CONTRACT #12
RFS # 347.01-09139
Edison # 48135

Department of Revenue

VENDOR:
Agissar Corporation

BILL HASLAM
Governor

STATE OF TENNESSEE
DEPARTMENT OF REVENUE
ANDREW JACKSON STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37242

RICHARD H. ROBERTS
Commissioner

November 2, 2015

Leni Chick, Contract Audit coordinator
Fiscal Review Committee
8th Floor Rachel Jackson Building
Nashville, Tennessee 37243-0213

Re: Proposed Contract with Agissar Corporation

The Department of Revenue respectfully submits a new contract with Agissar, Inc. for review by the joint fiscal review subcommittee.

This commodity type contract provides sole source maintenance and upgrade support for the department's mail extraction equipment to:

1) Allow DOR to continue compliance with F&A Policy 25 which requires funds be deposited within 24 hours,

2) Interface with the INFOPointe data collectors to provide real time data to maximize productivity and provide automatic reporting of manual and machine tasks,

3) Provide a four hour on site response time, during coverage hours of 5:00am to 2:30pm.

Agissar has been the sole source provider for these services since November 8, 2000. This system was developed by Agissar Corporation with its INFOpoll Network Systems engineers. The current contract expires February 17, 2016. This contract will allow for uninterrupted coverage of the eight extractors and fixes the cost for five years. Should the number of paper returns decline dramatically, we have the right to cancel the remaining years of the agreement. Even though electronic filing has increased, 862,313 paper returns were processed last fiscal year.

The Department of Revenue believes it is in the best interest of the Taxpayers, TDOR and the State to enter into a new contract with Agissar. A peak period disruption could cause the Department of Revenue to not be in compliance with F&A Policy 25 and delay the posting of taxpayer payments

Sincerely,

Richard H. Roberts

Supplemental Documentation Required for Fiscal Review Committee

*Contact Name:	Tammy Grizzle	*Contact Phone:	615-253-1381
*Presenter's name(s):	Barbara Sampson, Yvonne Holbert		
Edison Contract Number: (*if applicable*)	00000000000048135	RFS Number: (*if applicable*)	
*Original or Proposed Contract Begin Date:	02/18/2016	*Current or Proposed End Date:	02/17/2021
Current Request Amendment Number: (*if applicable*)			
Proposed Amendment Effective Date: (*if applicable*)			
*Department Submitting:	Department of Revenue		
*Division:	Processing		
*Date Submitted:	11/4/15		
*Submitted Within Sixty (60) days:	yes		
If not, explain:			
*Contract Vendor Name:	Agissar Corporation		
*Current or Proposed Maximum Liability:	$325,007		
*Estimated Total Spend for Commodities:	$325,007		

*Current or Proposed Contract Allocation by Fiscal Year:
(as Shown on Most Current Fully Executed Contract Summary Sheet)

FY:2016	FY:2017	FY:2018	FY:2019	FY2020	FY
$63,706	$64,187	$64,834	$64,647	$66,633	$

*Current Total Expenditures by Fiscal Year of Contract:
(attach backup documentation from Edison)

IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:	N.A.
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:	N.A.
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:	N.A>

Supplemental Documentation Required for Fiscal Review Committee

*Contract Funding Source/Amount:			
State:	$325,007	Federal:	
Interdepartmental:		*Other*:	
If "*other*" please define:			
If "*interdepartmental*" please define:			

Dates of All Previous Amendments or Revisions: (*if applicable*)	Brief Description of Actions in Previous Amendments or Revisions: (*if applicable*)

Method of Original Award: *(if applicable)*	Sole Source
*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?	$325,007 Vendor Quote
*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.	Agissar is the sole source provider of components and support for Agissar equipment. Aggissar technician are privy to proprietary information concerning the design, engineering and mechanic of the equipment.

AGISSAR CORPORATION

526 Benton Street, Stratford, CT 06615, PH 203 375-8662, FAX 203 375-5345

August 21, 2015

Tennessee Department of Revenue
500 Deaderick Street
Nashville, TN 37242-1099

Attn: Yvonne Holbert

Dear Ms. Holbert,

Agissar Corporation is the sole provider of major component parts needed to service Agissar Equipment.

In addition the INFOPoll® Network is a real-time labor tracking and reporting system for mail extraction and document preparation. This system was developed by Agissar Corporation and its INFOPoll® Systems Division's engineers. This system interfaces to the INFOPointe® Data Collectors to provide both users of the system and management with real-time data to maximize productivity and provide automatic reporting for manual and machine tasks. Agissar Corporation and its INFOPoll® Systems Division is the sole provider for the INFOPoll® Network

Agissar Service Division technicians receive specific training on all of our mail handling products. They are privy to proprietary information concerning the design, engineering, and mechanics of an Agissar equipment.

Sincerely,

Suzanne Rassiga Foley
Vice President
Agissar Corporation
526 Benton Street
Stratford, CT 06615

Maintenance Specification for Agissar Mail Extractors

1. Agissar Corporation (the "Contractor") shall perform on-site maintenance, which shall consist of monthly cleaning and the adjustment and replacement of parts for the State of Tennessee, Department of Revenue (the "State"). The Contractor shall provide a printed report of adjustments and/or replacements to the State at no additional charge.
2. The Contractor shall perform preventative maintenance inspections four (4) times per year prior to each peak period. Each peak period is determined by the State's common practice and customs and is subject to change. Maintenance should be performed to emphasize the alleviation of system problems and ensure production schedules are met. The Contractor shall provide a detailed printed report of findings and actions taken to the State at no additional charge.
3. Contractor personal shall replace all parts at no additional cost to the State.
4. The Contractor shall perform service calls between inspections at no additional charge; provided the service call is placed between 5:00 a.m. – 2:30 p.m., Monday through Friday excluding holidays.
5. The Contractor shall furnish certified technicians trained on the equipment listed and provide proof of such certification. Such technicians must continue to take educational courses to maintain their certification.
6. The Contractor shall provide on-site maintenance and support of the InfoPoll software at no additional charge.
7. The Contractor shall provide normal operational coverage from 5:00 a.m. – 2:30 p.m., Monday through Friday, with a minimum of four (4) hours of on-site presence by Contractor personnel, and with "On-Call" availability for the remaining four and a half (4.5) hours of coverage at no additional charge. For service and maintenance, the State may contact the Contractor's Telephone Support Number. The Telephone Support Number is 1-800-324-4772.
8. A technician shall return a service call within one (1) hour of the service call. If the equipment problem cannot be rectified with telephone support, the technician will arrive on-site within four (4) hours of the initial service request, provided the service request was made at such a time as to allow the technician sufficient time to arrive within the contracted service hours of 5:00 a.m. – 2:30 p.m., Monday through Friday. If the service request was not made in time to allow the technician to arrive on-site by 2:30 p.m., the technician shall be at the site at 5:00 a.m. the following business day.
9. The State will not pay for any travel expenses incurred for on-site, preventative, emergency, or any other service, maintenance, repair, or support.
10. The Contractor's equipment is located in the Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, TN 37242.
11. These terms of service exclude:
    a. The cost of service calls generated as a result of operator error;
    b. Maintenance or repair made necessary by accident, misuse, neglect, willful or intentional acts of the State;
    c. Interconnecting or using unauthorized attachments, parts, or supplies with the equipment that do not meet applicable specifications;
    d. Repair or alterations of equipment by unauthorized personnel;
    e. Change of equipment location by the State, unless required or performed by the Contractor;

f. Failure to meet environmental and electrical power requirements:
   i. Electrical: 10/120V 20 amp circuit
   ii. Environmental: Indoor use only
   iii. Operating Temperature: 10-35° C (50-95° F)
   iv. Relative Humidity: 5-90% non-condensing
g. Equipment damage resulting from accident, fire, flood, earthquake, or other acts of God;
h. Acts of third parties unrelated to the Contractor or the State;
i. Any cause other than normal use of the equipment; and
j. Supply items such as printer ribbons or cartridges.

Suzanne Rassiga Foley

9/21/2015

OIR Pre-Approval Endorsement Request
E-Mail Transmittal

TO : Mark Rampey, OIR Contracts
Department of Finance & Administration
E-mail:Mark.Rampey@tn.gov

FROM : Julie Bair, Assistant Fiscal Director, Revenue
E-mail :Julie.Bair@tn.gov

DATE : 9/8/2015

RE : Request for OIR Pre-Approval Endorsement

Applicable RFS#	**347.01AGISSSAR**
OIR Endorsement Signature & Date:	
Mark Bengel (MR) **Chief Information Officer**	9/18/15

NOTE: Proposed contract/grant support is applicable to the subject IT service technical merit.

Office for Information Resources (OIR) pre-approval endorsement is required pursuant to procurement regulations pertaining to contracts with information technology as a component of the scope of service. This request seeks to ensure that OIR is aware of and has an opportunity to review the procurement detailed below and in the attached document(s). This requirement applies to any procurement method regardless of dollar amount.

Please indicate OIR endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

Contracting Agency	**Department of Revenue**
Agency Contact (name, phone, e-mail)	**Orlando Jordan 615.532.8943** **Orlando.X.Jordan@tn.gov**

Attachments Supporting Request(mark all applicable)

Note: The complete draft procurement document and the applicable documents listed below must accompany this request when submitted to OIR. Special Contract Requests and Amendment Requests without Agency Head signature are acceptable. OIR is aware that these documents will not have CPO signature when submitted with this request.

- ☐ Solicitation Document
- ☒ Special Contract Request
- ☐ Amendment Request
- ☐ Proposed Contract/Grant or Amendment
- ☐ Original Contract/Grant and Previous Amendments (if any)

Applicable RFS# **347.01AGISSSAR**

Information Systems Plan (ISP) Project Applicability

To avoid delay of OIR pre-approval, the applicability of an ISP project to the procurement must be confirmed with agency IT staff prior to submitting this request to OIR. If necessary, agency IT staff should contact OIR Planning with questions concerning the need for an ISP project.

IT Director/Staff Name Confirming (required): Rosemary Greene

☐ Applicable– Approved ISP Project#

☒ Not Applicable

Subject Information Technology Service Description

Agissar is the sole source provider for maintenance and upgrade for DOR's mail extraction equipment. This equipment is used to expedite the opening of mail – thereby allowing us to get funds deposited within 24 hours as mandated by F&A Policy 25. Agissar is the sole source provider for hardware and software maintenances and upgrades for DOR's mail extraction equipment. Agissar operates a standalone system and is not connected to the State operated system.

cy15-5743

Special Contract Request

This form should be utilized to facilitate contract and procurement requests that require the Chief Procurement Officer's prior approval and that of the Comptroller of the Treasury, as applicable.

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.

Route a completed request, as one file in PDF format, via e-mail attachment sent to: agsprs.agsprs@tn.gov.

APPROVED Michael F. Perry - AK Digitally signed by Michael F. Perry -AK DN: cn=Michael F. Perry - AK, o=CPO, ou=CPO, email=andy.kidd@tn.gov, c=US Date: 2015.09.29 11:40:57 -05'00'	**APPROVED** 9/30/2015
CHIEF PROCUREMENT OFFICER **DATE**	**COMPTROLLER OF THE TREASURY** **DATE**

Request Tracking #	**347.01AGISSAR**
1. Type of Contract or Procurement	☐ **No Cost** ☐ **Revenue** ☒ **Sole Source** ☐ **Proprietary** ☐ **Competitive Negotiation** ☐ **Other** _____
2. Requestor Contact Information	Yvonne.Holbert@tn.gov Orlando.X.Jordan@tn.gov
3. Brief Goods or Services Caption	**Maintenance and Support of Agissar Mail Extractors**
4. Description of the Goods or Services to be Acquired	**See Specification attachment:**

5. **Proposed Contractor**	**Agissar Corporation**
6. **Name & Address of the Contractor's principal owner(s)** *– NOT required for a TN state education institution*	**Agissar Corporation** **526 Benton Street** **Stanford, CT 06615** **23-375-8662.135** **Alyce Shields – G&A Office Manager**
7. **Proposed Contract Period** *– with ALL options to extend exercised* ***the proposed contract start date shall follow the approval date of this request.***	**60 months**
8. **Office for Information Resources Pre-Approval Endorsement Request** *– information technology (N/A to THDA)*	☒ **Not Applicable** ☐ **Attached**
9. **eHealth Pre-Approval Endorsement Request** *– health-related professional, pharmaceutical, laboratory, or imaging*	☒ **Not Applicable** ☐ **Attached**
10. **Human Resources Pre-Approval Endorsement Request** *– state employee training*	☒ **Not Applicable** ☐ **Attached**
11. **Are these goods or services currently available on a statewide contract? If YES, please explain why the current statewide contract is not being used for this procurement.**	☒ **NO** ☐ **YES,**
12. **Maximum Contract Cost** *– with ALL options to extend exercised*	**$325,007.00**
13. **Was there an initial government estimate? If so, what amount?**	☐ **NO** ☒ **YES $325,007.00**
14. **Cost Determination Used-** How did agency arrive at the estimate of expected costs?	**Vendor quote after negotiations with vendor**
15. **Explanation of Fair and Reasonable Price-** Explain how agency determined that price is fair and reasonable	**Current contract is $196,833 for three years in which expires 2/17/16. Overall cost for a new 5 years period is $325,007.00, thus freezing the cost for 5 years.**
16. **Documentation of Discussions with Contractor-** How did agency document discussions with Contractor? Attach	**Discussions were made by telephone**

documentation to this request as applicable.	conversations and e-mails.
17. Explanation of Need for or requirement placed on the State to acquire the goods or services	
18. Proposed contract impact on current State operations	The proposed contract will provide the hardware, software maintenance necessary for the state of TN to open and process mail efficiently. Thereby ensuring timely deposits and updating of taxpayer accounts.
19. Justification – Specifically explain why the goods or services should be acquired through the procurement method or contract type selected.	Agissar is the sole source provider for maintenance and upgrade for DOR's mail extraction equipment.
For No Cost and Revenue Contracts Only	
20. What costs will the State incur as a result of this contract? If any, please explain.	
21. What is the total estimated revenue that the State would receive as a result of this contract?	
22. Could the State also contract with other parties interested in entering substantially the same agreement? Please explain.	☐ NO ☐ YES
23. Summary of State responsibilities under proposed contract	
For Sole Source and Proprietary Procurements Only	
24. Explanation of Need for or requirement placed on the State to acquire the goods or services	This equipment is used to expedite the opening of mail – thereby allowing us to get funds deposited within 24 hours as mandated by F&A Policy 25
25. Evidence of Contractor's experience & length of experience providing the goods or services to be procured.	Agissar Corp has been the sole source provider for these services since 11/8/2000.
26. Has the contracting agency procured the subject goods or services before? If yes, provide the method used to purchase the goods or services and the name and address of the contractor.	☐ NO ☒ YES, Method: Sole Source Name/Address: Agissar Corporation 526 Benton Street

	Stanford, CT 06615 **203-375-8662**
27. Contractor selection process and efforts to identify reasonable, competitive, procurement alternatives	N/A SOLE SOURCE
Signature Required for all Special Contract Requests	
Agency Head Signature and Date – *MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented circumstances* Signature: Richard Roberts, Commissioner — 9/21/2015 Date	

Applicable RFS# **347.01AGISSSAR**

Information Systems Plan (ISP) Project Applicability

To avoid delay of OIR pre-approval, the applicability of an ISP project to the procurement must be confirmed with agency IT staff prior to submitting this request to OIR. If necessary, agency IT staff should contact OIR Planning with questions concerning the need for an ISP project.

IT Director/Staff Name Confirming (required): Rosemary Greene

☐ Applicable– Approved ISP Project#

☒ Not Applicable

Subject Information Technology Service Description

Agissar is the sole source provider for maintenance and upgrade for DOR's mail extraction equipment. This equipment is used to expedite the opening of mail – thereby allowing us to get funds deposited within 24 hours as mandated by F&A Policy 25. Agissar is the sole source provider for hardware and software maintenances and upgrades for DOR's mail extraction equipment. Agissar operates a standalone system and is not connected to the State operated system.

TN Department of General Services

MEMO

TO: Andy Kidd, Director of Sourcing
Toni Stewart, Staff Attorney

FROM: Elizabeth Stafford, Sourcing Analyst ES

DATE: September 24, 2015

SUBJECT: Special Contract Request 347.01AGISSAR

Special Contract Request 347.01AGISSAR is a sole source request by the Department of Revenue for a sixty month contract with Agissar Corporation.

Agissar equipment is used to expedite the opening of mail, which allows the Department of Revenue to comply with F&A Policy 25. This sixty month contract is for maintenance and support of Agissar mail extractors. Agissar Corporation is the sole provider of major component parts needed to service this equipment. Agissar Service Division technicians receive specific training on all mail handling products. They are privy to proprietary information concerning the design, engineering, and mechanics of all Agissar equipment. A sole source contract is recommended, as Agissar Corporation is the only organization that is able to provide proper maintenance and support for the equipment that the State already has in place.

The buyer recommends this sole source, $325,007.00, sixty month contract.

Andy T. Kidd
Digitally signed by Andy T. Kidd
DN: cn=Andy T. Kidd, o=CPO, ou=CPO - Sourcing, email=andy.kidd@tn.gov, c=US
Date: 2015.09.29 11:38:06 -05'00'

Director of Sourcing — Date

Kevin C. Bartels
Digitally signed by Kevin C. Bartels
DN: cn=Kevin C. Bartels, o, ou=CPO Legal, email=Kevin.C.Bartels@tn.gov, c=US
Date: 2015.09.28 10:37:23 -05'00'

Staff Attorney — Date

STATE OF TENNESSEE, DEPARTMENT OF GENERAL SERVICES
CENTRAL PROCUREMENT OFFICE

Agency Term Contract Multi-Year - Issued to:

Agissar Corporation
526 Benton St
Stratford CT 06615

Vendor ID: 0000000243

CONTRACT NUMBER: 00000000000000000000048135 TITLE: Agissar 5 Year Contract

START DATE: February 18, 2016 END DATE: February 17, 2021

Contract Contact Information:

State of Tennessee
Department of General Services, Central Procurement Office
Contract Administrator: Orlando S Jordan
3rd Floor, William R Snodgrass, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243-1102
Phone:
Fax: 615-741-0684

Line Information

Line 1
Item ID: 1000153616
Mail Extractors, Maintenance Technical Support and Upgrade, Infopoll Lines. Location: DOR Processing Division, 7th Fl Andrew Jackson Building, 500 Deaderick St. Nashville, TN. Year 1
Unit of Measure: YR
Vendor Item/Part #: AGISSAR1
Manufacturer Item #:
Unit Price: $ 63706

Line 2
Item ID: 1000153617
Mail Extractors, Maintenance Technical Support and Upgrade, Infopoll Lines. Location: DOR Processing Division, 7th Fl Andrew Jackson Building, 500 Deaderick St. Nashville, TN. Year 2
Unit of Measure: YR
Vendor Item/Part #: AGISSAR2
Manufacturer Item #:
Unit Price: $ 64187

Line 3
Item ID: 1000153618
Mail Extractors, Maintenance Technical Support and Upgrade, Infopoll Lines. Location: DOR Processing Division, 7th Fl Andrew Jackson Building, 500 Deaderick St. Nashville, TN. Year 3
Unit of Measure: YR
Vendor Item/Part #: AGISSAR3
Manufacturer Item #:
Unit Price: $ 64834

Line 4
Item ID: 1000171314
Mail Extractors, Maintenance Technical Support and Upgrade, Infopoll Lines. Location: DOR Processing Division, 7th Fl Andrew Jackson Building, 500 Deaderick St. Nashville, TN. Year 4
Unit of Measure: YR
Vendor Item/Part #: AGISSAR4
Manufacturer Item #:
Unit Price: $ 65647

Line 5
Item ID: 1000171315
Mail Extractors, Maintenance Technical Support and Upgrade, Infopoll Lines. Location: DOR Processing Division, 7th Fl Andrew Jackson Building, 500 Deaderick St. Nashville, TN. Year 5
Unit of Measure: YR
Vendor Item/Part #: AGISSAR5
Manufacturer Item #:
Unit Price: $ 66633

APPROVED: _____ BY: _____ _____
CHIEF PROCUREMENT OFFICER PURCHASING AGENT DATE

Terms and Conditions

Event Number: **34701-0000000000000000000009139**

Standard Terms and Conditions

Instructions to Bidders:

1. Read the entire bid, including all terms and conditions and specifications.

2. If submitting the bid by mail: All bid prices must be typed or written in ink on the Line Details portion of the Invitation to Bid (ITB); any corrections, erasures or other forms of alteration to unit prices must be initialed by the bidder.

3. If submitting the bid by mail, the bid must be manually signed in ink; failure to do so will cause rejection of your bid. If submitting the bid on-line, your electronic signature constitutes having signed the bid.

4. Bid prices shall include delivery of all items F.O.B. destination or as otherwise specified.

5. Address all inquiries and correspondence to the Purchasing Agent indicated in the Invitation to Bid.

6. I (we) agree to strictly abide by all the statutes and terms contained in the rules of the Department of General Services, Central Procurement Office which are by reference made a part hereof, in addition to the Standard and Special Terms & Conditions, and Specifications embodied in this Invitation to Bid.

7. IMPORTANT: By submitting the bid, the Bidder certifies compliance with the above and further certifies that this bid is made without collusion or fraud.

8. State statutes require that all bidders be registered prior to the issuance of a contract or a purchase order. Vendors/Bidders can register online at the State of Tennessee Supplier Portal: https://supplier.edison.tn.gov.

9. I (We) propose to furnish and deliver any and all of the supplies, services, and/or other commodities named in the Invitation to Bid, and for which I (we) have set prices in my (our) offering.

10. It is understood and agreed that this bid, when certified by authorized signature, shall constitute an offer, which when accepted in writing by the Department of General Services, Central Procurement Office, and subject to the terms and conditions of such acceptance, will constitute a valid binding contract between the State of Tennessee and the Vendor/Contractor (bidder) submitting such offering.

11. By my (our) written signature on this bid I (we) guarantee and certify that all items included in the bid meet or exceed any and all State specifications covering such items. I (We) further agree, if awarded a contract or purchase order as a result of this bid, to deliver such commodities, service or merchandise which meet or exceed the specifications.

12. It is understood and agreed that no contract may be assigned, sublet, or transferred without the written consent of the Central Procurement Office.

13. The inclusion in any response of a limitation of remedies or liabilities clause may be cause for rejection, unless otherwise specified in this solicitation or in accordance with the provisions of *Tennessee Code Annotated* § 12-3-701 or Central Procurement Office Rules, policies or procedures.

14. All bidders have the right to inspect the bid file, prior to award, upon completion of the evaluation by the Central Procurement Office. Interested bidders should contact the Purchasing Agent following the bid opening date or once the file is open for the seven (7) day inspection period. A "File Open for Inspection" letter will be sent to all bidders detailing the bidder(s) recommended for award and the evaluated award amount(s). Upon request, a reasonable opportunity to inspect the bid file will be provided to the bidder. If there is no request to inspect the bid file by the end of the seven (7) day inspection period, the Purchasing Agent will proceed with the award.

15. Protest by Vendor: Pursuant to Tenn. Code Ann.§ 4-56-103, any actual proposer may protest. Please refer to the Central Procurement Office's website to obtain a copy of the protest procedures and protest bond requirements or contact the sourcing analyst or category specialist at 615-741-1035. The website for the Central Procurement Office is as follows: http://tn.gov/generalserv/cpo/for_bidders.html

16. Bid Mailing Instructions: Each individual bid proposal must be returned in a separate envelope package or container and must be properly labeled on the outside referencing the applicable event number and the bid opening date. Bids should be mailed in a properly labeled sealed envelope to the following address:

Department of General Services, Central Procurement Office
Attn: Bidder Services
3rd Floor, William R Snodgrass, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243-1102

17. Subject to paragraph 13, the Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by Tennessee Code Annotated, Section 8-6-106

18. Contracts are entered into solely for the convenience of the State of Tennessee. The vendor/contractor understands and agrees that the State of Tennessee, as a signatory party to a contract, is solely responsible for its performance, and that the officers and employees of the Department of General Services, Central Procurement Office, act exclusively as agents of the State for the award, consummation, and administration of contracts and are not personally liable for any performance or nonperformance by the State.

19. A bid must be received in the Central Procurement Office on or before the date and hour designated for the bid opening or the bid will be rejected.

20. The Central Procurement Office may reject any or all bids. Action to reject all bids shall be taken only for unreasonably high prices, errors in the Invitation to Bid (ITB), cessation of need, unavailability of funds, or any other reason approved by the Procurement Commission. The Procurement Commission has authorized rejection of all bids for failure to secure adequate competition. If an ITB is to be re-advertised, all prior bids shall remain closed to inspection until the evaluation of the re-advertisement is complete.

21. All present and former employees or officials of the State are referred to Tennessee Code Annotated 12-4-103.

22. Any individuals with disabilities who wish to participate in public meetings such as a scheduled pre-bid conference or other scheduled function should contact the Central Procurement Office to discuss any auxiliary aids or services needed to facilitate such participation. Such contact may be in person, by writing, telephonically, or otherwise, and should be made no less than ten (10) days prior to the scheduled event, to allow time for the Central Procurement Office to provide such aid or service.

23. No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal and/or Tennessee State Constitutional and/or statutory law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in the performance of the Contract or in the employment practices of the vendor/contractor. The vendor/contractor shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and applicants, notices of non-discrimination.

24. TAXES: Purchases of goods by the State of Tennessee are exempt from Tennessee sales and use tax pursuant to Tenn. Code Ann. 67-6-329(a) (4), and the state is generally exempt from Federal excise tax. Contractors are subject to Tennessee sales and use tax on all materials and supplies used in the performance of a contract, whether such materials and supplies are purchased by the contractor, produced by the contractor, or provided to the contractor by the State, pursuant to Tenn. Code Ann. 67-6-209. The contractor agrees to pay all taxes incurred in the performance of an awarded contract.

State agencies which procure products for the purpose of resale shall register with the Department of Revenue. Upon registration the agency will issue resale certificates to the successful contractor(s) for products procured for resale. The agency is responsible for the collection of the appropriate sales or use tax when the product is sold.

25. Exceptions to terms and conditions and/or those proposed by the bidder which may vary from the invitation to bid may render the bid unresponsive and subject the bid to rejection.

26. Unless otherwise stated, all goods called for by a purchase order must be tendered in a single delivery in compliance with the delivery time specified and payment is due only on such tender. Partial shipments and/or back orders will only be accepted with receiving agency's prior authorization.

27. All products, materials, supplies and equipment offered and furnished must be new, of current manufacturer production, and must have been formally announced by the manufacturer as being commercially available as of the date of the bid opening, unless otherwise stated in this event.

28. Manufacturers of chemical products which are the subject of purchase contracts for the State of Tennessee shall list and maintain a material safety data sheet (MSDS) for such chemical products on the national MSDS search repository or on the manufacturer's website so that such information can be accessed by means of the Internet. A site operated by or on behalf of the manufacturer or a relevant trade association is acceptable so long as the information is freely accessible to the public. In lieu of posting a MSDS on MSDSSEARCH, a bidder shall include the manufacturer's universal resource locator (URL) for its MSDS in the event. For purposes of this MSDS requirement, the Department of General Services recognizes the following URL for national MSDS search repository:MSDS-SEARCH, which can be accessed on the internet at: http://www.msdssearch.com.

29. Conflict of Interest: The State may not consider a solicitation response from an individual who is, or within the past six (6) months has been, a state employee. For purposes of this solicitation, an individual shall be considered to be a "state employee" and prohibited from submitting a response to this solicitation for six (6) months after such time as all compensation for salary, termination pay, and annual leave has been paid to such state employee. A contract with or a solicitation response from a company, corporation, or any other contracting entity in which a controlling interest is held by a state employee shall be considered to be a contract with or a solicitation response from a state employee as though the state employee were submitting a response or entering a contract on his or her behalf. Notwithstanding the foregoing, a contract with or a solicitation response from a company, corporation, or any other contracting entity that employs an individual who does not own a controlling interest in such entity and who is, or within the past six months has been, a state employee shall not be considered a contract with or a solicitation response from a state employee and shall not constitute a prohibited conflict of interest.

30. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The contractor agrees that it will be subject to the exclusive jurisdiction of the courts of Tennessee in actions that may arise under this contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under Tennessee Code Annotated, Section 9-8-101 through 9-8-407.

31. State and Federal Compliance: The contractor shall comply with all applicable state and federal laws and regulations in the performance of this contract.

32. Professional Licensure and Department of Revenue Registration: All persons, agencies, firms, or other entities that provide legal or financial opinions, which a Proposer provides for consideration and evaluation by the State as a part of a proposal in response to this solicitation, shall be properly licensed to render such opinions. Before the Contract resulting from this solicitation is signed, the apparent successful Proposer (and Proposer employees and subcontractors, as applicable) must hold all necessary, appropriate business and professional licenses to provide service as required. The State may require any Proposer to submit evidence of proper licensure. Before the Contract resulting from this solicitation is signed, the apparent successful Proposer must be registered with the Department of Revenue for the collection of Tennessee sales and use tax. The State shall not award a contract unless the Proposer provides proof of such registration. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation. For purposes of this registration requirement, the Department of Revenue may be contacted at: TN.Revenue@tn.gov.

33. Prohibition of Illegal Immigrants: The requirements of State of Tennessee's Public Acts, 2006, Chapter Number 878 and Executive Order 41 addressing the use of Illegal Immigrants in the performance of any contract to supply goods or services to the State of Tennessee, shall be a material provision of this contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this contract.

As required by Public Acts, 2006, Chapter Number 878, no person may enter into a contract to supply goods or services to the State without first attesting in writing that the person will not knowingly utilize the services of Illegal Immigrants in the performance of this contract, and will not knowingly utilize the services of any subcontractor who will utilize the services of Illegal Immigrants in the performance of this contract. For purposes of this contract, "Illegal Immigrant" shall be defined as any person who is not either a United States citizen, a lawful permanent resident, or a person whose physical presence in the United States is authorized or allowed by the department of homeland security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the contract. The contractor hereby attests, certifies, warrants, and assures that it shall comply with this term and condition for the entire contract period.

The contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Public Chapter 878 of 2006 for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or

submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this contract. The contractor may appeal the imposition of the one-year prohibition by utilizing an appeals process established by the Commissioner of Finance and Administration.

As per Executive Order 41, the contractor shall be required to submit semi-annual Attestation Forms and obtain a signed Attestation Form from any subcontractor prior to the use of the subcontractor and semi-annually thereafter during the contract period. The records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State. Records shall include but are not limited to the following:

Documentation on contractors' employees and subcontractor personnel working on this contract showing that they are legal to work in the United States and payroll records.
Signed and dated Attestation Forms for your company that have been submitted to the Central Procurement Office and Attestation Forms obtained from subcontractor(s).

Note: The contractor shall be required to obtain prior approval to subcontract from the Central Procurement Office.

By authorized signature on this Invitation to Bid the contractor constitutes signing the Attestation Form for the initial six (6) months of the contract period. The contractor shall be required to submit signed Attestation Forms on a semi-annual basis from the start date of the contract period through to its completion date to the Central Procurement Office. Such attestations shall be maintained by the contractor in a permanent file on the vendor premises and made available to State officials upon request. The State of Tennessee provides an "approved Attestation Form" to support the reaffirmation process. The form can be accessed and printed from the internet at http://tn.gov/generalserv/cpo/for_bidders.html

34. Modifications and Amendments: This Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Chief Procurement Officer, the Commissioner of Human Resources, and the Comptroller of the Treasury).

35. Records: The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

36. Monitoring: The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

37. HIPAA Compliance: The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health (HITECH) Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules").

a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.

b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by

the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.

c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver such information without entering into a business associate agreement or signing another such document.

d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

Special Terms and Conditions

1. F.O.B. Destination (Agency Term Contract)

F.O.B. Point:

Agency Name: Department of Revenue

Address:Andrew Jackson State Office Building
500 Deaderick Street
Nashville, TN 37742

2. Term of Contract - Multi-Year

Total Number of Years if all Options are Exercised: 5

Start Date: February 18, 2016 Initial End Date: February 17, 2021 Final End Date: February 17, 2021

The anticipated effective (start) date and expiration (end) dates of the contract are shown above. If award has not been made by the anticipated effective date, then the contract shall become effective upon the date the bid is accepted and contract awarded by the State, as indicated by the purchasing agent's signature on the contract notice of award (note: the change of effective date may not result in a change of the anticipated expiration date.)

RENEWAL OPTIONS: This contract may be renewed upon satisfactory completion of the initial contract term. The State reserves the right to execute up to the number of renewal options listed above annually under the same terms and conditions for a period not to exceed 12 months each by the State. It is mutually understood and agreed that the State's commitment is limited to a base term contract, not to exceed twelve (12) months, which is subject to renewal annually at the State's sole option.

It is understood and agreed that the State reserves the right to extend the term contract period resulting from this solicitation an additional period of time, not to exceed 180 days beyond the normal expiration date of such contract, upon mutual written agreement by both parties, under the same terms and conditions. Provided, however, in no event shall the maximum term of a contract exceed a total of sixty (60) months.

3. Volume, Multi-Year

The total purchases of any individual item on the contract are not known. The Central Procurement Office has attempted to give an accurate estimate of probable purchases of each item from the current contract period and projected estimates for the new contract period. The Central Procurement Office does not guarantee that the state will buy any or all estimated amounts of any specified item or any total amount.

Purchases Current Contract Period $ 196,833

Dates: From February 18, 2013 To February 17, 2016

Estimated Funding New Contract Period

1st 12 MONTHS $ 63,706
2nd 12 MONTHS $ 64,187
3rd 12 MONTHS $ 64,864
4th 12 MONTHS $ 65,647
5th 12 MONTHS $ 66,633

The vendor/contractor will only be paid for products or services rendered hereunder pursuant to purchase order releases issued to vendor/contractor from the state. The vendor/contractor is not entitled to be paid the maximum liability for any one year under the contract or any extensions of the contract for product or service not requested by the state. Maximum liability represents available funds for payment to vendor/contractor and does not guarantee payment of any such funds to the vendor/contractor per year under this contract unless the state requests product or service and vendor/contractor provides said product or service. The state is under no obligation to request product or service from vendor/contractor in any specific dollar amounts per year under this contract and the state may not request any product or service at all from vendor/contractor during the contract period.

4. Bids Requested on Standard State Specifications for Products and/or Services

Unit price bids are requested on products or services that equal or exceed (unless specifications limit the dimensions or brand(s)/model(s) of products to be bid). The absence of detailed specifications or the omission of detail description shall be recognized as meaning that only the best commercial practices are to prevail and that only first quality materials and workmanship are to be used. All interpretations of specifications shall be made from this statement. It is understood that the specifications or references to available specifications shall be sufficient to make the terms of such specifications binding on the vendor/contractor. Bidders must submit for bid evaluation applicable cuts, sketches, descriptive literature, and technical specifications covering the product offered, when applicable. Reference to literature submitted previously will not satisfy this requirement.

Bids requested on architect/engineer/designer specifications, if applicable. Bids are requested per architect/ engineer/designer's specification attached. Bids are to be lump sum and/or unit prices as shown on the price sheet. Any errors or omissions in plans or specifications shall be resolved prior to submission of a bid. Submission of a bid shall constitute agreement and compliance with such specifications and plans. All shop drawings and product sheets required by specifications shall be submitted to architect/engineer/designer prior to fabrication and/or installation.

5. Bid Offer Expiration

Enter the expiration date of your bid offer in the space provided on this Invitation to Bid. A minimum period of thirty (30) days from the bid closing date is requested. The state shall have sixty (60) days to accept the bid if a minimum period is not stated.

6. Debarment and Suspension

The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;

b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and

d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

7. Delivery Time (On-Time)

The contractor shall be required to maintain or to have available for their own use personnel, equipment, and products sufficient to perform "on-time" as specified in this Invitation to Bid.

8. Freight F.O.B. State Agency (In-House)

All quotations shall be F.O.B. destination. The term F.O.B. destination shall mean delivered and unloaded in-house or on-site service, with all charges for transportation and unloading prepaid by the vendor/contractor.

9. Fixed Bid Price for Contract Period (No Price Increase Allowed)

Bid prices must be fixed for the term of the contract, except the state shall be advised of and receive the benefit of any price decrease in excess of five (5) percent automatically. The vendor/contractor must provide written price reduction information within ten (10) days of its effective date.

10. Bidder's Qualification

Bidders must, upon request of the state, furnish satisfactory evidence of their ability to furnish products or services in accordance with the terms and conditions and specifications. The Assistant Commissioner, Department of General Services, Central Procurement Office, reserves the right to make the final determination as to a bidder's ability to perform.

11. Insurance Required

The successful bidder(s) shall procure and maintain for the duration of the contract, at their own cost and expense insurance against claims for injuries to persons or damages to property including contractual liability which, may arise in connection with the performance of the work performed by the contractor, his agents, representatives, employees or subcontractors under the contract.

The insurance carrier(s) must be licensed to conduct business in the State of Tennessee. The insurance will be evidenced by an original or .pdf format document certificate of insurance. The certificate shall list the State of Tennessee as the certificate holder and must list the company name and address on file with the State. Should any of the policy coverage(s) provided have a major change, expire, or be canceled before the expiration date the Contractor shall fax or email vendor.insurance@tn.gov, a copy of their insurer's cancellation notice within two (2) business days of receipt. The State of Tennessee shall be held harmless for any injuries, claims or judgments against the contractor.

Certificates for liability coverages shall name the State of Tennessee Central Procurement Office as an additional insured. The following Insurance Coverages are required:

Workers' Compensation Insurance: a certificate shall be provided which indicates the contractor provides workers' compensation coverage in compliance with the state laws of Tennessee., and Employer's Liability with the following limits:

E.L. Each Accident $500,000
E.L. Disease- Each Employee $500,000
E.L. Disease - Policy Limit $500,000

General Liability and Property Damage Insurance: Comprehensive General Liability Insurance, including but not limited to, bodily injury, property damage, contractual liability, products liability, with combined single limits of $500,000 per occurrence with a minimum aggregate of $1,000,000.

The successful bidder(s) shall provide the Central Procurement Office with an original certificate of insurance or .pdf format document as proof of insurance coverage, as stated above, naming the State of Tennessee, Central Procurement Office as additional insured, within ten (10) business days after request. If the certificate of insurance is in .pdf format, it must be received directly from the insurance company.

Upon award, failure to maintain insurance coverage for the duration of the contract period may result in cancellation of the contract. In the event that the insurance policy on file in the Central Procurement Office expires or is canceled, the contractor will be required to cease work until proof of insurance is presented.

12. Inspection/Facilities

The Central Procurement Office may inspect the facilities of any bidder or may require additional information regarding a bidder's ability to perform the proposed contract. Bids may be rejected for lack of apparent ability to perform the proposed contract.

13. Inspection of Materials, Equipment and Products

All materials, equipment, and products are subject to inspection and testing. Items that do not meet specifications will be rejected. Failure to reject upon receipt does not relieve the vendor/contractor of liability. When subsequent tests after receipt are conducted and when such tests reveal damage or failure to meet specifications, the state may seek damages regardless of whether a part or all of the merchandise has been consumed.

14. Bid Rejection

The Central Procurement Office reserves the right to reject any bid that contains prices for individual items or services that are inconsistent or unrealistic when compared to other prices in the same or other bids, if such action would be in the best interest of the state.

Errors: Each correction made by the bidder on the bid response must be initialed in ink by each correction. No corrections will be made in pencil. No bid or line item shall be altered or amended after the bid opening. In the case of errors in the extension price, the unit price will govern. Failure to comply with the above may be cause for rejection of part or the entire bid.

15. Single Award

A single contract for all line items will be awarded to the lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the Invitation to Bid. Prices shall be calculated as follows: The bidders unit bid price shall be multiplied by the line item quantity to obtain the line item total. If more than one line item is included in the bid document, each line item total shall be added together for a total price for all line items bid. The bidder must bid all line items to be considered for an award.

16. Award Criteria

An award shall be made to the lowest responsive and responsible bidder considering the following:

Ability to Perform
Conformity to Specifications
Lowest Composite Score

17. State Contract Administrator

Questions or problems arising from bid procedures or subsequent order and delivery procedures should be directed to:

State of Tennessee

Department of General Services, Central Procurement Office
3rd Floor, William R. Snodgrass, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243-1102
Attn: Elizabeth Stafford

18. Purchase Order Releases (Agency Term Contract)

Orders for products or services that are included on agency term contracts shall be prepared by agencies on Departmental Purchase Release Orders and forwarded to the vendor/contractor. These purchase orders, when received by the vendor/ contractor, serve as authorization for shipment of product(s) or start of service.

Billing Instructions:

The vendor/contractor shall invoice the state only after product has been received by the user agency or upon completion of the service described in the purchase order/contract, unless otherwise authorized in writing by the user agency and as required below prior to any payment.

The contractor shall submit an invoice, with all necessary supporting documentation, to the state agency billing address. Such invoice shall clearly and accurately detail the following required information:

1. Invoice/reference number; (assigned by the contractor);
2. Invoice date;
3. Contract and/or purchase order number; (assigned by the state);
4. Account name;
5. Procuring state agency and division name;
6. Account/customer number (uniquely assigned by the vendor/contractor);
7. To the above-referenced account name;
8. Contractor name;
9. Contractor Identification Number; (as referenced in the contract);
10. Contractor contact (name, phone, and/or fax for the person to contact with billing questions);
11. Contractor remittance address;
12. Description of delivered product(s) or service; and
13. Total amount due for delivered product(s) or service.

The contractor understands and agrees that the invoice shall;

· Include only charges for service described in contract or Purchase Order and in accordance with payment terms and conditions set forth in the contract or purchase order;
· Not include any future work but will only be submitted for completed service, unless otherwise authorized in writing by the user agency; and
· not include sales tax or shipping charges (unless otherwise stipulated in the contract or purchase order).

Payment: The contractor agrees that timeframe for payment (and any discounts) begins when the state is in receipt of a correct invoice meeting the minimum requirements above. It shall be the responsibility of the "bill to" agency to make payment in accordance with the Prompt Payment Act of 1985. Any questions concerning payment should be addressed to the "bill to" agency and not to the Central Procurement Office.

19. Negotiations

The State may elect to negotiate by requesting revised Cost Proposals from apparently responsive and responsible respondents. However, the State reserves the right to award a contract on the basis of initial responses received. Therefore, each response should contain the respondent's best terms from a

price and technical standpoint. The State reserves the right to conduct multiple negotiation rounds. If the State exercises its right to enter into negotiations, it may identify areas of a response that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications and/or requirements. The State may seek to clarify those identified issues during negotiations. All responsive respondents will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, the State may conduct target pricing and other price or service level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other method that does not reveal individual respondant pricing. During target price negotiations respondents are not obligated to meet or beat target prices, but will not be allowed to increase prices. All communications, clarifications and negotiations shall be conducted in a manner that supports fairness in response improvement. Note that each clarification sought by the State may be unique to an individual respondent.

20. Contract Cancellation

Termination for Convenience: The State may terminate this contract without cause. Said termination shall not be deemed a breach of contract by the State. The State shall give the vendor/contractor at least ninety (90) days written notice before the effective cancellation date.

The vendor/contractor shall be entitled to receive compensation for product(s) shipped or services satisfactorily completed as of the cancellation date, but in no event shall the state be liable to the vendor/contractor for compensation for any product(s) or services which have not been rendered.

Upon such termination, the vendor/contractor shall have no right to any actual general, special, incidental, consequential, or any other claims whatsoever of any description or amount.

Termination for Cause: If the vendor/contractor fails to fulfill its obligations under this contract in a timely or proper manner, or if the vendor/contractor violates any terms of this contract, the State shall have the right to immediately terminate the contract upon written notice of intent to cancel. The State shall have the right to withhold payment in excess of fair compensation for completed services. Notwithstanding the above, the contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this contract by the contractor.

At the end of any fiscal year any contract may be canceled by the state without notice, in the event that funds to support the contract become unavailable.

The vendor/contractor will be required to honor all purchase orders that were prepared and dated prior to the date of the termination, if received by the vendor/contractor within a period of thirty (30) days following the date of cancellation.

21. Subcontracting

The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without obtaining the prior written approval of the Central Procurement Office. Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work provided.

22. Service Contracts: Conflict of Interest

The contractor warrants that no part of the total contract amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the contractor in connection with any work contemplated or performed relative to this contract.

23. Clean-up

Clean up shall be the responsibility of vendor/contractor. The vendor/contractor shall ensure that the work area is clean of nails, debris, etc. at the end of each day to ensure safety. The vendor/ contractor will clean up and haul away all debris when the work is completed.

24. Damages

If state property is damaged, stolen or lost as a result of vendor/contractor employees' negligence and that property has to be repaired or replaced by the state, the expense for such work or replacement will be deducted from the monies due the contractor. In addition to the foregoing, the State reserves the right to pursue claims for damages through any and all legal remedies available to the State.

25. On-Site Inspection

All bidders should visit the site to take exact measurements and examine the premises to become familiar with any problems or unusual circumstances which might exist. No allowances will be made by the State for errors in quotations due to any bidder not visiting the site prior to submitting their bid. Bidders shall be responsible for their own measurements.

26. Proof of Cost for Parts, Materials, Supplies and Equipment

All parts, materials, supplies and equipment will be billed at vendor/contractor's cost, minus any applicable sales or use tax pursuant to Tennessee Code Annotated, Section 67-6-209, plus fifteen percent (+15%). Reference Standard Term & Condition titled "Taxes".

The vendor shall submit as backup documentation a copy of the original purchase invoice(s) as proof of cost for parts, materials, supplies and equipment. This backup documentation must accompany the invoice in order for the agency to process payment. If the vendor/contractor cannot produce a copy of the original purchase invoice as proof of cost, the state may verify current market value and if necessary, adjust the invoice to reflect fair market price.

Discounts, including prompt payment discount offered by suppliers, must be credited to the state in determining the actual cost of the parts, materials, supplies and equipment used for this contract.

Estimated dollar volume for parts, materials, supplies and equipment based upon last fiscal year usage

$ $325,007.00

STATE OF TENNESSEE
DEPARTMENT OF GENERAL SERVICES
CENTRAL PROCUREMENT OFFICE

INVITATION TO BID
EFFORTS TO ACHIEVE DIVERSITY BUSINESS ENTERPRISE PARTICIPATION

The Governor's Office of Diversity Business Enterprise (Go-DBE) is the state's central point of contact to attract and assist minority-owned, woman-owned, Tennessee service-disabled veteran owned, and small business enterprises interested in competing in the State of Tennessee's procurement and contracting activities. These diversity business enterprises are defined as follows:

Minority Business Enterprise (MBE) and Woman Business Enterprise (WBE)
Businesses that are a continuing, independent, for profit business which performs a commercially useful function, and is at least fifty-one percent (51%) owned and controlled by one (1) or more individuals in the minority or woman category who were impeded from normal entry into the economic mainstream because of past practices of discrimination based on race, ethnic background, or gender.

Service-Disabled Veteran Business Enterprise (SDVBE)
"Tennessee service disabled veteran owned business" means a service-disabled veteran owned business that is a continuing, independent, for profit business located in the state of Tennessee that performs a commercially useful function with at least a twenty percent (20%) disability that is service-connected meaning that such disability was incurred or aggravated in the line of duty in the active military, naval or air service.

Small Business Enterprise (SBE)
"Tennessee small business" means a business that is a continuing, independent, for profit business which performs a commercially useful function with residence in Tennessee and has total gross receipts of no more than ten million dollars ($10,000,000) averaged over a three-year period or employs no more than ninety-nine (99) persons on a full-time basis".

For additional program eligibility information visit,
http://www.tn.gov/businessopp/program_elig.html.

INVITATION TO BID INSTRUCTIONS

As part of this Invitation to Bid, the Respondent should complete the Diversity Utilization Plan, which begins on the following page. To assist in your effort to seek and solicit the participation of diversity businesses on this solicitation, a directory of certified Diversity Business Enterprise firms may be found on the State's website at: http://www.tn.gov/businessopp/regdivcomp.html or by calling Go-DBE toll free at 866-894-5026.

RESPONDENT'S
DIVERSITY UTILAZATION PLAN

Respondent's Company Name:		
Solicitation Event Name:		Event Number:
Respondent's Contact Name:	Phone: ( )	Email:
Does the Respondent qualify as the diversity business enterprise? ___ Yes ___ No If yes, which designation does the Respondent qualify? ___ MBE ___ WBE ___ SDVBE ___ SBE Certifying Agency:		

Estimated level of participation by diversity businesses if awarded a contract pursuant to this ITB:

Diversity Business Information (List all subcontractors, joint-ventures, and suppliers)	**Percent of Contract**	**Estimated Amount**	**MBE/ WBE/ SDVBE/ SBE Designation**	**Currently Certified (Yes or No)**
Business Name: Contact Name: Contact Phone:				
Business Name: Contact Name: Contact Phone:				

If awarded a contract pursuant to this ITB, we confirm our commitment to make reasonable business efforts to meet or exceed the commitment to diversity as represented in our Diversity Utilization Plan. We shall assist the State in monitoring our performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and Tennessee service-disabled veterans. Such reports shall be provided to the State of Tennessee Governor's Office of Diversity Business Enterprise in form and substance as required by said office. We further agree to request in writing and receive prior approval from the Central Procurement Office for any changes to the use of the above listed diversity businesses.

Authorized Signature: _____ Date: _____

Printed Name and Title of Respondent Signatory (above) _____