Department of General Services
Procurement Division
707 Third Street, Second Floor
West Sacramento, California 95605

WESTERN STATES CONTRACTING ALLIANCE (WSCA) MASTER SERVICES AGREEMENT SMALL PARCEL DELIVERY SERVICES USER INSTRUCTIONS

Supplements #1-3 Are Incorporated Into This Document

CONTRACTORS AND CONTRACT NUMBERS:	**5-06-99-02 to OnTrac** **5-06-99-03 to DHL Express (USA), Inc. *** **5-06-99-04 to FedEx Corporate Services, Inc.** **5-06-99-05 to Golden State Overnight Delivery Services, Inc.**
CONTRACT TERM:	**NOVEMBER 1, 2006 THROUGH AUGUST 27, 2009** **NOVEMBER 1, 2006 THROUGH SEPTEMBER 19, 2008 ***
SERVICE:	**SMALL PARCEL DELIVERY SERVICES**
DISTRIBUTION CODE:	**Electronic version of all documents associated with this MSA can be found on the DGS/PD Internet web page:** **http://www.pd.dgs.ca.gov/traffic/WSCA/default.htm**

Any questions regarding this MSA shall be directed to the Contract Administrator:

Department of General Services
Procurement Division, Multiple Award Program
Elaine Hall, Contract Administrator
707 Third Street, 2nd Floor
West Sacramento, CA 95605
Phone #: (916) 375-4378
Fax #: (916) 375-4663
E-mail: Elaine.Hall@dgs.ca.gov

Skip Ellsworth, Manager, Multiple Awards Program (MAP) **Date**

WSCA/ DGS/ TMU
SMALL PARCEL DELIVERY SERVICES
USER INSTRUCTIONS

TABLE OF CONTENTS

Section I - Introduction and General Information Page 3
- WSCA Base Contract Page 3
- Order Limitations Page 4

A. DGS/ PD/ TMU - Contract Administrator Page 4
B. Contractor Listing Page 4
C. Term of MSA Page 5
D. Restrictions Page 5
E. Pricing Page 5
F. Price Declines Page 5
G. Payment of DGS Administrative Fee Page 5
H. Customer Registration Requirements Page 5
I. Second through Fifth Year Contract Extension(s) Page 5
J. Budget Details and Payment Provisions Page 5
- Invoicing and Payment Page 5
- Budget Contingency Clause Page 6
- Prompt Payment Clause Page 6
- Payee Data Record (Std. 204) Page 6
- Cal Card Allowance Page 6

K. General Terms and Conditions Page 6
L. Contractor Certification Clauses Page 6
M. Settlement of Disputes Page 6/7
N. Cancellation/ Termination Page 7
O. Disabled Veteran Business Enterprise Page 7
P. Small Business Preference Page 7
Q. Local Agencies Guidelines for Use of This MSA Page 7

Section II - Ordering Procedures Page 8
A. Executing MSA Service Contract Page 8
B. Dollar Thresholds Page 8
C. CAL-CARD Page 8

Section III – Forms Page 8
- Customer Registration Form (Attachment H) Page 9

S E C T I O N I INTRODUCTION AND GENERAL INFORMATION

The State of California has established a participating agreement with the State of Utah, Division of Purchasing on behalf of the Western States Contracting Alliance (WSCA). Contracts were awarded on a competitive basis to qualified Carriers who provide these services allowing participants to select services based on their established needs. This contract is to provide zone based door-to-door express small package air delivery and expedited ground parcel and pouch delivery services. The WSCA contract awarded four carriers; DHL Express (USA), Inc. and FedEx Corporate Services, Inc. have agreed to provide Intrastate and Interstate delivery services to the contiguous 48 States, Alaska, Hawaii, Puerto Rico and international locations. OnTrac and Golden State Overnight have agreed to provide California's Intrastate Ground and Pouch delivery services. DHL Express (USA), Inc.'s contract expires September 19, 2008.

The foregoing shipping services for both commercial and residential deliveries will be provided per Carrier's Service Guides in effect at award date of the contract. Each Carriers Service Guide in effect at that time will remain in effect for the first year of the contract with no changes allowed that affect pricing or service without prior written approval of the WSCA State Contract Administrators.

The Small Parcel Delivery Services Master Service Agreement (MSA) provides State and Local Agencies with package and pouch delivery services for Intrastate and Interstate shipments.

This MSA offers the following benefits to State and Local Agencies:

1. Fixed Pricing – Contractors have agreed to hold firm pricing for one year that begins on the starting date of the WSCA award.
2. No Weekly Service charge – Contractors have agreed to waive the account weekly service charge.
3. On demand Pickup Fees – Contractors have agreed to waive these pickup fees.
4. Fuel Surcharge Air/ Domestic – DHL and FedEx have agreed to provide a variable range of savings with their fuel surcharge capped at 7%. OnTrac does not charge a fuel surcharge for Next Day Ground PM Service and their Next Day AM services will be capped at 10%. Golden State Overnight will not exceed 10% for Ground Service and will not exceed 15% for Air Services. Historically customers have paid a variable rate of percentage up to 18% per shipment with no cap. (Rates fluctuate weekly and are computed by utilizing Federal and State Department of Energy indexes)
5. Eliminate extensive bidding and contracting procedures by using the standardized MSA ordering process.
6. Guaranteed reduced and discounted pricing off of the published rates.
7. Fair and Reasonable pricing established when compared to historical and market pricing.
8. Streamlined ordering process via a Standard 65 ordering document.
9. No dollar limit on order size.

PCC 10298 b. States that DGS "makes available to any city and county, district, or other local governmental body or corporation empowered to expend public funds for the acquisition of goods, information technology or services for assisting the agency in acquisitions conducted".

a. Ordering State agencies must follow all applicable State mandated guidelines, e.g., State Administrative Manual, Management Memos, Agency Directives, State Contracting Manual, including the Purchasing Authority Manual (PAM) and California Codes.

b. State and local government agency use of WSCA contracts is optional. A local government is any city, county, city and county, district or other local governmental body or corporation, including UC, CSU, K-12 schools and community colleges that are empowered to expend public funds. While the State makes this contract available, each local government agency should make its own determination whether the WSCA program is consistent with its procurement policies and regulations. Local agency requirements are listed in Section 1, Q.

WSCA BASE CONTRACT

This WSCA contract is based on some or all of the services and prices from WSCA Small Parcel Delivery Contracts (Utah). A copy of the actual WSCA Master Agreement is available on the Internet at:

www.aboutwsca.org , locate the contract on the search bar, select the contract by clicking on the tabbed icon and view the contract(s) along with the attached documents, pricing and descriptions.

ORDER LIMITATION (Local Governments are Exempt)

1. Except as noted, all orders are subject to the most current Management Memo (Currently MM 03-10, including supplements), or whichever Management Memo is in effect at the time a purchase order is issued.

   For this MSA, there is no dollar limit on size/value of contract
2. MSA was competitively bid; therefore user agencies are not required to get three quotes.
3. Agencies are strongly encouraged to optimize the benefits of the MSA program by comparing different authorized contractors for varying services and prices to obtain the best value available.

A. DGS/ PD/ TMU MAIN LINE

707 Third Street, Second Floor
West Sacramento, CA 95605
Phone: 916/376-1888
Fax: 916/375-4363
E-mail: TransportationManagement@dgs.ca.gov

B. CONTRACTOR LISTING

MSA # 05-06-99-02 - OnTrac
Attn: Ron Kuhnau
1500 W. National Drive, Suite A
Sacramento, CA 95834
Phone: 916/419-2040 Ext. #6114
Fax: 916/419-2036
Email: rkuhnau@calover.com

MSA # 05-06-99-03 – DHL Express (USA), Inc.
Attn: David Field
10300 Truemper Way
Sacramento, CA 95655
Phone: 916/233-6763
Fax: 916/720-0294
Email: David.Field@dhl.com

MSA 05-06-99-04 - FedEx Corporate Services, Inc.
Attn: Elaine Heath
10585 Heater Court
San Diego, CA 92121
New Accounts: 800/645-9424
Pick-ups: 800/463-3339
Sales: 800/448-9961 x 3320
Fax: 858/430-2551
Email: elaine.heath@fedex.com

MSA 05-06-99-05 - Golden State Overnight
Attn: Ernesto Diamonon
3300 Data Drive, Suite 200
Rancho Cordova, CA 95670
Phone: 916/636-5130
Fax: 916/636-5105
Email: ediamonon@gso.com

C. TERM OF MSA

The term of this Master Service Agreement (MSA) is for an additional year with two (2) additional year options of the State. The contract start date is November 1, 2006, through August 27, 2009. DHL Express (USA), Inc.'s contract expires September 19, 2008.

D. RESTRICTIONS

There are restrictions for this MSA (See Section II, Ordering Procedures):

Contracts > $50,000 are subject to DGS Office of Legal Services (OLS) review and approval. To request an approval, customers must complete and include a hardcopy of their Std. 65 Purchase Order form.

To view or download forms see Section III, Forms.

E. PRICING

All contractors' price schedules for this MSA are fixed rates for the entire term of this MSA. Ordering agencies will pay the rate specified on the DGS website; rates may not exceed this published contract rate.

F. PRICE DECLINES

Price declines shall be effective immediately upon any public notification of the decline.

Price Declines-All prices quoted shall be firm fixed maximum for the first year of the contract period. However, should a price decline be announced by the contractor after contract award, and prior to the State utilizing the services, then the contractor shall pass the savings in total to the State of California. Any interest, finance, or other charges based on the contract price will be recomputed using the original bid rates and the differences will also be passed to the State in total.

G. PAYMENT OF DGS ADMINISTRATIVE MANAGEMENT FEE

State of California - DGS fee is based on the total shipping expenditure in accordance with established rates. See http://www.ofs.dgs.ca.gov/Price+Book/P/Purchasing.htm DGS/ PD shall bill users of this MSA commencing 45 days after contract start date, continual by the 30th calendar day of each proceeding month. This billing service will be performed by DGS at no additional charge to participants.

H. CUSTOMER REGISTRATION REQUIREMENTS

To use this contract, all users must provide DGS/ PD/ TMU a copy of the attached registration form (Attachment H) completed in its entirety. See Section III, Forms, to download and complete the form with the following information:

1. Choice of Carrier(s), previous account numbers, etc…
2. Agency Billing Code, enter your bill code and press the TAB key (your address should automatically populate the fields) If the address is incorrect, you can edit the fields before submission. If you do not have a General Services Bill Code number, enter 00000.
3. Agency/Customer Name, including department, agency, city, county, school district, etc.
4. Contact Person, including phone, fax, and email
5. Agency mailing address
6. Estimated average daily small package volume

When completed, customers must forward a copy via email to the DGS-TMU, Contract Administrator at TransportationManagement@dgs.ca.gov. The Administrator will review the form for completeness, upon approval the Administrator will email the customer's requested carrier(s) and email an approval to the agency.

I. SECOND THROUGH FIFTH YEAR CONTRACT EXTENSIONS

Ninety (90) days prior to the contract term date, each Contractor shall in writing request to the State of California, DGS Contract Administrator, that the State utilize its option for a one year contract extension.

J. BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment
   Payment shall be made for services satisfactorily rendered, and upon receipt and approval of accurate invoices. The State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which are attached hereto and made a part of this Agreement.

2. Budget Contingency Clause
   a. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provision of this Agreement.

   b. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

   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 agencies to pay properly submitted, undisputed invoices not more than 45 days after (a) the date of acceptance of goods or performance of services; or (b) receipt of an undisputed invoice, whichever is later. Local government agencies may make payments according to their statutory requirements.

4. Payee Data Record (Std. 204)

   Each accounting office must have a copy of the Contractors Payee Data Record (Std. 204) in order to process payment of invoices. A signed Std. 204 copy will be made available at this website www.pd.dgs.ca.gov/traffic/WSCA/default.htm Agencies should obtain the appropriate carrier's Std. 204 copy and forward the copy to their accounting office(s). Without the Std. 204, payment may be unnecessarily delayed.

5. CAL-Card (procurement card; i.e. visa) payments are accepted.

K. GENERAL TERMS AND CONDITIONS

PLEASE NOTE: Contractor signed and agreed to the General Terms and Conditions (GTC - 306) viewable at www.documents.dgs.ca.gov/ols/GTC-306.doc by clicking on master agreements and appropriate contract GTC - 306 bullet.

L. CONTRACTOR CERTIFICATION CLAUSES

PLEASE NOTE: Contractor signed and agreed to the Contractor Certification Clauses (CCC - 1005) viewable at www.documents.dgs.ca.gov/ols/CCC-1005.doc by clicking on master agreements and appropriate contract CCC - 1005 bullet.

M. SETTLEMENT OF DISPUTES

In the event of a dispute, Contractor shall file a "Notice of Dispute" with the Director or Designee of the ordering agency within ten (10) days of discovery of the problem.

a. Except where the State has specifically retained the right in this Agreement to make the final decision on a matter which Contractor must accept as final, any dispute concerning a question of fact arising under the terms of this agreement which is not disposed of within a reasonable period of time by the Contractor and State employees normally responsible for the administration of this contract shall be brought to the attention of the Chief Executive Officer (or designated

representative) of each organization for joint resolution. At the request of either party, the State shall provide a forum for discussion of the disputed item(s), at which time the Deputy Director, Procurement Division of the Department of General Services, or a representative, shall be available to assist in the resolution by providing advice to both parties as to the State of California policies and procedures. If agreement cannot be reached through the application of high level management attention, either party may assert its other rights and remedies within this contract or within a court of competent jurisdiction.

b. The rights and remedies of the State provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the contract. Contractor shall continue with the responsibilities under this Agreement during any dispute.

N. CANCELLATION/TERMINATION

The State may terminate this Agreement upon thirty (30) days notice and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

a. The term “for cause” shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of the contract.

b. Contract termination or cancellation shall be effective as of the date indicated in the State’s notification to the Contractor. The notice shall stipulate any final performance, invoicing or payment requirements.

c. This does not affect the termination clause of the WSCA Master Service Agreement concerning failure to perform or upon mutual consent.

O. DISABLED VETERAN BUSINESS ENTERPRISE

Disabled Veteran Business Enterprise (DVBE) participation goals were not included as a bid requirement and are not contractual requirements. Agencies may not count orders against this MSA toward achieving DVBE goals for reporting purposes.

P. SMALL BUSINESS PREFERENCE

None of the contractors were certified California Small Businesses; therefore, this preference was not included as a bid requirement. Agencies may not count orders against this MSA toward achieving small business goals for reporting purposes.

Q. LOCAL AGENCIES GUIDELINES FOR USE OF THIS MSA

1. Local agencies must have obtained internal approval prior to issuing an order against this MSA. Local agencies must agree to all the terms and conditions of this MSA when issuing orders against this MSA.

2. Local agencies may use their own contract forms, but must complete and provide all pertinent information as required by State ordering agencies on the Purchasing Authority Purchase Order Standard 65 (Std. 65). To view and/or use these forms see, Section III, Forms.

3. Local Agencies must complete and provide a Customer Registration Form (Attachment H) to the DGS/TMU administrator stated on the form.

4. DGS charges the users of this contract an administrative fee. The DGS administrative fee is a specified percentage of contracted services. DGS annually sets the percentage for such administrative fee. Agencies using this contract should check the DGS website for current rates. The DGS will bill all users of this contract the appropriate administrative fee. Local agencies must agree to pay the State’s administrative fee.

S E C T I O N I I ORDERING PROCEDURES

This user guide is designed to help the ordering agency with the final selection of a Contractor. In addition to procedures found in this User Guide and the DGS State Contracting Manual, Vol. 1 (Purchasing Authority Manual), the ordering agency's internal contract procedures also must be followed.

For contracts that need DGS/Office of Legal Services (DGS/OLS) review or approval, please view the following website www.ols.dgs.ca.gov to view DGS/OLS standard language.

A. EXECUTING THE CONTRACT

THE MSA/WSCA CONTRACT NUMBER MUST BE SHOWN ON THE ORDER. All State agencies are required to complete a contract and register their contract in SCPRS if applicable. State agencies shall use the attached Std. 65 provided in Section III, Forms to utilize this contract. State agencies shall also provide DGS/OLS a copy of their Std. 65 when the contract value is greater than $50,000 for approval. Local governments may utilize the attached Std. 65 form or execute a contracting document in order to use any/all of these contracts. State and Local agencies shall provide the Attachment H registration form, but this form **does not replace the requirement to complete and register your required contracting document**.

B. DOLLAR THRESHHOLDS (Local Governments are Exempt)

For orders exceeding $50,000, all State agencies must submit a Std. 65 to the DGS/OLS for review.

- At a minimum, the following information must be provided: project description and dollar value of the purchase order.
- The DGS/OLS will review the submitted documentation. Upon agreement with the content, the DGS/OLS will approve or reject the request, thereby allowing issuance of the Std. 65 by the agency to the contractor.

Exempt entities and local governments are not subject to these order limits. Go to DGS/PD web site www.dgs.ca.gov/pd to obtain a copy of the most current Management Memo (currently MM 03-10 including supplements), or whichever Management Memo is in effect at the time a Standard Agreement is issued.

C. CAL-CARD USAGE

Customer agencies may use the CAL-Card to make payments of monthly carrier invoices if authorized on the Std.65. When using the Cal-Card refer to your agency's procedures and purchasing authority. For Cal-Card questions email calcard@dgs.ca.gov . For purchasing authority questions refer to http://www.pd.dgs.ca.gov/deleg/PAMScontacts.htm .

S E C T I O N I I I FORMS

The following forms have been attached for your convenience:

- Customer Registration Form (Attachment H)
- Contractors individual Purchase Order Std. 65
- Carrier Reports (Attachments A-G)
- All forms/ reports are also available at www.pd.dgs.ca.gov/traffic/WSCA/default.htm

State agencies must use the attached designated Standard 65 within the following pages to acquire contracting services.

CUSTOMER REGISTRATION FORM

CUSTOMER REGISTRATION REQUIREMENTS

To use this contract, all users must provide DGS/ PD/ TMU a copy of the registration form (link below) completed in its entirety. See Section III, Forms, to download and complete the form with the following information:

- Choice of Carrier(s), previous account numbers, etc…
- Agency Billing Code, enter your bill code and press the TAB key (your address should automatically populate the fields) If the address is incorrect, you can edit the fields before submission. If you do not have a General Services Bill Code number, enter 00000.
- Agency/Customer Name, including department, agency, city, county, school district, etc.
- Contact Person, including phone, fax, and email
- Agency mailing address
- Estimated average daily small package volume

When completed, customers must forward a copy via email to the DGS-TMU, Contract Administrator at TransportationManagement@dgs.ca.gov. The Administrator will review the form for completeness, upon approval the Administrator will email the customer's requested carrier(s) and email an approval to the agency.

http://www.documents.dgs.ca.gov/pd/traffic/WSCA/WSCARegistrationForm.pdf