

September 15, 2009

TO: ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES,
VOLUNTEER FIRE COMPANIES AND POLITICAL SUBDIVISIONS

FROM: VICKI L. MACKLIN
STATE CONTRACT PROCUREMENT OFFICER
302-857-4553

SUBJECT: **AWARD NOTICE, ADDENDUM 1, WSCA MA454
CONTRACT NO. GSS09413-DOCUMENT SRVC
DOCUMENT/ PACKAGE SERVICE**

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KEY CONTRACT INFORMATION**

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KEY CONTRACT INFORMATION

1. MANDATORY USE CONTRACT:

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REF: Title 29, Chapter 6911(d) Delaware Code. Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by the Division of Support Services, Department of Administrative Services. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, Department of Elections, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.

2. CONTRACT PERIOD:

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Each Vendors contract shall be valid from October 1, 2009 through August 27, 2010. Each contract may be renewed for one (1) additional one year period through negotiation between the contractor and the Government Support Services.

This contract has been extended through August 27, 2011

3. VENDORS:

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FedEx Corporation
6625 Lenox Park Drive
Memphis, TN 38115
Contact: Bobby Bledsoe, WorldWide Account
Manager
Phone:901.224.2963
Fax: 901.224.2960
Email: rdbledsoe@fedex.com

4. NEW ACCOUNT SET UP:

To set up a new account or to check if you have an existing account, please call FedEx Government Hotline at 800.645.9424 or email at govt@fedex.com

It is imperative that you obtain a new account number or check an existing account number via the above method. Failure to do so could prohibit the State of Delaware negotiated discounts from applying.

Discount(s) includes both outbound prepaid, inbound collect and third party shipments. To receive contract discount on inbound freight collect, or third party billings, you must advise shipper/consignor of your FedEx account number.

Additional charges may be applied per the FedEx Rate and Service Guide.

6. DELIVERY AND PICKUP:

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ACCESSING FEDEX SERVICES

Daily Pickup Service – Packages and documents picked up at your business location every weekday. Automatic Saturday pickups are also available when scheduled in advance. No phone calls or special arrangements are necessary. To qualify, you must average at least one package a day outbound. Please call 800.645.9424 to arrange a daily pickup service.

On-Call Air Service – An on-demand, same-day pickup service for FedEx Express Domestic and International for packages and documents is available in all major metropolitan areas, on any weekday – including Saturday in many areas. Hours vary according to location. Customers may call toll-free 1-800-GOFEDEX to request pickup service.

On-Call Ground Service – An on-demand, next-day pickup service for FedEx Ground for packages is available in all major metropolitan areas, on any weekday. Hours vary according to location. Customers may call toll-free 1-800-GOFEDEX to request pickup service.

Drop off Locations – A complete list of available drop off locations can be found at:
http://www.fedex.com/Dropoff/start?locale=en_US

"Business day" means Monday through Friday except the following holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Centralized Control System

FedEx Shipping Administration allows for more controlled shipping environment. To find out more, please go to:
<http://www.fedex.com/us/shippingadmin/>

Internet Capabilities and Requirements

www.fedex.com Ship Manager is a web-based shipping system that everyone within your organization can use and access. You must set up your own user id and password to access the shipping portion of fedex.com.

Shipment Information

Information, including Personal Information (Agency information), provided as part of a shipping transaction represents a record of that business transaction and cannot be altered after the transaction is complete except as provided in the FedEx Terms and Conditions. The FedEx Terms and Conditions are available at www.fedex.com in the Customer Service section of the Support tab and at local FedEx offices. Although we make reasonable efforts to limit access to our facilities and vehicles to authorized personnel, we are not responsible for maintaining the confidentiality of information that is printed and placed in plain view on a package or letter.

Security and Integrity of Information

We treat our data as assets that must be protected against loss and unauthorized access. We employ information security techniques to appropriately protect confidential information from unauthorized access by users inside and outside the company. Access to customer information is limited to those employees who have a legitimate business need for that information.

FedEx Web Sites, and their supporting systems, employ generally accepted information security techniques such as firewalls, access control procedures and cryptography to appropriately protect confidential information from unauthorized access.

IP Addresses

The FedEx Web Sites collect IP addresses for system administration, security, and statistical analysis purposes. An IP address is a number that is automatically assigned to a computer whenever it is connected to the Internet. We log these addresses and analyze them to understand where requests originate so that we can provide the most efficient service, enhance security, ensure appropriate usage and produce traffic volume statistics.

Supplies

FedEx supplies all envelopes, labels, etc necessary for air (FedEx Express) shipments. See the FedEx Service Guide for a complete list of free supplies. There are no free packaging supplies for FedEx Ground, only Express.

Undeliverable Items

If FedEx is unable to complete delivery of a package a notice will be left at the consignee's address stating that delivery has been attempted. Thereafter, a second, and if necessary, a third delivery attempt to deliver the package will be made without additional charge. Domestic packages refused by the consignee, or which for any other reason cannot be delivered, will be promptly returned to the shipper.

Award Notice
Contract No.: GSS09413-DOCUMENT SRVC

Package Declared Value:

A package is automatically protected against loss or damage up to \$100. Additional protection up to \$50,000 per package is available upon request.

<u>Declared Value</u>	<u>Charges</u>
\$0.00 - \$100	\$0.00
\$100.01 - \$50,000	\$.65 per \$100 of value (\$1.95 minimum)

FedEx offers FedEx Insight which puts up-to-date information at your fingertips. About packages you send or those you are expecting. It proactively provides you with information that helps save time, cut costs and improve customer service.

FedEx Insight

FedEx InsightSM is a portfolio of visibility services designed to provide proactive status information about FedEx shipments. All services are available at no cost to US-based FedEx accounts. To Learn more, please go to:

<https://www.fedex.com/insight/login/index.jsp>

Features and Benefits

After you are approved for InSight, you will be able to use this free service to:

- Track without a tracking or reference number
- Receive proactive shipment notifications
- Monitor all of your shipments

Features

- InSight will display current status on all shipments matched to your account number and/or address.
- Monitor all your shipments through reliable status updates for all incoming, outgoing, and third party shipments.
- Receive immediate notifications about clearance delays, attempted deliveries, proofs of delivery, and more- via email, Internet, or wireless.

Benefits

- Save time by eliminating the need to track each package separately
- Provide current status information if a shipment is delayed to avoid customer complaints
- More efficiently plan manufacturing or distribution resources with proactive delay notifications, thereby decreasing costs

Tracking Packages.

You can track your shipments by numerous options. Please go to www.fedex.com to learn more.

7. DEFINITIONS AND EXPLANATION OF SERVICES



US Express Services

**Priority Overnight
Standard Overnight
2Day
Express Saver**

**Next Day by 10:30 AM
Next Day by 3 PM
Second Business Day by 5 PM
Third Business Day by 5 PM**

International Services

**International Priority
International Economy**



US Ground Services

**Ground Commercial
Ground Home Delivery**

**Business Delivery - See Map below for transit times
Residential Delivery – See Map below for transit times**

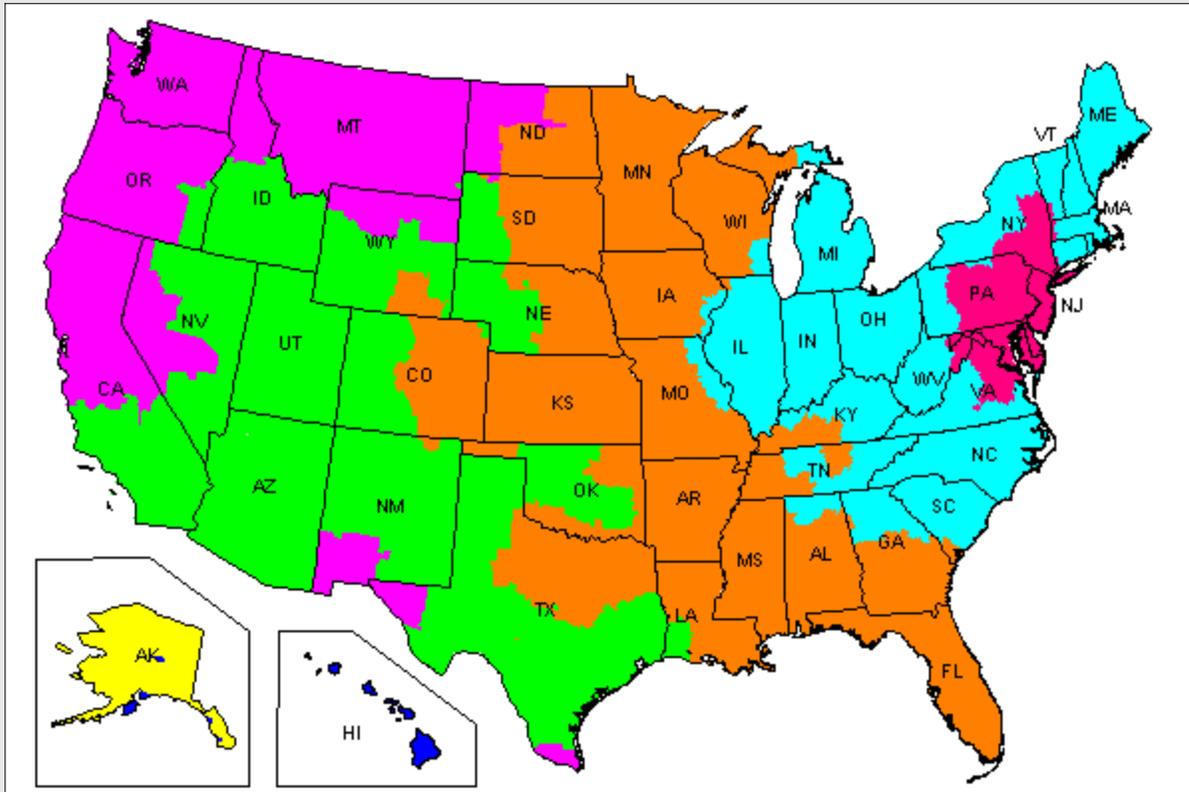
Ground Service Maps

Ground Service Maps Results



[Printable Version](#)

Shipping from ZIP/Postal code: 19904



1 Day 2 Days 3 Days 4 Days 5 Days 6 Days 7+ Days

5. **PRICING:**

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Prices will remain firm for the term of the contract year. Please see Pricing Spreadsheet.

6. **ADDITIONAL CHARGES**

Effective January 5, 2009

Surcharge Changes

The following surcharge changes took effect January 5, 2009, unless otherwise noted, for FedEx Express[®], FedEx Ground[®] and FedEx Home Delivery[®] services.

Additional Handling Surcharge

- For applicable FedEx Express U.S. package services and FedEx Ground services, an additional handling surcharge applies to any package that requires special handling. This surcharge increased from \$6.50 per package to \$7.50 per package.
- Effective January 19, 2009, FedEx Express will apply this surcharge to packages that measure greater than 30 inches along their second-longest side and/or have an actual weight greater than 70 lbs., in addition to all other criteria as found in the January 5, 2009 FedEx Service Guide.
- Effective January 19, 2009, FedEx Ground will apply this surcharge to packages that measure greater than 30 inches along their second-longest side, in addition to all other criteria as found in the January 5, 2009 FedEx Service Guide.

Address Correction

If a recipient's address on an airbill, air waybill or shipping label is incomplete or incorrect, we may attempt to find the correct address and complete the delivery.

- For FedEx Express U.S. freight services, the fee increased from \$40 per correction to \$50 per correction.
- For FedEx Ground service, the fee increased from \$6 per correction to \$8 per correction.

Declared Value

- FedEx Express declared-value charges increased from \$0.60 to \$0.65 per \$100 of value. For U.S. package services, the charge applies to shipments valued in excess of \$100, and the minimum charge increased from \$1.80 to \$1.95. For FedEx Express U.S. freight services, the charge applies to the value in excess of \$100 or \$1 per lb., whichever is greater. For international services, the charge applies to the value in excess of \$100 or \$9.07 per lb., whichever is greater. FedEx Ground declared-value charges increased from \$0.60 to \$0.65 per \$100 of value in excess of \$100, and the minimum charge increased from \$1.80 to \$1.95.

Delivery Area Surcharge

- For applicable FedEx Express U.S. package services, a delivery area surcharge applies to shipments destined to select ZIP codes. The surcharge for commercial shipments increased from \$1.50 per package to \$1.60 per package. The surcharge for residential shipments increased from \$2.30 per package to \$2.40 per package. For shipments receiving FedEx Express Multiweight[®] pricing, the fee is assessed per package, and there is a maximum delivery area surcharge. The maximum delivery area

surcharge increased from \$7.50 per shipment to \$8 per shipment for both commercial and residential shipments (except to remote areas of Alaska).

6. ADDITIONAL CHARGES

- For FedEx Ground U.S. service, the delivery area surcharge for commercial shipments increased from \$1.50 per package to \$1.60 per package. The surcharge for residential shipments increased from \$2.30 per package to \$2.40 per package. For shipments receiving FedEx Ground Multiweight® pricing, the maximum charge increased from \$7.50 per shipment to \$8 per shipment.

FedEx® Delivery Signature Options

For FedEx Express U.S. package services and FedEx Ground services, the charges for FedEx Delivery Signature Options increased:

- The charge for Indirect Signature Required increased from \$1.50 per package to \$1.75 per package.
- The charge for Direct Signature Required increased from \$2.50 per package to \$2.75 per package.
- The charge for Adult Signature Required increased from \$3.50 per package to \$3.75 per package.

For shipments receiving FedEx Express Multiweight or FedEx Ground Multiweight pricing, the maximum charge increased from \$10.50 per shipment to \$12.25 per shipment for Indirect Signature Required, from \$17.50 per shipment to \$19.25 per shipment for Direct Signature Required, and from \$24.50 per shipment to \$26.25 per shipment for Adult Signature Required.

FedEx Ground® Alternate Address Pickup

For FedEx Ground U.S. services, the charge for providing pickup service to an address other than the shipping location associated with the FedEx Ground account number increased from \$12 per unique address per week to \$13 per unique address per week.

FedEx Ground® Call Tag

The charge for FedEx Ground Call Tag pickup for commercial locations increased from \$6 per package to \$7 per package when you call FedEx Customer Service to request a call tag. The charge remains at \$6 for commercial locations when you use an electronic shipping solution or select Schedule a Pickup from the Ship tab at fedex.com. The charge for residential pickup will remain at \$7 per package.

Fuel Surcharge

FedEx reserves the right to assess a fuel surcharge for shipments. The amount of fuel surcharge changes monthly and can be accessed by the following website:

<http://www.fedex.com/us/services/fuelsurcharge.html>

Note - The State of Delaware contract allows for a maximum of 7% fuel surcharge for FedEx Express.

Hazardous Materials

For FedEx Ground U.S. service, the surcharge assessed on packages containing hazardous materials increased from \$20 per package to \$22.50 per package.

Inside Delivery Charge

- For FedEx Express U.S. freight services, the charge for inside delivery increased from the greater of \$60 per shipment or \$0.0412 per lb. to the greater of \$65 per shipment or \$0.0446 per lb.

6. ADDITIONAL CHARGES

Inside Pickup Charge

For FedEx Express U.S. freight services and FedEx International Premium[®] service, the charge for inside pickup increased from the greater of \$60 per shipment or \$0.0412 per lb. to the greater of \$65 per shipment or \$0.0446 per lb.

Pickup Charge (FedEx International Premium)

- For FedEx International Premium service, pickup at the shipper's location is available for an additional charge. This charge varies based on service area and shipment weight, and it increased from a minimum of \$15 per shipment to a minimum of \$20 per shipment.

Reroute of Shipment

- For FedEx Express U.S. freight services, the fee for a rerouted shipment increased from \$40 per shipment to \$50 per shipment.

Residential Delivery Charge

For FedEx Express U.S. services, a residential delivery charge applies to shipments to a home or private residence.

- For FedEx Express U.S. package services, the charge increased from \$2.30 per package to \$2.40 per package. There is a maximum residential delivery charge if the shipment receives FedEx Express Multiweight pricing. The maximum residential delivery charge increased from \$20 per shipment to \$21 per shipment.
- For FedEx Express U.S. freight services, the charge increased from \$75 per shipment to \$90 per shipment.

For FedEx Ground services, the residential delivery charge increased from \$2.30 per package to \$2.40 per package. For shipments receiving FedEx Ground Multiweight pricing, the maximum charge increased from \$20 per shipment to \$21 per shipment. For FedEx Home Delivery service, the residential delivery charge increased from \$1.95 per package to \$2.05 per package.

Residential Pickup Charge

- For FedEx Express U.S. freight services and FedEx International Premium service, a residential pickup charge applies to shipments picked up from a home or private residence. The charge for residential pickup increased from \$75 per shipment to \$90 per shipment.

Saturday Delivery

- For applicable FedEx Express U.S. package services, the charge for Saturday delivery does not apply for shipments receiving FedEx Express Multiweight pricing. The fee increased from \$12.50 per package to \$15 per package for U.S. package services, and from \$12.50 per shipment to \$15 per shipment for international package services.

6. ADDITIONAL CHARGES

Saturday Pickup

- For FedEx Express U.S. package services, a Saturday pickup charge is assessed per package, and there is a maximum Saturday pickup charge per shipment. The per-package charge increased from \$12.50 per package to \$15 per package, and the maximum charge increased from \$87.50 per shipment to \$105 per shipment.
- For FedEx Express international package services, the Saturday pickup charge is assessed per shipment, and the charge increased from \$12.50 per shipment to \$15 per shipment.

Weekly Pickup Fee

- For FedEx Ground services, the charge for weekly pickup service for customers with invoiced weekly shipping charges of \$60 or more increased from \$8 per week to \$9 per week. For customers with invoiced weekly shipping charges of less than \$60, the charge increased from \$12 per week to \$13 per week. **Note - This fee has been WAIVED for the State of Delaware customers.**

ADDITIONAL TERMS AND CONDITIONS

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7. BILLING:

The successful vendor is required to "**Bill as Shipped**" to the **respective ordering agency(s)**. Ordering agencies shall provide at a minimum the contract number, ship to and bill to address, contract name and phone number.

8. PAYMENT:

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The State makes payments for goods and services using procurement (credit) cards, electronic funds transfer and/or conventional checks. The contractor or vendor must accept full payment by procurement card and/or conventional check at the State's option, without imposing any additional fees, costs or conditions.

9. PRODUCT SUBSTITUTION:

All items delivered during the life of the contract shall be of the same type and manufacture as specified unless specific approval is given by the Division of Support Services to do otherwise. Substitutions may require the submission of written specifications and product evaluation prior to any approvals being granted.

10. ORDERING PROCEDURE:

Successful contractors are required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Each agency is responsible for placing their orders and may be accomplished by written purchase order, telephone, fax or computer on-line systems. The State makes payments for goods and services using procurement (credit) cards, electronic funds transfer and/or conventional checks. The contractor or vendor must accept full payment by procurement card and/or conventional check at the State's option, without imposing any additional fees, costs or conditions.

11. HOLD HARMLESS:

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

12. NON-PERFORMANCE:

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

13. FORCE MAJEURE:

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.