

EXHIBIT G



Response to PROPOSAL for RFP-CM-14-003 Maintenance, Repairs and Operations (MRO) – Facility Supplies and Equipment – For Statewide Use Statement of Work

3.1 Minimum Specification of Response

Western Paper was established in Colorado in 1992 and has been a provider of the Janitorial and Food Service items included in our proposal to the State for well over the two years required.

3.2 Subcontracting/Partnering

No subcontractors or partners will be utilized in servicing the State under this proposal.

3.3 Service Regions

Border-to-border statewide coverage for all 7 Regions is included from Western Paper.

3.4 Product Categories

Category 7 – Janitorial Cleaning and Category 9 – Food Service Supplies are submitted for review by the State.

3.5 Ordering and Delivery

» Ordering: Western Paper is able to accept orders in the most convenient method for each Entity. We offer web, e-mail, phone, & fax ordering. Orders may also be placed in person at our Denver, CO warehouse. Our local presence allows us to offer next business day delivery to many facilities on our Western Paper trucks. In addition, Ordering Entities may Will Call product at our Denver facility located at 11551 E 45th Ave, Ste A, Denver, CO, 80239 where we currently employ 165 team members.

Western Paper will set up and maintain a master price list for the State of Colorado bid. The master price list will include specific items as well as applicable discounts by category. To ensure correct and consistent pricing under the contract, the account for each Ordering Entity will be linked to this master price list. Absolutely all transactions, regardless of the method the order is placed, will be on these accounts so correct pricing is utilized. The pricing will be available on-line, on printable order guides, thru punch-out catalogs, and in our system for phone inquiries.

Locations will be set up through an expedited process. Each Ordering Entity will be pre-loaded by an import into our system as a separate account and coded with their Type of Entity as determined by the State. All State pricing and costs will be linked to accounts in advance of receiving any orders from the facility. To finalize account activation, an Ordering Entity Account Activation document (see Exhibit A sample) will be submitted by each Entity with location specific information such as contacts, delivery instructions, delivery hours, or special needs. The location would be activated in our system very quickly once a completed activation document is received by our office.

A punch-out catalog could also be created in coordination with the State. A typical timeline would be 2-6 weeks depending on the availability of the State's resources for the project.

Western Paper takes EFT, Check, or P-Card payments.

» Stock and Special Order Products:

» Stock Products: There will be no additional costs for delivery, returns, or any other services for stock products.

» Special Orders: Any additional costs for Special Orders will be disclosed and approved by the Ordering Entity at the time of the order.

» Return Policy: On *Stock Product*, Western Paper will not charge State Ordering Entities a restock fee for any items returned in re-sellable condition within 30 days of product delivery. On *Special Orders*, Western Paper will only charge fees billed by the vendor to Western Paper.

» Delivery: Free statewide delivery is offered under this proposal. Many orders will be delivered on the next business day on Western Paper trucks by Western Paper drivers. Western Paper utilizes Road Net® routing software to maximize delivery efficiency while meeting customer's expectations. This system allows for any required delivery time windows or special instructions such as door codes, dock location information, delivery contacts, stock closet locations, etc. In addition, each Ordering Entity account may have multiple ship-to's listed if they require deliveries to multiple areas within the same facility. Road Net® automatically groups these deliveries in the same stop to ensure efficiency. It is within the normal scope of deliveries made by Western Paper to accommodate the preferences of each customer.

3.6 Environmentally Preferable Purchasing

» Sustainability Made Simple: In today's environment, there are many opportunities for us to help our customers become more sustainable. We offer a "Green Map" to assist each facility towards its goals (see Exhibit D).

» Green Product Identification: Flagging green items in our system allows us to provide easily identified green items for Ordering Entities. This flag can be found on-line, on printable order guides, and could be noted in a punch-out catalog system.

» Product Rationalization: Western Paper will work with locations to shrink the number of items purchased by each Ordering Entity. Facilities will be able to simplify and streamline product management and purchases to advance its sustainability initiatives. This will also help Western Paper maintain an extraordinary fill rate.

» Product Consultation: Western Paper will work with locations to identify product opportunities and improve product value. Western Paper can introduce environmentally-friendly products as the "green" field continues to grow. By having relationships with the leading suppliers in the industry Western Paper has the ability offer innovative product solutions as they come to market.

» LEED™ Opportunities: Western Paper has experience in assisting facilities in getting LEED certification for both existing and new construction buildings. Let our expertise help State Ordering Entities advance this EPP Green Building initiative.

» Other Green Contributions:

Western Paper is committed to introducing corporate sustainability programs which support environmentally friendly business practices. In addition to helping our customers achieve their individual sustainability goals, Western Paper has continually raised the bar for its own sustainability programs. The following outlines some key achievements.

- E-invoices: This offering reduces waste by eliminating paper for the invoice, printer ink/cartridges, paper for the envelope, and postal service's fuel use and carbon emissions.
- 15-20% reduction of trucks on the road and carbon footprint attributed to delivery service based on the introduction of Road Net®. Road Net® is a delivery route planning software which increases resource utilization and reduces trucks on the road.
- 50% reduction in energy use attributed to warehouse and corporate office interior lighting due to the investment in energy efficient lighting utilizing motion sensor technology.
- Warehouse recycling of pallet wrap and cardboard packaging
- Hands free restroom dispenser systems for corporate office and distribution centers support portion control and waste mitigation.
- Employee participation: All workstations and printing stations in the corporate office are outfitted with a recycling bin, and break rooms include a recycling station for plastic bags.



3.7 Points of Contact and Hours of Operation

- Point of Contact – Contract
Nick Morris
CEO
303-371-8710 x111 (office)
nmorris@westernpaper.com

- Point of Contact – Services
Jeff Hartman
Sales Consultant
303-478-6064 (cell)
jhartman@westernpaper.com

- Hours of Operation
 - o Customer Service/Order Entry: Monday – Friday 8:00am to 5:00pm
 - o Warehouse Will Call Pick Up: Monday – Friday 7:00am to 7:00pm
 - o 24/7 Emergency Contact: Jeff Hartman 303-478-6064 (cell)

3.8 Transition Plan

Western Paper has considerable experience implementing large accounts. We approach each implementation by creating a detailed Implementation Plan (see Exhibit B example) including all aspects of the start up and the personnel involved from both Western Paper and our customer. This plan is managed by our Special Projects Manager who coordinates the project to ensure plan objectives and timelines are met.

Key Transition Team Members:

- Nick Morris, CEO: Having grown Western Paper from the ground floor, Nick understands every facet of the business and personally monitors all significant implementations.

- Jeff Hartman, Sales Consultant: Jeff Hartman has been in the industry for more than 20 years, having focused on the education and government segments exclusively for much of that time. Jeff understands the challenges facing government entities today and will lead the team trained on the State program. In addition, he will meet with a number of Ordering Entities personally to identify their needs and offer product solutions with the State's Green objectives in mind.

- Karen Dike, Special Projects Manager: For the past 12 years at Western Paper, Karen has been responsible for integrating new national accounts and program changes. Her extensive knowledge of the customers' needs and Western Paper's operation make her a great asset on the Implementation Team.

Account Set Up:

Locations will be set up through an expedited process. Each Ordering Entity will be pre-loaded by an import into our system. The Entities will each be set up as a separate account in our system and coded with their Type of Entity as determined by the State. All State pricing and costs will be linked to accounts in advance of receiving any orders from the facility. Jeff Hartman and other designated sales consultants will establish a schedule to contact each Ordering Entity in person, electronically, and/or telephonically to discuss how Western Paper can partner with their location. This would include consulting on green item opportunities as well as ensuring costs are contained for the State.

To finalize account activation, an Ordering Entity Account Activation document (see Exhibit A sample) will be submitted by each Entity with location specific information such as contacts, delivery instructions, delivery hours, or special needs being provided. The location would be activated in our system very quickly once a completed activation document is received by our office.



Jeff Hartman and other designated sales consultants will review with each Entity their anticipated usage on the items they anticipate purchasing from Western Paper. Upon receipt of the activation form, we will also review current inventory levels on these items and increase stock levels as necessary.

Western Paper does not anticipate any transitions of existing accounts under this contract.

3.9 Employee Purchase Program

An employee purchase program is not included in the Western Paper proposal.

3.10 Value-Added or Optional Programs

Additional incentives are being offered as follows:

- Internet Ordering: 1% discount
- Scheduled Delivery: 1% discount
- Orders \$1,000 – \$2,499.99: 1% discount
- Orders \$2,500 and above: 2% discount

All discounts are calculated from the order total and may be combined for a maximum discount of 4% per order. Each discount will appear as an individual line item on the invoice.

3.11 Administration of Resulting Contract

» Reporting: Purchase history reports will be provided as per the RFP. In addition to the standard Vendor Quarterly Summary Report we are able to send invoice line item data to the State (see Exhibit C example). By setting up each Ordering Entity as a separate account in our system and custom coding their Type of Entity, we will be able to offer incredible flexibility in our reporting options. Western Paper's reporting software will enable us to create the custom reports needed for the State in the exact format desired for their use. This software allows us to "slice and dice" the purchase data for the State in our system for multiple analytical views. History could be available by: State Total, Type of Entity, Ordering Entity, Item Category, Item, Green Products, etc.

» Administrative Fee: Payment of the 1% administrative fee on all Colorado Ordering Entity purchases will be made quarterly.

» Contract Term: The initial term will expire 12 months from the effective date of the initial contract with the option of four 1-year renewals, for a term maximum of 5 years, at the sole discretion of the State.

» Confidential and/or Sensitive Information: Under the contract we may come into contact with confidential information contained in the records and/or files of the State and Ordering Entities in the performance of its obligations. Such records and information shall be kept confidential, secure and in compliance with all laws and regulations. Our employees will be notified that they are subject to the confidentiality requirements before they are permitted access to confidential data. Western Paper will provide and maintain a secure environment that ensures data confidentiality. The confidentiality of all information will be respected and no confidential information shall be distributed or sold to any third party nor used by the Western Paper or its assignees and/or retained in any files. Disclosure of such information may be cause for legal action and defense of any such action shall be the sole responsibility of the Western Paper.

» Point of Contact After Award: If awarded a contract, inquiries regarding the price agreement will be directed to the Sourcing Specialist at the State Purchasing Office managing the price agreement. Questions regarding orders will be directed to the appropriate Ordering Entity as indicated on orders/purchase orders.

Vendor Discount Structure and Market Baskets Pricing: Western Paper is pleased to offer the State of Colorado the following discount structure off of our normal catalog pricing:



Western Paper has negotiated special deviated pricing specifically for the State of Colorado for the items that are listed in the market basket. A greater discount is realized for the market basket items than for the other items that are within the same category. Upon award of a contract, Western Paper will review the quarterly usage report with the State Purchasing Office to identify high volume items not included in the market basket. We will then negotiate with manufacturers for reduced contract pricing and greater discounts for the State of Colorado on these products. Our goal is to help State Ordering Entities to standardize their purchases to the most environmentally friendly and cost beneficial products for which we have specific negotiated contract costs for the State of Colorado.

» Non-Market Basket Discount Structure: See documentation provided under Tab 4.3.4.

Western Paper has developed a discount structure reflecting our discount off List Price percentage for each category for non-market basket items. We have identified the discount for items that are not included in the Market Basket but are offered by Western Paper for other items within the category. Pricing includes all delivery, shipping, service, and administrative costs associated with the product.

» Market Basket Pricing: See documentation provided under Tab 4.3.4.

Western Paper has negotiated special deviated pricing specifically for the State of Colorado for the items that are listed in the market basket. A greater discount is realized for the market basket items than for the other items that are within the same category. Western Paper has quoted items that meet the specifications for all items shown in the market basket and in most cases we are quoting the exact item specified in the market basket. This allows the Ordering Entities to easily order the same items with Western Paper that they are currently utilizing. After the initial award of the contract and the initial account implementation phase, Western Paper Sales Consultants will work directly with the Ordering Entities to perform facility audits. The resulting scorecard will indicate overall projected annual cost savings and environmental improvement if the suggested changes are made.

Western Paper will also review the quarterly usage report with the State Purchasing Office to identify high volume items not included in the market basket. We will then negotiate with manufacturers for reduced contract pricing and greater discounts for the State of Colorado on these products. Our goal is to help State Ordering Entities to standardize their purchases to the most environmentally friendly and cost beneficial products for which we have specific negotiated contract costs for the State of Colorado. Pricing includes all delivery, shipping, service, and administrative costs associated with the product.

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