

## COST PROPOSAL NARRATIVE

Initial Contract Term (2yrs) Price Per drop site per day;			2024- 2026
Unit Price	Number of Drop sites	Est. Stops Per Week	Total Cost
\$18.50	350	883	\$1,698,892.00

Contract Term Year 3 Price Per drop site			Total Cost
Unit Price	Number of Drop sites	Est. Stops Per Week	
\$19.06	350	883	\$874,929.38

Contract Term Year 4 Price Per drop site			Total Cost
Unit Price	Number of Drop sites	Est. Stops Per Week	
\$19.63	350	883	\$901,177.26

Pillow Logistics is proposing an all-inclusive unit price per library location. The unit price includes the following.

- Fixed cost for the initial term with incremental increase after base year.
- Administrative, invoicing, and record keeping cost
- Logistics, sorting, routing, and customer service cost

### Fixed Price

- Pillow is proposing an all-inclusive fixed price per stop
  - Includes Fuel Surcharge
  - Includes technology and reporting
  - Annual Cost is based upon unit price times total number of stops proposed in the rfp
- Additional locations will be quoted at the unit price (variations will be outlined in assumptions explanation)

### Administrative

- The unit price is inclusive of courier delivery as well as administrative overhead cost
- Pillow provides 24/7 support. Our team is available by phone, email, or text message.
- The program administrator will have the cell phones of the executive management team if there is ever a need for escalation. As indicated in 2.4.3.3, we will have a dedicated account manager that will be available 24/7/365.
- Info express will have direct access to our TMS. Within the system you can run on time reports, pull up signatures, review invoicing, etc...
- Pillow utilizes Dispatch Science, which has real time optimization. If a stop is at risk, it will re-route in real time in order to complete the route stops on time. If that is not possible our dispatch team is notified via warning messages, and we contact the client immediately through their preferred contact method.

#### **Logistics, Sorting and Customer Service**

- Unit cost is inclusive of sort and backup
- Pillow will provide a fully trained and equipped driving team.
- All drivers will be equipped with a 2-wheel dolly to support the large deliveries.
- All drivers are required to be able to lift 50lbs unassisted as a condition of contracting.
- Pillow will provide internal assets if needed to support these deliveries, such as Box Trucks, Sprinter Vans, 2 Wheel Dollies, and TRAINED employee backups.
- Pillow Operations will ensure that a route will not get covered (unless the state or portion of the state is shut down for an emergency).

