



SPECIFICATION NO.
TxDOT 966-61-35*
REVISED: OCTOBER 2016
TITLE: SERVICES TO PRINT AND MAIL DIRECT
MAIL PIECES FOR TEXAS HIGHWAYS
MAGAZINE

PUBLICATION

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* This Specification Supersedes TxDOT Specification No. 966-61-35, Dated December 2010.

1. SCOPE

This solicitation is to provide services for the mailing and occasional printing of direct mail pieces for marketing Texas Highway magazine.

2. DEFINITIONS OF TERMS AND ACRONYMS

- 2.1. ACS – Address Correction Service as defined by USPS.
- 2.2. ANSI – American National Standards Institute.
- 2.3. CASS – Coding Accuracy Support System. Software used to verify an address is a deliverable address by the USPS and to update addresses that have been renamed or renumbered accordance with USPS regulations.
- 2.4. CSR – Customer Service Representative.
- 2.5. CT – Central Time.
- 2.6. CWT – Symbol for hundredweight, a unit equal to 100 pounds in the United States.
- 2.7. FTP – File Transfer Protocol.
- 2.8. IPA – International Prepress Association.
- 2.9. MANAGER – TxDOT assigned manager.
- 2.10. PCW – Post Consumer Waste.
- 2.11. PMS – Pantone Matching System.
- 2.12. POCN – Purchase Order Change Notice.
- 2.13. SWOP – Specification for Web Offset Publications. Production standards, as a minimum shall be used as a guide for production of the mail pieces.
- 2.14. THM – Texas Highways Magazine.
- 2.15. USPS – United States Postal Services.

3. APPLICABLE LAWS AND STANDARDS

The vendor shall provide the specified service requirements in accordance with all applicable federal, state, and local laws, standards and regulations necessary to perform the services, including, but not limited to:

- 3.1. CLEAN AIR ACT: 40 Code of Federal Regulations (CFR) part 82-Ozone Deplete Substance Class I or II by Section 611 of the Clean Air Act.
- 3.2. 43 Texas Administrative Code (TAC), part 1, Chapter 23, Subchapter C – Texas Highways Magazine. Rule §23.28 Distribution of Subscriber and Purchaser Information.

4. BACKGROUND

Texas Highways Magazine regularly prints and mails marketing pieces to prospective subscribers. The direct mail pieces may include, but are not limited to: voucher packs, Euro-stickers, bumper stickers, buck slips, brochures, and other printed promotional pieces. While the majority of mail pieces are printed in-house, Texas Highways Magazine occasionally needs to print mailing materials with an outside vendor when the in-house printer does not have the bandwidth or capability to print certain pieces by a certain deadline. Texas Highways Magazine averages eight mailings per year with an average total of 2,000,000 pieces per year. Texas Highways Magazine anticipates needing printing services three to four times per year, and mailing services eight or more times a year.

5. CURRENT ENVIRONMENT

TxDOT's purchase order with the current vendor will expire December 2016. TxDOT expects the purchase order from this solicitation to be issued in December 2016. The current vendor and the new vendor receiving the purchase order from this solicitation will be required to work together to further the aims of the program during this period. The new vendor awarded the purchase order from this solicitation shall be required to begin printing and mailing services within 30-days of issuance of the purchase order.

6. RESPONDENT QUALIFICATIONS

The respondent shall:

- 6.1. Be a company engaged, in the business of providing high quality direct marketing materials for a minimum of three years within the last five years. Recent start-up businesses do not meet the requirements of this solicitation.

NOTE: A start-up business is defined as a new company that has no previous operational history or expertise in the relevant business and is not affiliated with a company that has that history or expertise. Two companies are affiliated if the two companies have a common parent company or if one is the parent or subsidiary of the other.

- 6.2. Work with four color processes, Pantone Matching System (PMS) spot color, and black and white.
- 6.3. Provide all aspects of letter-shopping and preparation for mailing.
- 6.4. Produce brochure-style mail-pieces.
- 6.5. Print and insert into an outer-envelope, various pieces, such as, business reply envelopes, letters, stickers, and buck slips.
- 6.6. Be in good financial standing and current in payment of all taxes and fees such as state franchise fees. TxDOT reserves the right to request a copy of the respondent's audited or un-audited financial statement.
- 6.7. TxDOT may request a statement from the president, owner, or financial officer on company letterhead certifying that the company is in good financial standing and current in payment of all taxes and fees.

6.8. When financial statements are requested, TxDOT will review the respondent's audited or un-audited financial statement in accordance with Texas Government Code, Title 10, Subtitle D, Section 2156.007 to evaluate the sufficiency of the respondent's financial resources and ability to perform the contract or provide the service required in the solicitation. TxDOT will be the sole judge in determining the sufficiency of the respondent's financial resources and ability to provide the service. Factors to be reviewed include:

- 6.8.1. Balance sheets
- 6.8.2. Net working capital
- 6.8.3. Current asset ratio
- 6.8.4. Liquidity ratio
- 6.8.5. Auditor(s) notes
- 6.8.6. Any notes to the financial statements

7. RESPONDENT REFERENCES

The respondent should submit a minimum of five references to substantiate the qualifications and experience requirements for similar services completed for three years within the last five years. References shall illustrate respondent's ability to provide the services outlined in the specification. References shall include name, point of contact, telephone number, and dates services were performed. The response may be disqualified if TxDOT is unable to verify qualification and experience requirements from the respondent's references. The response may be disqualified if TxDOT receives negative responses. TxDOT will be the sole judge of references (Ref. Respondent References).

8. KEY PERSONNEL QUALIFICATIONS

The respondent shall provide a CSR with a minimum of three years' experience within the last five years in management for similar services (Ref. Para. 6.).

9. VENDOR REQUIREMENTS

The vendor shall:

- 9.1. Adhere to the TxDOT Terms and Conditions identified on the solicitation.
- 9.2. Provide all labor, materials, and equipment necessary to meet requirements of the specified services throughout the term of the purchase order.
- 9.3. Provide a CSR that shall serve as the primary point of contact (POC) for TxDOT and be responsible for the day-to-day operation of the service in accordance with the requirements of the specification and act as exclusive liaison between TxDOT's manager and the vendor.
- 9.4. Provide a CSR that shall be on call between the hours of 8:00 a.m. to 5:00 p.m. Central Time (CT), Monday through Friday.
- 9.5. Have primary printing facilities on-site.

- 9.6. Use presses equipped with operational controls to establish and maintain precise register and color balance.
- 9.7. Have the authority for all processes involving printing, productions, and mailing of the double postcards, brochures, and other direct mail pieces for THM.
- 9.8. Resolve any production problem or issues to the satisfaction of TxDOT and escalate issues to a higher level of management for resolution as needed.

10. SERVICE REQUIREMENTS

The vendor shall:

- 10.1. Begin work within 30 business days of the award of the purchase order or on the agreed upon date between TxDOT and the vendor.
- 10.2. Obtain written approval from the designated TxDOT representative for all work and material required prior to work being performed.
- 10.3. PRINTING REQUIREMENTS: Printing shall be black, PMS or four-color process on both sides of the sheet and with bleeds. Consistent high quality, precise registration and good color balance shall be required throughout press runs, whether web or offset. Web press, if used, shall be equipped with operation controls to establish and maintain precise register and color balance throughout production runs.
 - 10.3.1. Direct Mail Package (virgin paper): The vendor shall produce a mailing package that may contain the following components: outer envelope, business reply envelope, letter, an order card insert, and either a brochure, or a flyer, or a Euro-sticker, and other possible printed items. Specifications for each component are listed separately below. Standard commercial paper shall be used for envelopes and letters listed in this section. Imaging costs and costs to insertion the components shall be priced separately in Schedule 1 – Pricing Worksheet.
 - 10.3.1.1. Outer Envelope: Vendor shall print:
 - 10.3.1.1.1. 2/0 (1 PMS + black/0).
 - 10.3.1.1.2. 4/0 (3 PMS + black/0).
 - 10.3.1.1.3. Typically, Texas Highways Magazine uses #10 IMB (intelligent mail bar code) window envelopes for outer envelopes. The size of the window shall be 1.375 inches x 4.5 inches. The window should be 0.625 inches from the bottom and 0.875 inches from the left.
 - 10.3.1.2. #9 Business Reply Envelope: Vendor shall print 1/0 (1 color black/0).
 - 10.3.1.3. Letter: Vendor shall print
 - 10.3.1.3.1. Size 8.5 x 11 inches, finished folded size 3.5 inches x 8.5 inches, with a horizontal perforation, 2/0 (1 PMS + black/0).

- 10.3.1.3.2. Size 8.5 x 11 inches, finished folded size 3.5 inches x 8.5 inches, with a horizontal perforation, 4/0 (1 PMS + black/0).
- 10.3.1.3.3. Size 11 x 17 inches, letter-folded with finish size of 3.675 inches x 8.5 inches. 4/4 (3 PMS + black /4).
- 10.3.1.4. Order Card Insert: Vendor shall print 2/0 (1 PMS + black/0) on 3.5 x 8.5 inches cover stock. Vendor shall insert so the address shows through the outer envelope specified in 10.3.1.1.
- 10.3.1.5. Euro-sticker: Vendor shall print oval sticker, sized 3.75 inches x 5.75 inches on 60# gloss vinyl split back removable:
 - 10.3.1.5.1. 1/0 (Black/0) with bleed.
 - 10.3.1.5.2. 2/0 (1 PMS + Black/0) with bleed.
- 10.3.1.6. Buck Slip Enclosure: Two sided, 4/4 buck slip measuring 3.625 inches x 7 inches.
- 10.3.2. Brochures: Vendor shall produce a flat piece printed on cover stock.
 - 10.3.2.1. Size: Finished, trimmed size shall be 8-1/2 inches x 11 inches.
 - 10.3.2.2. Plastic Sleeve: Shall be placed in a position agreeable to the vendor and TxDOT's manager. The sleeve shall be closed on three sides with permanent glue.
 - 10.3.2.3. Label: The open side shall be on the far right and shall be closed with a peel-off 3/4 inch round label printed in one or more PMS colors, as requested by TxDOT's manager. The label shall affix to the plastic edge and the brochure to keep the open side closed when mailed. The two words printed on the label are "Open Here", unless otherwise specified in writing by TxDOT's manager.
 - 10.3.2.4. Printing: The piece shall be printed four-color process on both sides, and shall include bleeds.
- 10.3.3. Modified 2- or 3-Panel Brochure: Vendor shall produce a folded piece printed on cover stock.
 - 10.3.3.1. Size: The flat size before folding shall be 8-1/2 inches x 14-1/2 inches. The bottom portion shall include two perforations to form a detachable 3-1/2 inch X 6 inch reply device. The bottom 3-1/2 inches of the piece, including the reply device, shall be folded and lightly glue-tacked into position. The finished, trimmed, and folded size shall be 8-1/2 inches x 11 inches for a 2-Panel brochure or 8-1/2 inches x 5-1/4 inches for a 3-Panel brochure.

- 10.3.3.2. Label: At TxDOT's managers' option, a 3/4 inch round peel-off sticker may be printed in one or more PMS colors, and shall be affixed in a position agreeable to TxDOT's manager and the vendor. The peel-off sticker shall be priced separately in Schedule 1 – Pricing Worksheet.
- 10.3.3.3. Printing: The piece shall be printed four-color process on both sides, and shall include bleeds.
- 10.3.4. Flyer
 - 10.3.4.1. Size: Flyer shall measure 8-1/2 inches x 11 inches flat, tri-folded to approximately 8-1/2 inches x 3-5/6 inches.
 - 10.3.4.2. Printing: The piece shall be printed four-color process on both sides, and shall include bleeds.
- 10.4. PRINTING AND SCHEDULE: The vendor and TxDOT's manager will establish a schedule acceptable to both parties for the delivery of production materials.
- 10.5. PAPER AND ENVELOPE REQUIREMENTS: The vendor shall
 - 10.5.1. Submit responses for both virgin and recycled paper and envelopes. Recycled paper shall meet the same specifications as stated for virgin paper and shall consist of at least 50 percent recycled fibers with a minimum of 10 percent Post-Consumer Waste (PCW). Papers will be evaluated by TxDOT for smoothness, brightness, opacity, whiteness, foldability, ink holdout, and paper surface efficiency. Opacity and brightness are critical factors.
 - 10.5.1.1. Direct Mail Package (Virgin): Minimum requirement for opacity is 91, and brightness of 83:
 - 10.5.1.1.1. Outer Envelope shall be a white, 20 pound, standard #10 sized IMB (intelligent mail barcode) "window on left" envelope.
 - 10.5.1.1.2. Business Reply Envelope shall be a white, 20 pound, standard #9 envelope.
 - 10.5.1.1.3. Letter shall be sized 8.5 x 11 inches on 70# white, smooth finish.
 - 10.5.1.1.4. Letter shall be sized to 11 x 17 inches on 70# white, smooth finish.
 - 10.5.1.1.5. Order Card shall be 3.5 x 8.5 inches on 75# cover stock, white.
 - 10.5.1.1.6. Buck Slip shall be 3.625 x 7 inches on 100 pound white, gloss finish.
 - 10.5.1.1.7. Euro sticker shall be 3.75 x 5.75 inches, oval on removable vinyl, 60# white, gloss finish.

- 10.5.1.2. Brochure: Minimum requirement for opacity is 91, and brightness of 83:

EXAMPLE: VIRGIN PAPER: No. 2 coated 80 pound G-Print, New Page Corporation, or TxDOT approved equal.

EXAMPLE: RECYCLED PAPER: No. 2 coated 80 pound, Productolith Dull, New Page Corporation, or TxDOT approved.

- 10.5.1.3. Brochure: Modified 2-Panel Brochure and Modified 3-Panel Letter-Size. Minimum requirement for opacity is 91, and brightness of 83:

EXAMPLE: VIRGIN PAPER: No. 2, 123 pound, 7 point High Yield Cover Gloss C2S, New Page Corporation or TxDOT approved equal.

EXAMPLE: RECYCLED PAPER: No. 2, 7.4 point/80 pound Productolith Gloss Cover, New Page Corporation or TxDOT approved equal.

- 10.5.1.4. Flyer: Minimum requirement for opacity is 91, and brightness of 83:

EXAMPLE: VIRGIN PAPER: No. 2, 70 pound Sterling Ultra Web Gloss, New Page Corporation or TxDOT approved equal.

EXAMPLE: RECYCLED PAPER: No. 2, 70 pound Sterling Ultra Web Gloss, New Page Corporation or TxDOT approved equal. Provide paper with no ground wood pulp.

- 10.5.2. Substitutions: Obtain approval from TxDOT for all substitute papers and envelopes prior to usage. Request shall include paper and envelope samples identified by brand name, manufacturer, the percentage of recycled PCW, and shall meet the specifications listed above.

10.6. PAPER PRICE AND PRODUCTION ADJUSTMENTS

- 10.6.1. Paper prices shall be firm for the first printing. Written verification of firm pricing from the supplier for the first printing shall be included with the response.
- 10.6.2. Price adjustments, both increases and decreases, will be allowed for subsequent printings. If there has been an industry-wide increase, vendor may request an increase in the same amount as the cost to the distributor. Notice of paper price increases must be fully documented and submitted to TxDOT's manager within 60 days before the date of the effective change. Increases shall not affect any orders issued prior to effective date of the increase.
- 10.6.3. The paper prices quoted on Schedule 1 – Pricing Worksheet will be adjusted by the percentage of change that the new prices per hundredweight (CWT) are in relation to the current prices per CWT and shall be accomplished through a Purchase Order Change Notice (POCN) prior to an increase becoming effective.

- 10.6.4. Decreases in price will be allowed at any time. Vendor's failure to promptly notify TxDOT of such industry-wide price decreases may constitute a breach of contract and the contract may be canceled. TxDOT reserves the right to award any canceled contract to the next lowest responsive respondent to re-bid, whichever is in TxDOT's best interest.
- 10.6.5. The production prices as stated on the PO may be increased or decreased in accordance with the Consumer Price Index (CPI), Urban Wage Earners and Clerical Workers at time of renewal, only upon request. Vendor will be notified with a POCN prior to any price change becoming effective.
- 10.7. LASER IMAGING AND IMPACT PRINTING: The vendor shall:
 - 10.7.1. Perform imaging onto a direct mail piece using a laser printer and receive files that contain the name and address along with source code identification.
 - 10.7.2. Be responsible for any programming needed to produce imaged name and address information onto mailing pieces and receive from TxDOT names and addresses by electronic transmission or a medium mutually agreed upon by both vendor and TxDOT.
 - 10.7.3. Supply TxDOT's manager ten imaged samples of each form, proving the proper information has been imaged onto the form at the start of each imprint job, using overnight delivery, fax, e-mail, or electronic transmission.
 - 10.7.4. Have a maximum of ten business days from receipt of valid address and messaging data to complete any imaging or imprint job.
- 10.8. PRESS WORK: Consistent high quality, precise registration, and color to match proofs shall be required throughout the press runs. Web press, when employed, shall be heat-set and equipped with operational controls to establish and maintain precise register and color balance throughout the production runs.
 - 10.8.1. If printing on a web press, printer shall use black and color inks equal to IPA No. 1 selection of heat-set web offset process inks and in compliance with Specifications for Web Offset Publications (SWOP) standards.
 - 10.8.2. Production work shall not be transferred from the vendor's plant location(s) without written permission from TxDOT.

NOTE: TxDOT's manager reserves the right to conduct on-site press checks and approve the press run prior to printing. The visits will be at TxDOT's expense.
- 10.9. PRESS RUN: TxDOT's MM shall notify the vendor at least 14 working days prior to a printing as to the quantity and items that shall be printed. TxDOT's MM will provide imaged copy to the vendor no later than ten working days prior to a mailing. Underruns are not accepted. If the vendor fails to deliver the number of copies ordered, the vendor shall print the number of copies necessary to make up the shortage at no cost to TxDOT. TxDOT will pay only for the quantity ordered and not for any spoilage.

10.10. PACKAGING: The vendor shall:

10.10.1. Use cartons constructed of recycled 200-pound test corrugated cardboard and delivered to the specified TxDOT facility.

10.10.2. Uniformly pack cartons to fit the different items dimension precisely, affording adequate protection to prevent shifting, deformation, or crushing during handling, shipping and storage.

10.10.3. Separately band material in cartons in quantities mutually agreed upon by vendor and TxDOT's manager.

10.10.4. Seal cartons with 60 pound 3 inch Kraft tape, or TxDOT approved equal.

10.10.5. Identify each carton on one side (neither the top nor bottom) as follows:

10.10.5.1. Mail Piece Description

10.10.5.2. Quantity: XX

NOTE: Upon receipt by TxDOT or a facility designated by the TxDOT'S MM, boxes will be spot-checked to confirm print quality, packing specifications, and quantities. If discrepancies are found, TxDOT reserves the right to return the rejected boxes at the vendor's expense and to withhold payment until satisfactory adjustments are made.

10.10.6. Packing and preparing pallets for shipping and banding costs shall be indicated separately in Schedule 1 – Pricing Worksheet.

10.11. LETTER-SHOPPING: Vendor may be required to sort all files in order to receive maximum postal discounts. The integrity of the original data (name and address) shall be maintained throughout the sorting and mailing process. The vendor may be required to provide address standardization with the Coding Accuracy Support System (CASS™) or Address Correction Services (ACS™) or both.

10.12. POSTAL REGULATIONS: TxDOT has taken every care to verify all items meet USPS regulations. Due to changes in postal regulations, it shall be the vendor's responsibility to confirm all items meet USPS regulations in effect at the time of the mailing. This shall include meeting USPS Domestic Mail Manual (DMM) guidelines for mail characteristics and content, such as size, weight, postal presorts, postal classes (first-class, bulk, standard-class, etc.), positioning of mailing information, reply mail (postage-paid, and courtesy reply mail), and other USPS options at the time of printing. If a mail piece must be reprinted due to non-compliance with USPS standards, the vendor shall reprint and mail at no additional charge to TxDOT. The reprinting and mailing shall be done within three weeks or by a revised mail date mutually agreed upon by the vendor and TxDOT's manager.

10.13. SHIPPING AND MAILING: The vendor shall:

10.13.1. Pay all shipping charges and attach the shipping bills to the invoice for reimbursement by TxDOT. All materials shall be shipped Free on Board destination. Freight costs shall be pre-paid and added.

NOTE: Shipping locations may vary. TxDOT reserves the right to change the delivery location. Final shipping instructions will be confirmed in writing by TxDOT's manager prior to each printing.

- 10.13.2. Ensure all shipments arrive at the shipping destination(s) within five working days after printing. TxDOT will advise the vendor prior to shipment which delivery method to use.
 - 10.13.3. Ensure the vendor's mailing software meets all requirements for bar codes outlined by the USPS and be CASS™ certified. The vendor shall provide verification of meeting the above requirements to TxDOT's manager's upon request
 - 10.13.4. Provide sorting that will maximize postal discounts. The integrity of the original data shall be maintained throughout the sorting and mailing process.
 - 10.13.5. Provide delivery instructions and charges if cartons are to be delivered by alternate means, i.e. UPS Ground or 2nd day air.
 - 10.13.6. Include purchase order number, number of pallets, and total number of mail pieces per shipment on the shipping waybills.
 - 10.13.7. Furnish all mailing reports necessary to complete each mailing.
- 10.14. INVENTORY: The vendor shall:
- 10.14.1. Store inventory in a climate-controlled environment.
 - 10.14.2. Provide TxDOT's manager with a monthly inventory report in a format mutually agreed upon by both the vendor and TxDOT that indicates the number of each piece in storage within ten days following each mailing. Inventory shall be based on the number of pieces printed, less the number of pieces mailed.
 - 10.14.3. Be responsible for any damage caused to inventory while in the vendor's care. If damage occurs, vendor shall reimburse TxDOT for any inventory for which TxDOT has paid.

11. **VENDOR DELIVERABLES**

The vendor shall submit:

- 11.1. **PROJECT SCHEDULE:** A detailed project schedule for printing (if required), inserting, addressing, and mailing a direct mail campaign, based on Texas Highways' planned mail schedule.
- 11.2. **PAPER SAMPLES:** Provide a paper sample for each item specified, upon request.
- 11.3. **PRINTED SAMPLES:** Provide printed sample for each item specified, upon request.
 - 11.3.1. Provide samples of projects the vendor has printed, addressed, and mailed.
 - 11.3.2. Provide as many examples as listed in this specification as the vendor has available.

12. [VENDOR PERFORMANCE](#)

Vendor performance will be monitored on a regular basis by TxDOT.

12.1. An unsatisfactory performance determination includes, but is not limited to:

12.1.1. Failure to adhere to project deadlines.

12.1.2. Failure on more than one occasion during the term of the purchase order to conform to postal regulations in such a way that negatively impacts the scheduled mail date.

12.1.3. Failure on more than one occasion to conform to postal regulations in such a way that negatively impacts the scheduled mail date.

12.1.4. Failure to notify TxDOT of a paper price decrease.

NOTE: Unsatisfactory performance may result in a negative vendor performance report, or cancellation of the purchase order or both.

12.2. An exceptional performance determination includes, but is not limited to: Notifying TxDOT of typographical or other errors on TxDOT files or proofs before printing.

13. [PERSONNEL CONTINUITY AND REPLACEMENT](#)

13.1. TxDOT recognizes that events beyond the control of the vendor such as the death, physical or mental incapacity, long-term illness, or the voluntary termination of employment of the CSR, account manager, any key personnel, etc., will require the vendor propose a replacement. In the event such a replacement is necessary, vendor agrees that personnel shall not begin work on the project without prior written approval from TxDOT.

13.2. If TxDOT determines the CSR, a team member, or other key personnel are unable to perform in accordance with the service requirements or to communicate effectively; the vendor shall immediately remove that person.

13.3. Proposed replacement personnel shall meet minimum qualifications and have experience comparable to the person(s) being replaced. Replacement personnel shall be provided at no additional cost to TxDOT. Reference may be requested for the proposed replacement(s). TxDOT may reject any replacement if references or past working performance is questionable or unfavorable. TxDOT will be the sole judge of the qualifications of the proposed replacement personnel.

14. [BUSINESS CONTINUITY PROCEDURES AND DISASTER RECOVERY PLAN](#)

The respondent shall submit the respondent's business continuity procedures and disaster recovery plan which shall include procedures that shall be implemented to fulfill all requirements of the purchase order including, but not limited to: fire, theft, natural disaster, technical difficulty, workforce problems, equipment failure, or other disruption of business.

NOTE: Business Continuity Procedures and a Disaster Recovery Plan for this service shall be maintained by the vendor throughout the term of the purchase order. The vendor shall be responsible for all costs of disaster recovery.

15. SUBCONTRACTING

- 15.1. Subcontractors providing service under the purchase order shall meet the same qualifications and service requirements and provide the same quality of service required of the vendor.
- 15.2. No subcontract under the purchase order shall relieve the primary vendor of responsibility for the services.
- 15.3. The vendor shall be the only contact for TxDOT and subcontractor(s).
- 15.4. The vendor shall manage all quality and performance, project management, and schedules for subcontractors. The vendor shall be held solely responsible and accountable for the completion of all work for which the vendor has subcontracted.
- 15.5. TxDOT retains the right to check subcontractor's background and make a determination to approve or reject the use of submitted subcontractor(s). Any negative responses may result in disqualification of the subcontractor.
- 15.6. TxDOT reserves the right to request the removal of vendor's subcontractor staff deemed unsatisfactory by TxDOT
- 15.7. Subcontracting shall be at the vendor's expense.
- 15.8. During the term of the purchase order, if the vendor determines a need for a subcontractor change, TxDOT shall be notified in writing by the vendor within 7 calendar days of any proposed change. The vendor shall be required to provide references and work history for any proposed subcontractor to TxDOT. No change will be allowed without written authorization by TxDOT.
- 15.9. SOLICITATIONS OVER \$100,000: TxDOT will make an initial determination of whether subcontracting is probable. If TxDOT has determined that subcontracting opportunities are probable, the class and items in which HUBs may be registered will be noted in the solicitation along with the required forms and instructions. Responses that do not include a completed HUB Subcontracting Plan as indicated on the solicitation shall be rejected pursuant to Texas Government Code §2161.252(B).

16. CONFLICT OF INTEREST

The vendor, vendor's personnel, and vendor's subcontractor(s) shall affirm not to have, nor acquire, any interest during the term of the purchase order that would conflict in any manner with the performance of the vendor's obligations in regards to services authorized.

17. OWNERSHIP

Any materials furnished to or developed by the vendor for this service are and shall remain the property of TxDOT. All materials shall be carefully maintained and shall be returned promptly when directed by TxDOT. Return shall be to an address specified by TxDOT. Returned materials shall be packaged to ensure delivery in good condition. The vendor shall be responsible for replacement costs if any material is lost or damaged.

18. COPYRIGHT

The vendor shall not sell, copy, establish any claim to statutory copyright, or distribute any data accumulated, records, or programs produced for or during the term of the purchase order without written permission from the designated TxDOT contract administrator.

19. AMENDMENTS

TxDOT and the vendor reserve the right to amend the purchase order, within the original scope, by mutual written agreement at any time during the term of service, as may be necessary to achieve the highest quality of production by the most efficient and cost-effective means or to include a different element or special feature that was not contemplated or fully developed at the time of solicitation. The amendment process will be accomplished through a Purchase Order Change Notice (POCN).

20. INVOICING INSTRUCTIONS

The vendor shall provide:

20.1. ORIGINAL INVOICE: A comprehensive and detailed invoice with reference to the line item on the Schedule 1 – Pricing for each item charged. The original invoice shall be e-mailed to the e-mail address indicated on the purchase order to ensure timely payment and shall include the following:

20.1.1. Complete purchase order number.

20.1.2. Vendor Federal Employer Identification Number (EIN).

20.1.3. Date and time of service.

20.1.4. Invoices requiring correction shall be re-submitted with a new invoice date.

20.2. COPY OF INVOICE AND SUPPORTING DOCUMENTATION: A copy of the invoice and original supporting documentation that validates the invoice charges shall be e-mailed to the designated TxDOT representative to include but not be limited to:

20.2.1. Copies of invoices from subcontractors or other entities to which vendor has made payment and requires reimbursement from TxDOT as agreed to in the purchase order.

20.2.2. Receipts for shipping cost approved by TxDOT.

21. PAYMENT REQUIREMENTS

21.1. In order to take advantage of pricing structures, TxDOT may print materials that will cover several months' usage. TxDOT will pay for the initial set up charges, and then pay for the printing of the mail pieces once the pieces are mailed. For mail pieces put into inventory TxDOT will pay for the set up charges and printing of the mail pieces, but will not pay for mailing services until mail pieces are mailed.

22. TxDOT RESPONSIBILITIES

TxDOT will:

- 22.1. Provide final print order instructions prior to print of mail pieces. (Ref. Para. 10.3.).
- 22.2. Provide names and addresses by electronic transmission or a medium mutually agreed upon by both the vendor and TxDOT (Ref. Para. 10.7.2.).
- 22.3. Supply press-ready and contract proofs to match color. Files may originate from another TxDOT vendor (Ref. Para. 10.8.).
- 22.4. Pay for initial set up charges and pay for printing of mail pieces once the pieces are mailed (Ref. Para. 21.).
- 22.5. Provide a contract manager as the point of contact.

23. RESPONSE SUBMISSION

- 23.1. GENERAL FORMAT: The respondent shall submit one signed and dated original (marked Original) and should submit five copies (marked Copy). The submission should be in separate loose leaf binders on one sided 8-1/2 x 11 inch paper and be tab-indexed corresponding to the sections listed below. Plastic spine-bound or wire bound submittals are highly discouraged. Include only the information specified for each section.
- 23.2. ORIGINAL RESPONSE: Failure by the respondent to submit the documentation listed below will disqualify the respondent from further consideration. The response submission shall be submitted in the following format:
 - 23.2.1. Section 1 – Schedule 1 – Pricing
 - 23.2.1.1. If addendums are generated as part of this solicitation, include the original signed and dated addendum(s) in Section 1.
 - 23.2.1.2. Copies: Include five copies of the Schedule 1 – Pricing in a sealed, separate envelope with the original submittal.
 - 23.2.2. Section 2 – Schedule 2 – Original, signed and dated Execution of Proposal
 - 23.2.3. Section 3 – Schedule 3 - Respondent Qualifications and Experience: Complete and return detailing respondent qualifications and experience.
 - 23.2.4. Section 4 – Schedule 4 – Key Personnel Qualifications and References: Complete and return for each proposed key or respondent personnel position.
 - 23.2.5. Section 5 – Schedule 5 - Printers: Respondent shall provide information such as location, size, make, etc. on printers that could potentially be used for these projects.
 - 23.2.6. Section 6 - Samples: (Ref. Para. 10.5.3. and 10.7.3.).
 - 23.2.6.1. Respondent shall provide samples of projects the vendor has printed, addressed and mailed.

- 23.2.6.2. Respondent shall provide as many examples as listed in this specification as the vendor has available.
- 23.2.7. Section 7 – Demonstration of Capability: The respondent's approach and ability to meet the service requirements as specified in the solicitation shall be demonstrated. The response should be specific and address all requirements described in the solicitation in the order presented in Para. 10.
- 23.2.8. Section 8 – Business Continuity and Disaster Recovery Plan: Respondent shall submit a business continuity and disaster recovery plan detailing how the respondent proposes to meet the specifications in the event vendor service is interrupted. The plan shall detail the vendor's backup and recovery process.
- 23.2.9. Section 10 – HUB Subcontracting Plan
- 23.2.10. Copies: The five reproduced copies (marked Copy) shall include only the following tab-indexed sections:
- 23.2.10.1. Section 3 – Schedule 3 – Respondent Qualifications and Experience
- 23.2.10.2. Section 4 – Schedule 4 – Key Personnel Qualifications and References
- 23.2.10.3. Section 5 – Schedule 5 – Printers
- 23.2.10.4. Section 6 – Samples
- 23.2.10.5. Section 7 – Demonstration of Capability
- 23.2.10.6. Section 8 – Business Continuity and Disaster Recovery Plan
- 23.3. The following should be submitted with the response. Failure by the respondent to submit the documentation listed below may disqualify the respondent from further consideration.
- 23.3.1. Section 11– Financial Standing: Statement from the president, owner, or financial officer on company letterhead certifying that the company is in good financial standing, current in payment of all taxes and fees (Ref. Para. 6.6.).
- 23.3.2. Section 12 – Respondent References

24. RESPONSE EVALUATION

- 24.1. **STEP 1 – REVIEW OF RESPONSES BY PURCHASING**: Only a complete response with the listed required submittal documents and meeting minimum qualifications will be considered. Failure to meet the minimum qualifications and submit the required documents will result in a response being declared non-responsive.

- 24.2. STEP 2 – INITIAL EVALUATION: A TxDOT evaluation committee will evaluate and score each response based on established criteria. Respondents shall not contact members of the evaluation team. Responses will be evaluated according to the respondent's ability to best satisfy TxDOT requirements. Respondent's submission is evaluated and scored on a weighted system to determine the best value as follows:
- 24.2.1. Respondent qualifications and experience will comprise 60% of the evaluation total.
 - 24.2.2. Pricing submitted for the solicitation requirements will be 40% of the evaluation total.
- 24.3. STEP 3 – ORAL PRESENTATION: TxDOT may request that selected respondents, including key personnel participate in oral presentation.
- 24.3.1. The TxDOT evaluation committee will evaluate and score each oral presentation. All responses will be evaluated according to the respondent's ability to best satisfy TxDOT requirements.
 - 24.3.1.1. The initial selection of respondents qualifying to proceed to this step will maintain the pricing weight at 40%. The initial evaluation score of the qualifications and submission information will be replaced with the oral presentation score at 60%.
 - 24.3.1.2. TxDOT will advise each respondent in writing of the location, date, and time of the scheduled oral presentation. A minimum of one weeks' notice will be given to the respondent(s) selected for the oral presentation phase.
 - 24.3.1.3. TxDOT may provide the respondent with a list of proposed key personnel required to attend and participate in the meeting.
 - 24.3.1.4. Respondent and proposed key personnel should be prepared to address any questions that may be asked by TxDOT evaluators.
 - 24.3.2. TxDOT reserves the right to continue discussions with selected respondent(s).
- 24.4. NEGOTIATIONS: Upon completion of oral presentation evaluation scoring, TxDOT reserves the right to enter into negotiations with one or more selected respondents.
- 24.5. STEP 4 – BEST AND FINAL OFFER (BAFO): TxDOT reserves the right to request a BAFO from selected respondent(s).
- 24.5.1. The respondent(s) shall submit a final price and any added value. If more than one respondent reaches this level, the negotiated terms, references, BAFO, and added values will be the considered in the award. TxDOT will make the final determination on the best value.
 - 24.5.2. TxDOT may award the purchase order for the service without requesting a BAFO.

25. AWARD

TxDOT reserves the right to award a purchase order(s) to the company that provides the best value to TxDOT in performance of this service. TxDOT may award to a single vendor, multiple vendors, or use any combination that best serves the interest of TxDOT.

25.1. BEST VALUE: TxDOT will be the sole judge of best value. Best value criteria may include, but are not limited to:

25.1.1. Best meets the goals and objectives of the solicitation as stated in the Service Requirements.

25.1.2. Best meets the quality and reliability of the proposed goods and services.

25.1.3. Experience in successfully providing services in the solicitation.

25.2. TYPE OF AWARD: Single Award: One purchase order awarded to a single vendor.

26. POST AWARD MEETING

Vendor may be requested to attend a post award meeting in person or via WebEx with TxDOT within seven calendar days after the award of the purchase order. The purpose of the meeting is to discuss the terms and conditions of the purchase order and to provide additional information regarding the purchase order. Vendor(s) and TxDOT shall identify specific goals, strategies, and activities planned for meeting particular program area objectives.

27. TRANSITION OF TxDOT PROPERTY

27.1. BEGINNING PHASE: The vendor awarded a purchase order as a result of this solicitation, shall, at the request of TxDOT, be responsible for contacting the previous vendor to request the transfer of all TxDOT property. The transition of TxDOT's property shall occur within an agreed upon time frame to assure the new vendor can begin providing services as required by TxDOT.

27.2. CANCELLATION OR TERMINATION OF THE PURCHASE ORDER: At the end of the purchase order term or if the purchase order is cancelled by either party, the vendor(s) shall return all TxDOT property to TxDOT or transfer all TxDOT property to the TxDOT designated vendor(s) immediately upon TxDOT's request.

CONTRACT ADMINISTRATION

Administration of the purchase order is the responsibility of TxDOT. TxDOT Procurement Division staff will be responsible for administering the contractual business relationship with the vendor.

27.3. Any proposed changes to work to be performed, whether initiated by TxDOT or the vendor, must receive final written approval in the form of a Purchase Order Change Notice signed by the authorized TxDOT purchasing agent.

- 27.4. Upon issuance of purchase order, TxDOT will designate an individual to serve as the Contract Manager and point of contact between TxDOT and the vendor. The Contract Manager does not have any express or implied authority to vary the terms of the purchase order, amend the purchase order in any way, or waive strict performance of the terms or conditions of the purchase order. This individual's contract management and contract administration responsibilities include, but are not limited to:
- 27.4.1. Monitoring the vendor's progress and performance and ensuring services conform to established specification requirements.
 - 27.4.2. Managing the financial aspects of the contract including approval of payments.
 - 27.4.3. Meeting with the vendor as needed to review progress, discuss problems, and consider necessary action.
 - 27.4.4. Identifying a breach of contract by assessing the difference between contract performance and non-performance.
 - 27.4.5. Other areas as identified by the Comptroller of Public Accounts Contract Management Guide, latest edition.