportation (DOT) in accordance with the requirements of Contract 1-09-97-34. The contractor shall supply the entire portfolio of products as identified in the contract and will be the primary point of contact for data collection, reporting, and distribution of retroreflective signs to the State.

The contract term is for 2 years with an option to extend the contract for three (3) additional one (1) year period or portion thereof. The terms, conditions, and prices for 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 USAGE/RULES

- The use of this contract is mandatory and for the DOT use only.
- DOT 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 Contracting Manual Volume 2 and 3, as applicable.
- Prior to placing orders against this contract, DOT must have been granted non-IT purchasing authority by the Department of General Services, Procurement Division (DGS/PD) for the use of this statewide contract. The DOT's current purchasing authority number must be entered in the appropriate location on each purchase document.
- DOT must have a Department of General Services (DGS) assigned Agency Billing Code for their agency prior to placing orders against this contract. Ordering departments may contact their Purchasing Authority contact or their department's fiscal office to obtain this information.

3. DGS ADMINISTRATIVE FEES

The DGS will bill each ordering agency an administrative fee for use of this statewide contract. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS.

For current fees, click on "DGS Price Book" at: <http://www.ofs.dgs.ca.gov/Price+Book/P/Purchasing.htm>.

4. 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: Tom Shinmoto
Address: DGS/Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605
Telephone: (916) 375-5954
Facsimile: (916) 375-4613
E-Mail: Tom.Shinmoto@dgs.ca.gov

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Contractor: Safeway Sign Co.
Contract Manager: Mark Johnson
Address: 9875 Yucca Rd. Adelanto, Ca 92301
Telephone: 760-246-7070
Facsimile: 760-246-5512
E-Mail: mjohnson@safewaysign.com

5. PROBLEM RESOLUTION/SUPPLIER PERFORMANCE

Ordering agency and/or contractors shall inform the State 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.

For contractor performance issues, ordering agency must submit a completed Supplier Performance Report via email or facsimile to the State Contract Administrator identified in Article 4. The ordering agency should include all relevant information and/or documentation (i.e. Purchase documents).

6. CONTRACT ITEMS

All available line items and associated pricing are listed on Attachment A and B Contract Pricing.

Attachment A Contains the following:

| Group | Product |
|-------|---------------------------------|
| AA-1 | Guide Signs |
| AA-2 | Regulatory Signs |
| AA-3 | Temporary Traffic Control Signs |
| AA-4 | Warning Signs |
| AA-5 | Cutout Letters and Numerals |

Attachment B Contains the following:

| Group | Product |
|-------|---|
| BB-1 | Base Panel |
| BB-2 | Applied Legend - Letter, Numerals and Miscellaneous Characters |
| BB-3 | Applied Legend - Diagonal, Slash, Parenthesis Set, Percentage and other punctuation |
| BB-4 | Applied Legend - Tildes |
| BB-5 | Applied Legend - Standard Arrows for Directional Signs |
| BB-6 | Applied Legend - Advance & Vertical Down Arrows, Border and Bars |
| BB-7 | Applied - Shields (complete with Legend) |
| BB-8 | Unapplied Legend - Letters Numerals and Miscellaneous Characters |
| BB-9 | Unapplied Legend - Diagonal, Slash, Parenthesis Set, Percentage and other punctuation |
| BB-10 | Unapplied Legend - Tildes |
| BB-11 | Unapplied Legend - Standard Arrows for Directional Signs |
| BB-12 | Unapplied Legend - Advance & Vertical Down Arrows, Border and Bars |
| BB-13 | Unapplied - Shields (complete with Legend) |
| BB-14 | Screened Signs and Volume Discounts |

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| | |
|-------|---|
| BB-15 | Population/Elevation Overlay Plates |
| BB-16 | Aluminum Frame & Miscellaneous Hardware |

7. SPECIFICATIONS

All products offered must conform to the attached Specification for Retroreflective Signs dated February 2008. (Attachment C)

A. Each referenced sign code identifies a federal Manual on Uniform Traffic Control Devices (MUTCD) standard sign specification or a California standard sign specification. A standard sign specification provides standard details for making a sign. Standard sign specifications are included under this contract by reference in DOT Specifications.

B. If a standard sign specification for Group AA is revised during the contract it will be priced under Group BB prices. If there is a sign code change only, it will be priced under Group AA prices.

C. Some older standard sign specifications may specify non-reflective or opaque background. For these standard sign specifications the Contractor must furnish retroreflective background and legend and no revision of the standard sign specification is necessary.

8. PURCHASE EXECUTION

Ordering agency must use the Purchasing Authority Purchase Order (Std. 65) for purchase execution. 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:

- Agency Order Number (Purchase Order Number)
- Ordering Agency Name
- Agency Billing Code
- Purchasing Authority Number
- Leveraged Procurement Number (Contract Number)
- Supplier Information (Contact Name, Address, Phone Number, Fax Number, E-mail)
- Line Item number
- Quantity
- Unit of Measure
- Commodity Code Number
- Product Description
- Unit Price
- Extension Price

Ordering agency will submit a copy of executed purchase documents to:

DGS - Procurement Division (IMS# Z-1)
Attn: Data Entry Unit
707 Third Street, 2nd Floor, MS 2-212
West Sacramento, CA 95605-2811

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9. ORDERING PROCEDURE

A. Standard Sign Order:

For each standard sign order the requesting DOT district and/or DOT Division of Procurement and Contracts will furnish:

1. Quantity of signs
2. Sign code number that references a standard sign specification
3. Sign size
4. Color and type of retroreflective sheeting for background and legend

A sketch will not be furnished for a standard sign order.

B. Special Sign Order:

For each non-standard specification or variable message sign the DOT will furnish:

1. A sketch of the sign
2. Quantity of signs
3. A sign code number for a variable message sign
4. Sign size
5. Color and type of retroreflective sheeting for background and legend
6. Base panel type and gauge
7. Size and type of legend
8. Degree of arrow placement

From this information the Contractor must:

1. Design the pattern layout for the sign (except when the DOT provides the pattern layout)
2. Get DOT approval before producing the sign
3. Furnish itemized price list under Group BB prices
4. Furnish the total price of the sign

C. When the DOT sends the Contractor a request to price a sign order the Contractor must price that order at no additional cost to the State. The Contractor must price a sign order:

1. Before four (4) business days for a standard sign order
2. Before eight (8) business days for a special sign order
3. Before three (3) business days for an Emergency 21-Day Delivery and a Super Emergency 7-Day Delivery

D. The Contractor must send a priced sign order to the sign coordinator and to DOT Division of Procurement and Contracts for all districts to:

Debbie Noda
debbie_noda@dot.ca.gov
Telephone: (916) 227-6137
Fax: (916) 227-6112

E. Upon receipt of a priced sign order The DOT Division of Procurement and Contracts will issue a purchase order (STD 65) to the Contractor.

F. The State may price signs instead of the Contractor.

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10. MINIMUM ORDER

There is no minimum order for this contract.

11. ORDER ACKNOWLEDGEMENT

The contractor will provide the ordering agency with an order receipt acknowledgement containing a unique order number either via e-mail or facsimile within 48 hours of receipt of order.

The acknowledgement will include:

- Ordering Agency Name
- Agency Order Number (Purchase Order Number)
- Purchase Order Total Cost
- Delivery Completion Date

12. DELIVERY SCHEDULES

A. Delivery Schedule

Delivery is to be completed in full within the following time periods After Receipt of Order (ARO). The DOT will accept a partial shipment for a large order upon mutual agreement of a delivery schedule with the Contractor. The DOT and the Contractor must work together to assure each delivery is coordinated and scheduled properly.

| DELIVERY TYPE | SHIP WITHIN | SURCHARGE | MAXIMUM SIGNS PER ORDER |
|---|-------------|-----------|-------------------------|
| STANDARD Group AA | 30 Days | None | None |
| STANDARD Group BB | 45 Days | None | None |
| EMERGENCY 21 DAY DELIVERY | 21 Days | 10% | 10* |
| SUPER EMERGENCY 7-DAY DELIVERY | 7 Days | 15% | 7* |
| All days are calendar days. If the contractor fails to ship the signs before the designated time DOT will not pay the surcharge. | | | |
| *The supplier shall not be required to deliver emergency signs orders at a rate greater than one (1) sign per day per DOT district. | | | |

B. Notification

1. The Contractor must notify the receiver one (1) business day before the scheduled delivery date to arrange for appropriate equipment and personnel at the receiving location necessary for unloading the signs.
2. The Contractor must notify the district sign coordinator and the receiver when signs leave the plant. The notification must reference the sign order number, purchase order number, name and telephone number of the carrier, the time and date of delivery.
3. The DOT may order signs from another manufacturer in an emergency or if the Contractor is unable to deliver signs under contract terms. The Contractor must notify the district sign coordinator if a sign order or a purchase order cannot be completed under contract terms.

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4. The DOT will not accept a defective or damaged sign. The DOT will notify the Contractor within fifteen (15) business days after delivery of a defective or damaged sign. Upon receiving this notification the Contractor must pick up a defective or damaged sign within forty-eight (48) hours.
5. The Contractor must replace or correct a defective or damaged sign in a way acceptable to the DOT:
 - a) Within five (5) business days for a Super Emergency 7-Day Delivery
 - b) Within ten (10) business days for an Emergency 21-Day Delivery
 - c) Within twenty (20) business days for a standard sign order and a special sign order.
6. The DOT may deduct the emergency surcharge for defective or damaged signs.

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 bid. 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".

C. POINT-OF-USE DELIVERY

These shipments are to locations that normally do not receive signs and special monitoring is necessary to ensure completion of receiving documents. See "PACKAGING" below. Upon request the Contractor must provide documentation confirming the DOT received the signs for a "POINT-OF-USE DELIVERY."

D. PALLETS

All pallets deployed in the delivery of goods must comply with the State of California Wooden Pallet Specification 3990-01A-01, dated January 2001 (see Attachment C). All pallets 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.

E. TIER RACKS

These tier racks will be the property of the DOT. (See Attachment C)

F. PACKAGING, PACKING AND MARKING

A. Each bill of lading for each delivery must show:

1. District number
2. Sign order number
3. Purchase order number
4. Delivery address
5. Number of packages and their weights

B. All signs must be stored and transported under DOT Specifications. (attached Specifications for Retroreflective Signs)

C. When signs are palletized they must be palletized by size, the largest sign first, then smaller signs.

D. A pallet must be able to carry the weight, amount and size of signs. A loaded pallet must not exceed twenty-five hundred (2,500) pounds. If a covered-type van trailer is used the pallet dimensions must not

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exceed forty-eight inches by forty-eight inches (48 inches x 48 inches) and a pallet must be loaded in a way to facilitate safe unloading from a van using a standard forklift.

E. A sign exceeding one hundred and forty four (144) inches in length must be shipped in a tier rack and packaged in a way suitable for the quantity, size and type of sign. A tier rack must be delivered on a flatbed truck to facilitate safe unloading by a forklift from the side.

F. Signs ordered for warehouse stock (prefixed with "PR. NO. 16W" on the purchase order) must be taped together on all four (4) sides (top, bottom, and both sides). A minimum of two-inch (2-inch) wide, white, pressure sensitive tape must be used.

1. Signs thirty-six (36) inches and less must be taped in a group of five (5) signs.
2. Signs larger than thirty-six (36) inches must be taped in a group of three (3) signs.

G. Applicable hardware package must accompany each delivery and be clearly marked with the sign order number and purchase order numbers on the outside of the package.

H. A copy of each purchase order and corresponding sign order must be firmly and conspicuously affixed to the outside of each pallet and/or tier rack in a secured packet with the label in ATTACHMENT C on the outside of the packet:

13. FREE 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. SHIPPED ORDERS

All shipments must comply with General Provisions (rev 4/12/2007); Paragraph 12 entitled "Packing and Shipment". The General Provisions are available at:

<http://www.documents.dgs.ca.gov/pd/modellang/GPnonIT0407.pdf>.

16. INVOICING

Ordering agency may require separate invoicing, as specified by each ordering organization. Invoices shall contain the following information:

- Contractor's name, address and telephone number
- Leveraged Procurement Number (Contract Number)
- Sign order number
- Agency Order Number (Purchase Order Number)
- Item and commodity code number
- Quantity purchased
- Contract price and extension
- State sales and/or use tax
- Prompt payment discounts/cash discounts, if applicable
- Totals for each order

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The Contractor must send invoices to:

Department of Transportation
 ASC Payables
 Attn: Mia Mitchell
 P.O. Box 168018
 Sacramento, CA 95816-8018
 Telephone: (916) 227-8525
 Fax: (916) 227-9386
 E-mail: mia.mitchell@dot.ca.gov

17. 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, et 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. A discount of 1/4 of a percent can be deducted from the invoice if paid within 21 days. DOT may use a government – issued credit card to purchase signs. The Contractor must have the ability to accept those cards/transactions.

18. PAYEE DATA RECORD

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

19. CALIFORNIA SELLER'S PERMIT

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

| Contractor Name | Seller Permit # |
|------------------|-----------------|
| Safeway Sign Co. | 12618121 |

20. RECYCLED CONTENT

There is no recycled content for this contract.

21. SMALL BUSINESS/DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION

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

| Name | Prime or Subcontractor | OSDS Certification # | SB Percent (%) | DVBE Percent (%) |
|------------------|------------------------|----------------------|----------------|------------------|
| Safeway Sign Co. | Prime | 11156 | 100% | 0% |

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State departments shall confirm with the contractor the exact percentage amount of SB and/or DVBE for each individual order.

22. SALES TAX

The sales tax rate applied should be based on the rate of the area where the product is to be delivered.

23. WARRANTY

The Contractor must guarantee each sign produced under this contract against defects in materials and workmanship. The Contractor must promptly replace a defective or damaged sign at his or her expense with no additional charges to the State.

The State may order retroreflective sheeting for background and legend that are not manufacturer's matched components. The State agrees to indemnify and save harmless the Contractor if these orders invalidate a retroreflective sheeting manufacturer's warranty.

24. ATTACHMENTS

Attachment A – Contract Pricing AA sheets

Attachment B – Contract Pricing BB sheets

Attachment C – Specifications