

**STATE OF CALIFORNIA
AND
GOLDEN STATE OVERNIGHT**

**TRANSPORTATION RATE AGREEMENT
No. TM/GSO 531**

Scope of Services:

Golden State Overnight (GSO) tenders the following offer of services for **Priority Overnight and Courier Pouch Deliveries** to the State of California, and Counties, Cities, Public School Districts, or other local government entities within California.

I. Definition of Services:

- a) **Priority Overnight Delivery (PDS) - On-Call or Scheduled** shipment of letters and packages shipped from California to points in California and Western Nevada as per the attached GSO City Service Guide.
- b) **Overnight Courier Pouch – Daily scheduled** weekday courier pouch services to and from **constantly serviced locations** within the attached GSO service areas.
- c) **Saturday Services (SDS)** - Priority overnight deliveries performed on Saturday to areas specified within the GSO City Service Guide. Additional premium will apply.
- d) **Early Priority Service (EPS)** – Priority overnight **unscheduled early a.m.** delivery outside the normal guaranteed delivery times specified in section II.(a) of this tender. Additional premium will apply.

II. Services Commitments and Guarantees:

a) **Priority Overnight Service**

Guaranteed delivery by 10:30 a.m. to GSO service code "A"
Guaranteed delivery by 12:00 p.m. to GSO service code "B"
Guaranteed delivery by 2:30 p.m. to GSO service code "C"

b) **Courier Pouch Service**

- i.) **GSO Area "A"** -Regularly **scheduled** pick up between 3:30 p.m. - 6:30 p.m.
-Regularly **scheduled** delivery between 7:00 a.m. - 10:30 a.m.

Regularly scheduled courier pick-up and delivery times for pouch services will be established and agreed upon between the shipping agency and GSO.

- ii.) **GSO Area "B"** -Call GSO for courier service times (800) 322-5555
- iii.) **GSO Area "C"** -Call GSO for service availability (800) 322-5555

c) **Service Guarantee**

Golden State Overnight (GSO) guarantees delivery at the times specified in the attached City Serve List or the shipment will be charged at gratis. In the event that the GSO courier arrives at the consignee's location at or before the guaranteed delivery time and wait time is incurred outside the control of GSO, then the delivery will be considered on time. Requests for refund of shipping charges are processed through GSO's Customer Service center at 800-322-5555.

III. **Rates:**

- a) Priority Overnight (PDS) Rates – See Appendix “PO-1”
- b) Courier Pouch Service Rates – See Appendix “CP-1”
- c) Saturday Delivery (SDS) Surcharge - \$14.00 to metro areas.
- d) Early Priority Service (EPS) Surcharge - \$15.00

IV. **Liability:**

Liability is limited to \$100 per package unless a higher value is declared at time of shipment. Declared value above \$100 will be charged a rate of \$0.40 per \$100 value or fraction thereof. Maximum declared value per shipment is \$50,000. If a declared value exceeds \$10,000 shipper must notify the GSO Customer Service Center at 800-322-5555 prior to pickup to confirm our acceptance of the declared value.

V. **Shipping and Tracking Software:**

ShipGSO Shipping and Tracking Software will be provided, at no charge to customer to produce bar-coded shipping and tracking labels or airbills. ShipGSO web site (www.shipgso.com) will enable shipper to obtain proof of delivery via the internet. For those locations without Windows based personal computers, airbills and special handling labels will be supplied to the customer at no charge.

VI. **State Transportation Management Fee**

A surcharge of (1.21% one and 21/100 percent of the total shipping invoice will be assessed to the customer. GSO will collect this amount for payment to Transportation Management for the use of this contract by state and local agencies in lieu of the usual administrative fees charged the users of this agreement by Transportation Management.

At the end of each contract quarter, GSO will issue a single check to Transportation Management representing the total surcharge amounts, within 30 days after the end of each contract quarter, and forward to the address designated in writing by Transportation Management.

Payment of the administrative fee shall be made to Transportation Management irrespective of reimbursement by each participating state and local agency, and must be paid as stated above.

VII. Shipping Reports

- a) A monthly report will be provided to Transportation Management containing the amount of contract savings to the State when compared against the full GSO Priority Overnight tariff vs. TM/GSO 531.
- b) A quarterly report will also be provided and accompany the check issued to Transportation Management for DGS Management fees. This report will include the total revenue, per quarter, of each state account utilizing this contract as supporting documentation and reconciliation of Transportation Management fees.

VIII. This agreement will be valid for three years from the effective date of this tender. Either party upon sixty days written notice may amend or cancel this agreement.

Customer

State of California
1700 W. National Drive
Sacramento, CA 95834
(916) 928-5841

Carrier

Golden State Overnight
855 National Drive
Sacramento, CA 95834
(916) 928-3340
(800) 355-6068

Signature:

DR Wallace
Dave Wallace

9-3-02
Date Signed

9-16-02
Effective Date

Ernesto Q. Diamonon
Ernesto Diamonon

9-3-02
Date Signed

9-16-02
Effective Date

APPENDIX PO-1

PRIORITY OVERNIGHT DELIVERY RATES

To all addresses in California

Las Vegas and Reno

FOR

State, County, City, Public School Districts
Of California

Letter Rate

Letter	Rate
8oz. Max	\$5.20

Package Rates

Lbs.	Rate	Lbs.	Rate	Lbs.	Rate	Lbs.	Rate
1	\$5.72	26	\$18.72	51	\$31.72	76	\$44.72
2	\$6.24	27	\$19.24	52	\$32.24	77	\$45.24
3	\$6.76	28	\$19.76	53	\$32.76	78	\$45.76
4	\$7.28	29	\$20.28	54	\$33.28	79	\$46.28
5	\$7.80	30	\$20.80	55	\$33.80	80	\$46.80
6	\$8.32	31	\$21.32	56	\$34.32	81	\$47.32
7	\$8.84	32	\$21.84	57	\$34.84	82	\$47.84
8	\$9.36	33	\$22.36	58	\$35.36	83	\$48.36
9	\$9.88	34	\$22.88	59	\$35.88	84	\$48.88
10	\$10.40	35	\$23.40	60	\$36.40	85	\$49.40
11	\$10.92	36	\$23.92	61	\$36.92	86	\$49.92
12	\$11.44	37	\$24.44	62	\$37.44	87	\$50.44
13	\$11.96	38	\$24.96	63	\$37.96	88	\$50.96
14	\$12.48	39	\$25.48	64	\$38.48	89	\$51.48
15	\$13.00	40	\$26.00	65	\$39.00	90	\$52.00
16	\$13.52	41	\$26.52	66	\$39.52	91	\$52.52
17	\$14.04	42	\$27.04	67	\$40.04	92	\$53.04
18	\$14.56	43	\$27.56	68	\$40.56	93	\$53.56
19	\$15.08	44	\$28.08	69	\$41.08	94	\$54.08
20	\$15.60	45	\$28.60	70	\$41.60	95	\$54.60
21	\$16.12	46	\$29.12	71	\$42.12	96	\$55.12
22	\$16.64	47	\$29.64	72	\$42.64	97	\$55.64
23	\$17.16	48	\$30.16	73	\$43.16	98	\$56.16
24	\$17.68	49	\$30.68	74	\$43.68	99	\$56.68
25	\$18.20	50	\$31.20	75	\$44.20	100	\$57.20

Priority Hundred Weight Pricing

\$0.20 per pound with a minimum charge of \$65.00

APPENDIX CP-1

DAILY COURIER POUCH RATES

State, County, City, Public School Districts
Of California

\$110.00 per month – per direction – to all addresses in California

Weight Allowance per direction, per day: 10 pounds

Excess weight over 10 pounds: \$0.25 per pound.

GSO service area	A	B	C
Pick up Window:	3:30 – 6:30 p.m.	Call GSO	Call GSO
Delivery Window:	7:00 – 10:30 a.m.	Call GSO	Call GSO

Regularly scheduled pick up and delivery times for pouch services will be established and agreed upon between the shipping agency and GSO.

ADDENDUM GSO-01

CALIFORNIA PARCEL SERVICE

NEXT BUSINESS DAY GROUND SERVICE BY 5:00 PM

This program is designed for large volume shippers of ground packages meeting Golden State Overnight's shipper qualification profile.

Rates are based on the current published UPS* commercial ground rates and rates maybe discounted based on shipping volume.

* UPS is a registered trademark of United Parcel Service of America, Inc.