

**State of Arkansas**  
**OFFICE OF STATE PROCUREMENT**  
1509 West Seventh Street, Room 300  
Little Rock, Arkansas 72201-3966

**STATE TERM CONTRACT**

THIS IS A **TERM CONTRACT** ISSUED BY THE OFFICE OF STATE PROCUREMENT. THIS DOES NOT REPRESENT YOUR AUTHORITY TO SHIP. THE ORDERING AGENCY WILL ISSUE A PURCHASE ORDER TO AUTHORIZE SHIPMENT. THIS CONTRACT CONSTITUTES ACCEPTANCE OF YOUR BID ALONG WITH ALL TERMS AND CONDITIONS THEREIN AND SIGNIFIES THE OFFERER'S KNOWLEDGE AND ACCEPTANCE OF ALL TERMS AND CONDITIONS SET FORTH WITHIN THE INVITATION FOR BID.

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BUYER: Janet Quattlebaum (501-324-9316)

**AWARD #: SP-12-0087**

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DESCRIPTION: **STOCK CONTINUOUS PAPER**  
CONTRACT VALUE: \$44,278.96  
PURCHASE REQUEST NO: N/A

**CONTRACT PERIOD:** The term of this contract shall be for a period of (12) months beginning **January 1, 2013 through December 31, 2013** with option to renew in five (5) one (1) year increments or a portion thereof upon mutual agreement.

**INVOICE TO:**  
As Specified on Purchase Order

**DELIVER TO:**  
As Specified on Purchase Order

**CONTRACT AWARD TO:**  
Enterprise Group - Domtar  
4 Office Park Circle, Suite 303  
Birmingham, AL 35223

CONTACT NAME: Chris Thomas  
PHONE NO: 205-871-5771  
FAX NO: 803-835-1569  
EMAIL: [christopher.thomas@domtar.com](mailto:christopher.thomas@domtar.com)

STATE OF ARKANSAS OFFICE OF STATE PROCUREMENT

BY: \_\_\_\_\_ DATE \_\_\_\_\_

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## **SECTION I – GENERAL INFORMATION**

### **INTRODUCTION**

This is a TERM CONTRACT to provide "stock" sizes of continuous paper forms to All State Agencies and Cooperative Purchasing Program participants within Arkansas.

### **QUANTITIES**

The quantities stated within are estimated for bidding purposes only. The State may order more or less as is required during the term of the contract.

### **CONDITIONS OF CONTRACT**

The contractor **shall** at all times observe and comply with federal and state laws, local laws, ordinances, orders, and regulations existing at the time of or enacted subsequent to the execution of this contract which in any manner affect the completion of the work. The contractor **shall** indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor(s) of the contractor.

### **STATEMENT OF LIABILITY**

The State will demonstrate reasonable care but shall not be liable in the event of loss, destruction, or theft of contractor-owned items to be delivered or to be used in the installation of deliverables. The vendor is required to retain total liability until the deliverables have been accepted by the "authorized entity official." At no time will the State be responsible for or accept liability for any vendor-owned items.

### **COST**

The unit price includes all of the materials and operations necessary for the production of items specified. This includes but is not limited to paper stock, quality assurance, packaging, FOB destination, freight paid, normal delivery.

### **NOTE:**

1. The State will not be obligated to pay any costs not identified on the Official Bid Price Sheet.
2. Any cost not identified by the bidder but subsequently incurred in order to achieve service required **shall** be borne by the bidder(s).
3. Official Bid Price Sheet may be reproduced as needed.

### **PRICE CHANGE CLAUSE**

All prices bid shall be firm for the first six (6) months of this contract. Thereafter, a request for increase must be submitted in writing to the Office of State Procurement with supporting documentation indicating brand of paper, percentage of increase or increase as a per hundred weight and effective date. This increase must be addressed to the merchant network and be reflective of an increase to all distributors, not to this contract alone.

After receipt of required documentation and in the event a price change is authorized thereafter, requested increases will become effective within twenty (20) working days.

The State further reserves the right to reject any proposed price increase, cancel the contract and re-bid if determined to be in the best interest of the State. After receipt of required documentation and in the event a price change is authorized thereafter, said prices will remain firm for a period of not less than six (6) months.

The Price Change Clause will remain in effect for any agreed upon periods of extension.

In the event of a general price decrease, the State shall be guaranteed full benefit of the price reduction for all undelivered purchase orders on the effective date of the decrease and thereafter.

The State of Arkansas may monitor reductions by requesting the manufacturer to provide cost comparison data at any time after the first six months of the contract to reflect base cost (at time of award) to current cost (at time of request).

## **DELIVERY**

FOB Destination, freight paid, Normal Delivery. (See "Normal Delivery" and "Inside Delivery" definitions.)

"Working days" shall be defined as Monday through Friday of each week exclusive of all official State holidays.

### **Items 1-16:**

Delivery for orders of 10 cartons or fewer is within ten (10) working days after receipt of agency purchase order.  
Delivery for orders of 11 cartons or more is within twenty-five (25) working days after receipt of agency purchase order.

### **Items 17-18:**

Delivery is within twenty-five (25) working days after receipt of order.

## **NOTICE TO STATE AGENCIES AND COOPERATIVE PURCHASING PARTICIPANTS:**

Due to labor costs of delivery, if an agency's location requires delivery services other than the "Normal Delivery" definition outlined in this contract, an additional delivery charge may be applicable. Agencies are to notify the vendor at the time of the order of any special delivery conditions.

Agencies should review the "Normal Delivery" and "Inside Delivery" definitions within this contract to determine how it may apply to the proposed delivery location. Agencies are encouraged to check with the vendor prior to ordering to ascertain any possible additional delivery charge amounts.

## **DEFINITION - NORMAL DELIVERY**

Unit prices include, at no additional charge, the contractor providing "Normal Delivery" service. "Normal Delivery" is defined in this contract as "Delivery to a building with an accessible dock to one specific room or area by use of material handling equipment without breaking shipping container to hand truck deliver individual cartons."

Delivery locations falling in the perimeters of this definition will not be subject to additional delivery charges.

## **DEFINITION - INSIDE DELIVERY:** *Inside Delivery Is Available for Items 1-16 Only.*

ADDITIONAL DELIVERY CHARGE for inside delivery is \$2.00 per carton.

"Inside Delivery" is defined in this contract as "Delivery to a building with or without an accessible dock and breaking shipping container to **HAND TRUCK DELIVER INDIVIDUAL CARTONS** to a specific room(s) or area(s)."

NOTE: Agency purchase orders are to clearly indicate "Inside Delivery Required", if applicable. Purchase orders with no indication of inside delivery requirements are to be delivered according to "Normal Delivery" definition.

## **FOB DELIVERY LOCATIONS**

Various delivery locations within the State of Arkansas will be specified on the purchase order from the ordering agency. All transportation expenses for delivery will be the responsibility of the contractor.

## **INVOICING**

An itemized invoice addressed to the ordering agency reflecting agency's purchase order number, quantity, contract number SP-12-0087 description, and unit price is required.

## **SUMMARY REPORTS**

The contractor is required to submit Quarterly Reports reflecting usage activity. This report is due the 10<sup>th</sup> of the month following the quarter's activity. The report shall contain the following: Contract Number SP-12-0087, Item #, Quantity Ordered, and Total Cost per Line Item for Recycled and Virgin Stock. Information shall be provided for both state agencies and cooperative entities.

Failure to provide this information in a timely manner may be grounds for exclusion from participation in the next contract due to a non-responsible bidder.

## **CANCELLATION**

In the event the State no longer needs the service or commodity specified in the contract(s) or purchase order(s) due to program changes, changes in laws, rules, or regulations, relocation of offices, or lack of appropriated funding, the State may cancel the contract(s) or purchase order(s) by giving the contractor(s) written notice of such cancellation 30 days prior to the date of cancellation.

## **COOPERATIVE PROCUREMENT PROGRAM PARTICIPATION**

Arkansas' Purchasing Law provides that local public procurement units (counties, municipalities, school districts, certain nonprofit corporations, etc.) may participate in state procurement contracts. The contractor(s) therefore agree(s) to sell to Cooperative Procurement Program participants at the option of the program participants. Unless otherwise stated, all standard and special terms and conditions listed within the invitation for bid must be equally applied to such participants.

## **CONTRACT INFORMATION**

1. The State of Arkansas may not contract with another party:
  - a. To indemnify and defend that party for any liability and damages. However, the State Procurement Official may agree to hold the other party harmless from any loss or claim resulting directly from and attributable to the State's use or possession of equipment and/or software and reimburse that party for the loss caused solely by the State's uses or possession.
  - b. Upon default, to pay all sums to become due under a contract.
  - c. To pay damages, legal expenses or other costs and expenses of any party.
  - d. To conduct litigation in a place other than Pulaski County, Arkansas
  - e. To agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.
2. A party wishing to contract with the State of Arkansas should:
  - a. Remove any language from its contract which grants to it any remedies other than:
    - i. The right to possession.
    - ii. The right to accrued payments.
    - iii. The right to recover only amounts due at the time of any unamortized nonrecurring cost as allowed by Arkansas Law.
  - b. Include in its contract that the laws of the State of Arkansas govern the contract.
  - c. Acknowledge that contracts become effective when awarded by the State Procurement Official.

## **SECTION 2 - SPECIFIC REQUIREMENTS**

### **SCOPE**

The intent of this TERM Contract is to provide for delivery of "stock" sizes of continuous paper forms to All State Agencies and Cooperative Purchasing Program participants within Arkansas.

### **ORDERING PROCEDURE**

All orders placed against this contract shall be in the form of an agency issued purchase order on an as-required basis. All orders will be for full carton quantities. No broken cartons will be accepted. Incomplete orders shall be returned to agency.

In the event of a shortage of paper stock, orders from this contract by State Agencies will be given priority.

Agency purchase orders are to clearly indicate:

1. "Inside Delivery Required", if applicable. Purchase orders with no indication of inside delivery requirements are to be delivered according to the "Normal Delivery" definition. (*Inside delivery is available for items 1-16 only.*)
2. Agency contact information for questions regarding order.
3. Agency contact information at delivery point.

### **MINIMUM QUANTITIES**

Items 1-16: 5 cartons minimum order quantity. Items may be combined to achieve the 5 carton minimum.  
Items 17-18: 40 rolls minimum order quantity. Items may be combined to achieve the 40 roll minimum.

### **RE-STOCKING FEES AND LIABILITY OF AGENCIES**

Users of this contract are advised that returned orders may be subject to a re-stocking fee of varying amounts on orders returned by agency in which the vendor was not at fault. This charge, at the option of the contractor, may be applied to those orders for papers which are returned to the mill. The re-stocking fee will be limited to 20% of the invoice amount (not including sales tax) for the returned item plus freight both ways. Orders must be returned to vendor within 60 days of order. Agencies are advised to carefully check item descriptions to avoid incurring restocking fees.

### **QUALITY**

The stock continuous paper furnished must meet industry-accepted standards for "FIRST CLASS" quality and free to defects in workmanship. All materials and operations such as collating, punching, perforating, registration and paper must be of such quality as to insure satisfactory continuous operation.

Receipt of the merchandise does not necessarily constitute acceptance. The using agency will be granted a minimum of 10 days in which to inspect the merchandise and to determine if its quality meets the requirements or standards of the contract. If quality problems are evident, the Office of State Procurement, in coordination with the using agency, will review the problems and if the specifications of the contract are not met, will assess any damages for the inferior merchandise. If, in the opinion of the Office of State Procurement and the using agency, the merchandise is unacceptable, the vendor may be offered an opportunity to supply new material within a reasonable time. At the time authorization for the reprint is given, the Office of State Procurement will establish, in writing, a new delivery date.

## **ALIGNMENT**

Horizontal lines and tint bars must be located at a 90-degree angle to the pin feed holes.

Vertical line must be parallel to alignment of marginal punching. Clear, sharp, accurate, consistency of image and accurate registration from ply-to-ply is required.

## **PUNCHING**

Both margins must be line hole punched with 5/32" diameter holes on 1/2" centers for continuous feed on high-speed printers and other output and input equipment. Punching shall be clear, sharp, free of confetti, and in register for all plies.

Top and bottom marginal corner holes must be located 1/4" from tear-line perforations to center of hole per press depth and identically located on all forms and all parts of all forms.

## **PERFORATIONS**

Some items require micro perforations, keen edge, laser perforations or similar invisible perforations. All other items will use standard perforations.

Full horizontal perforations are required between sets on all parts. Perforations must be clean and sharp, without lint, and lie flat at both front and backsides of forms. Cutting process must assure clean separation by hand or by detaching of bursting equipment, but must not allow premature or unwanted separation. Tear perforations must be 1/4" from center of top and bottom aligning holes with the form per press depth. Perforations shall be constantly accurate to 90 degree angle to the centerline of vertical aligning holes in margins.

## **BREAKS**

Forms/rolls must be delivered without breaks. If mending tape is used to achieve a continuous form, it must not interfere with the operation of the printer. Orders with excessive mended breaks will not be accepted.

Notation must be made on the carton/roll to clearly indicate where the break will occur.

## **FASTENING**

Forms must contain standard high speed crimping along the right margin on multiple ply forms. Paper must be crimp fastened with a minimum of three crimps every two inches throughout the length of each form and must have either of the following:

- at least one crimp fastening through all papers per form
- fugitive gluing of all parts along the left hand margin

## **FOLDING**

Forms must be fan folded on horizontal perforation at bottom of form.

## **COLOR**

This contract calls for blank forms and forms in one or more of the following ruling colors: blue, green.

## **PAPER STOCK**

Recycled stock must contain a minimum of 20% post consumer content, groundwood content cannot exceed 1%.

### **Single-Part Forms:**

Recycled or virgin, white standard commercial #4 grade register sulphite bond. Paper weight as specified under each item number on official bid price sheet. Minimum brightness of 86

### **Multi-Part Forms:**

Multi-part virgin and recycled carbonless forms are to be black image PREMIUM carbonless bond. Unless otherwise specified on official bid price sheet, all parts are white. Minimum brightness 86.

#### Paper weights:

- 1st part - not less than 15# CB
- 2nd part - (on 2-part form) - not less than 14# CF
- 2nd part - (of 3 or more parts) - not less than 12.5# CFB
- 3rd part - (on 3-part form) - not less than 15# CF

## **RULING CHART**

- A. Ruling, Blank
- B. Ruling, Blank With Vertical Perfs
- C. Ruling, 3 Lines Per Inch
- D. Ruling, 1/6" Bar
- E. Ruling, 1/8" Bar
- F. Ruling, 1/2" Bar

## **PACKAGING**

Carton forms should be fan-folded "face-up". All cartons must be marked on the outside as to contractor's name, description of forms and quantity within. The forms must be packaged in corrugated containers of sufficient strength to protect forms from damage during shipping, handling and storage. The internal dimension of the cartons must be approximately 1/16" greater than the width and 1/8" greater than the length of packed forms so as to insure against damage due to bending, curling, shifting, etc. Cartons should not exceed 40 pounds in weight.

Roll forms must be marked on the outside as to contractor's name, description of forms and quantity. The rolls must be secured to pallets of sufficient strength to protect rolls from damage during shipping, handling and storage.

## **SUBSTITUTION OF BRAND**

Any substitutions of brand under this contract after award must be approved in writing by the Office of State Procurement prior to delivery. Brand substitutes must be the same or higher GRADE with same or better brightness level. Any delivery of unauthorized substitutions will be considered contract default.



## AWARD TERMS AND CONDITIONS

1. **GENERAL:** All terms and conditions stated in the invitation for bid govern this contract.

2. **PRICES:** Prices are firm and not subject to escalation, unless otherwise specified in the invitation for bid.

3. **DISCOUNTS:** All cash discounts offered will be taken if earned.

4. **TAXES:** Most state agencies must pay state sales tax. Before billing, the contractor should contact the ordering agency to find out if that agency must pay sales tax. Itemize state sales tax when applicable on invoices.

5. **BRAND NAME REFERENCES:** The contractor guarantees that the commodity delivered is the same as specified in the bid.

6. **GUARANTY:** All items delivered are to be newly manufactured, in first- class condition, latest model and design, including, where applicable, containers suitable for shipment and storage unless otherwise indicated in the bid invitation. The contractor guarantees that everything furnished hereunder will be free from defects in design, workmanship, and material; that if sold by drawing, sample or specification, it will conform thereto and will serve the function for which furnished. The contractor further guarantees that if the items furnished hereunder are to be installed by the contractor, such items will function properly when installed. The contractor also guarantees that all applicable laws have been complied with relating to construction, packaging, labeling, and registration. The contractor's obligations under this paragraph shall survive for a period of one year from the date of delivery, unless otherwise specified in the invitation for bid.

7. **AWARD:** This contract award does not authorize shipment. Shipment against this contract is authorized by the receipt of a purchase order from the ordering agency. A written purchase order mailed or otherwise furnished to the contractor results in a binding obligation without further action by either party.

8. **DELIVERY:** The term of the contract is shown on the face of the contract award. The contractor is required to supply the state's needs during this term. The number of days required to place the commodity in the receiving agency's designated location under normal conditions is also shown. Consistent failure to meet delivery without a valid reason may cause removal from the bidders' list or suspension of eligibility for award.

9. **BACK ORDERS OR DELAY IN DELIVERY:** Back orders or failure to deliver within the time required may

be default of the contract. The contractor must give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. If the reason is not acceptable, the contractor is in default. The Office of State Procurement has the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere.

10. **DELIVERY REQUIREMENTS:** No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery shall be made during agency work hours only, 8:00 a.m. to 4:30 p.m., unless prior approval for other delivery has been obtained from the agency. Packing memoranda shall be enclosed with each shipment.

11. **STORAGE:** The ordering agency is responsible for storage if the contractor delivers within the time required and the agency cannot accept delivery.

12. **DEFAULT:** All commodities furnished will be subject to inspection and acceptance of the ordering agency after delivery. Default in promised delivery or failure to meet specifications authorizes the Office of State Procurement to cancel this contract or any portion of same and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting contractor.

13. **VARIATION IN QUANTITY:** The state assumes no liability for commodities produced, processed or shipped in excess of the amount specified herein.

14. **INVOICING:** The contractor shall submit an original and two copies of an itemized invoice showing the bid number and purchase request number when itemized in the invitation for bid. Invoices must be sent to "Invoice to" point shown on the purchase order.

15. **STATE PROPERTY:** Any specifications, drawing, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the contractor hereunder or in contemplation hereof or developed by the contractor for the use hereunder shall remain property of the state, be kept confidential, be used only as expressly authorized, and be returned at the contractor's expense to the F.O.B. point, properly identifying what is being returned.

16. **ASSIGNMENT:** This contract is not assignable nor the duties hereunder delegable by either party without the written consent of the other party to the contract.

17. **OTHER REMEDIES:** In addition to the remedies outlined herein, the contractor and the state have the

right to pursue any other remedy permitted by law or in equity.

18. LACK OF FUNDS: The state may cancel this contract to the extent funds are no longer legally available for expenditures under this contract. Any delivered but unpaid for goods will be returned in normal condition to the contractor by the state. If the state is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the contractor may file a claim with the Arkansas Claims Commission. If the contractor has provided services and there are no longer funds legally available to pay for the services, the contractor may file a claim.

19. QUANTITIES: The state may order more or less than the estimated quantity in the invitation for bid.

20. DISCLOSURE: Failure to make any disclosure required by the Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.