

GENERAL SERVICES ADMINISTRATION (GSA) VENDING
MACHINE SERVICES INVITATION FOR BID (IFB) -
WESTERN REGION

Department of Labor and Industry
Bureau of Blindness and Visual Services

IFB 6100026549

Closing Date: 10/10/2013 10:00

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ATTACHMENT A

Statement of Work

GENERAL: The purpose of this “Invitation for Bid” (IFB) is to solicit bid proposals to engage the services of a qualified vending company to provide installation, servicing of vending machines, and the sale of products through those vending machines, for the Office of Vocational Rehabilitation (OVR), Bureau of Blindness and Visual Services (BBVS)/Business Enterprise Program (BEP) in the counties comprising the Western Region of Pennsylvania as identified in ATTACHMENT C of this document. This is a three-year term contract with two, one-year renewal options.

The selected Contractor will provide the stipulated vending machine services in all Federal GSA property locations in the designated Western Region regardless of sales volume or size of the location. See ATTACHMENT C for the list of those locations.

Additional GSA locations in the Western PA Region may be added during the course of the contract. The addition of GSA locations not listed in ATTACHMENT C is subject to GSA need and OVR/BBVS approval. BBVS will provide the selected Contractor with a written contract notification informing that Contractor of GSA locations added to the base award. Failure to service all Western Region locations can result in termination of the contract.

At the discretion of BEP and GSA, vending sites identified as service locations for purposes of this IFB, or as may be added later to the contract resulting from this IFB, may be removed from contract service coverage.

“Federal GSA Property” is defined as, “property owned or leased by the Federal government or an agency or instrumentality of the Federal government and designated by BBVS/BEP as appropriate for participation in the Business Enterprises Program. The term includes property which is owned or leased. The term does not include property owned or leased by the US Postal Service.

This bid is to be submitted electronically through the Pa. Supplier portal by registered vendors only at <http://www.pasupplierportal.state.pa.us>. Please print and review all attached documents.

Type of Contract: This Service Contract serves to provide vending products to include, but not be limited to, hot foods, cold foods, coffee, ice cream, sodas, juice, water, and snacks, including delivery, maintenance, cleaning, repair, and/or replacement of vending machines owned, leased, or contracted by the Contractor. Vending products available for sale through this Service Contract must also include healthy, nutritional food choices. Guidance as regards what foods constitute healthy choices is available to the Bidder at the following website: <http://www.blindmerchants.org/education/stocking-healthy-options-for-randolph-sheppard-vendors>.

This Vending Machine Service Contract is governed by the Contractual Requirements included as ATTACHMENT B incorporated into this IFB, as well as the Commonwealth of

Pennsylvania's (Commonwealth) Standard Contract Terms and Conditions, also included in this IFB.

The Issuing Office, in its sole discretion, will undertake negotiations with the Bidder whose bid, in the judgment of the Issuing Office, shows that party to be qualified, responsible and capable of performing the functions and fulfilling the responsibilities attendant to the vending machine services contract.

Purpose: This Invitation for Bid (IFB) provides to those interested in submitting proposals for the subject procurement (Bidder) sufficient information to enable them to prepare and submit proposals for OVR/BBVS's consideration on behalf of the Commonwealth to satisfy a need for vending machine services in Federal GSA-owned or leased property, as defined in this IFB and in subsequent written contract amendments, in the Western Region of Pennsylvania.

IMPORTANT: "Vending machine-only" facilities managed by vendors operating under the auspices of the Randolph-Sheppard Act are not included in the contract resulting from this IFB.

Issuing Office: The Bureau of Blindness and Visual Services, Business Enterprise Program (Issuing Office) has issued this IFB on behalf of the Commonwealth of Pennsylvania. The sole point of contact in the Commonwealth for this IFB is:

The PA Department of Labor and Industry
Bureau of Administrative Services
651 Boas Street, Room 210
Harrisburg, PA 17121

Attention: Robyn Graham

All inquiries regarding this IFB are to be referred to that individual via e-mail at:

RA-li-OIT-BAS-Procur@state.pa.us

Scope of Work: This contract will be awarded to the Bidder whose proposal demonstrates that the Bidder has more than five years of successful experience providing vending machine services, as defined in this IFB, and is a responsive, responsible vendor whose services are the most advantageous to the needs of the Commonwealth. The selected Contractor will provide a single source, full management program, which will provide vending machine services at Federal GSA Facilities throughout the Western PA Region.

The selected Contractor will be responsible for all aspects of vending machine services on designated GSA property. Contractor responsibilities under the Contract include, but are not limited to:

- Installation, maintenance and replacement of vending machine and associated equipment as needed or as directed by BBVS/BEP;

- Sale and management of sales of products through said vending machines;
- Regular inspection of vending machines/sites and collection of vending machine proceeds;
- Maintenance of accurate records regarding machine receipts, machine maintenance, applicable health, safety or other certifications as may be required by law;
- Timely submittal to BBVS of reports reflecting revenue, disbursements, calculation of gross sales and commissions, vending machine activity, and other customer service or problem resolution activity as may have occurred during the report period;
- Quarterly reports to be accompanied by commission payments payable to the Commonwealth of Pennsylvania equal to an amount no less than the percentage of monthly gross sales as stipulated in the executed contract.

Simultaneously, a copy of the Contractor's quarterly report accompanied by the corresponding Excel financial spreadsheet(s) must also be transmitted to BEP via e-mail.

Information regarding relevant BEP e-mail addresses needed to comply with this requirement will be provided to the Contractor at the time of award.

Commission:

- To compete in this IFB, a bid proposal must assure BBVS a minimum commission equal to twenty percent of the monthly gross sales, minus sales tax.
- "Gross sales" is defined as the total invoice value of sales, before deducting customers' discounts, returns, or allowances.
- The Bidder's quoted commission must be consistent through the entire pricing range as listed on Exhibit I.
- The Bidder's quoted commission is equally applicable to all machines the Bidder services regardless of the products dispensed.

Detailed information regarding Contractor reporting responsibilities, reporting schedules, reporting format, reporting mechanisms, etc. is presented in ATTACHMENT B of this IFB and is incorporated into the awarded contract.

All covered GSA locations identified at the time of the award will be included in the final contract. Increases in the number of covered locations will be incorporated into that contract by

way of subsequently-approved written amendments. The number, type, and locations of machines will fluctuate and no minimum is guaranteed.

At the discretion of BEP and GSA, locations noted on ATTACHMENT C now, or in a revised list at a later date, may be removed from that list.

The selected Contractor may provide stipulated contract services directly or through subcontractors whose use has been approved by the Issuing Office.

A Bidder's intention to administer contract services through subcontractors must be identified in its response to this IFB and must be accompanied by information identifying and verifying the subcontractors' credentials to perform the contracted vending machine service.

The selected Contractor's use of subcontractors, not previously approved at the time of contract award, must be preceded by written approval from the Issuing Office.

The Contract will be awarded to a single Contractor for Federal GSA facilities in the Western Pennsylvania Region. If that Contractor fails to effectively and responsively deliver vending machine services as stipulated in this IFB, or fails to comply with the terms and conditions as set forth in the awarded contract, the Commonwealth reserves the right to terminate the contract, for cause, and offer the contract for GSA vending machine services in the Western PA Region to an alternate vendor.

Pre-Bid Questions: Prospective Bidders should forward all questions to the IFB Point of Contact as shown on page 3 (RA-li-OIT-BAS-Procure@state.pa.us) by email no later than 10/03/2013.

All IFB-related inquiries will be answered by posting question(s) to the FAQ section of the IFB or to the online advertisement at: www.emarketplace.state.pa.us (with a notice advising that FAQ's have been attached to the solicitation) no later than 10/08/2013.

Included as components of this IFB are the following:

- ATTACHMENT A: Statement of Work
- ATTACHMENT B: Contractual Requirements
- ATTACHMENT C: Western Region GSA Site Locations
- ATTACHMENT D: Calendar of Events
- Exhibit I: Product Price List

Vending machines covered under the contract resulting from this IFB, regardless of being owned or leased equipment, must comply with the following:

- All vending machines are, and will remain, the property and responsibility of the Contractor. The Contractor will take such action as is reasonably required for the protection of the vending machines against loss by pilferage or destruction, e.g. machines will be secured/bolted together where applicable;

- The Contractor and all vending machines in Contract-covered GSA locations must be fully insured against loss, damage, and theft. Contractor must also be fully insured against personal injury liability associated with its vending machines and their use in the Contract-covered GSA locations. Evidence of required insurance coverage must be presented with Bidder's response to this IFB;
- All vending machines must be maintained in proper mechanical and electrical working order at all times;
- All vending machines must be cleaned, fully stocked, secured, energy efficient, and maintained in safe and sanitary condition to the satisfaction of BBVS in compliance with prevailing laws and regulations;
- All vending machines must be Americans with Disabilities Act (ADA) compliant;
- All vending machines provided by the Contractor must be equipped with energy misers, non-resettable cash counters and outfitted with industry-standard, web-based data format tracking system in order that they specifically provide real time sales information to BBVS/BEP. The installation and monthly monitoring costs will be borne by the Contractor.

Contractor shall be responsible for instructing BEP personnel in the principles and use of the Contractor's web-based data tracking system. This requirement will be accomplished by way of direct training, tutorial instruction, web-based training, or a combination of those approaches. Contractor shall be available for system-related technical assistance throughout the term of the contract.

- Vending machines will be equipped with dollar bill validating, coin counters, locks on doors and coin boxes. Vending machines must be capable of accepting and dispensing US dollar coins.

Vending machines not equipped and/or maintained in the manner consistent with the requirements of this IFB will be determined unacceptable. Failure to abide by the stated requirements will result in the termination of the vending machine services contract.

Changes of product prices from those shown in Exhibit I, are not permitted without prior written consent granted by BEP. If the Contractor offers a product(s) in a package size not listed in Exhibit I, the Contractor **must** obtain written BEP approval for the product price and continue to remit the BBVS Commission at the rate quoted in the bid.

NOTE: Bidder will provide separate price lists reflecting the healthy choice, nutritional foods; hot foods; cold foods and ice cream it will offer in covered vending machines. BEP will determine the acceptability of those proposed prices. If approved by BEP, the Bidder's proposed prices for healthy choice, nutritional food, hot foods, cold foods and ice cream selections will be subject to all of the terms and conditions applicable to other vended products covered by the Vending Machine Services Contract.

The percentage rate used to calculate vending machine commissions and proposed by a Bidder in response to this IFB:

- Must be consistent through the entire pricing range as presented in Exhibit I;
- Will not be reduced or recalculated following the effective date of the contract resulting from this IFB.

Contractor is encouraged to explore and suggest upgrades, additions, and improvements to each vending machine location in order to maximize profitability and commissions. As the need for changes and/or improvements to equipment is identified, the Contractor must consult with BEP about the proposed changes.

BEP, approval is required for the Contractor to change, remove, or add vending machines at any location. Such approval must be secured in writing from the BBVS/Business Enterprise Program's Contract Manager, or her/his designee. Contact information for that individual will be transmitted with the awarded contract. Written approval as prescribed, must be secured prior to the proposed vending machine change, removal or addition.

Financial Capability:

Bidders must:

- Submit evidence of their company's financial stability and economic capability to perform the contract requirements;
- Provide their company's financial statements for the past three fiscal years, including audited financial statements and recent tax returns. Financial statements will include the company's Balance Sheet and Income Statement or Profit/Loss Statements. Bidders should include a Dun & Bradstreet comprehensive report, if available.

If the Bidder's company is a publicly-traded company, Bidder may provide the link to the required financial records as are available on the company website.

The Commonwealth reserves the right to request additional information it deems necessary to evaluate a Bidder's financial capability.

A Bidder's financial information received in response to this IFB will be retained by the Commonwealth in strict confidence and will be used only for purposes consistent with

this IFB, and resulting contract. Access to submitted financial information is limited to those Commonwealth employees authorized to review such material in the performance of their duties. Financial information submitted by Bidders will neither be disclosed nor otherwise made available to any parties, other than Commonwealth employees noted above, without the express written consent of the Bidder.

Contractor Prior Experience Submittal:

	Company Name and Address	Contact Information	Project Name	Project Start and End Dates	Brief Description of the Project
1					
2					
3					

Contractor Personnel and Qualifications:

Bidders will submit résumés for persons who will be assigned to the vending machine services contract, providing information to effectively present staff qualifications and skills required to successfully execute the vending machine contract as required of this IFB. **If a Bidder intends to use subcontractors to accomplish the work of this IFB/Contract, personnel information as stated regarding subcontracted personnel must accompany the Bidder’s proposal.**

Mobilization and Implementation Plan:

Bidders responding to this IFB will include with its bid a Mobilization and Implementation Plan, beginning with the date of notification of contract award.

The Contractor’s Mobilization and Implementation Plan must include the following elements:

- a. A detailed timetable for a mobilization and implementation period not to exceed sixty (60) calendar days beginning with the date of formal contract notification. This Plan must clearly demonstrate how the Contractor will have the contract executed and operational from the date of notification of award. A clear timetable of activities to occur during that period must be included as part of the Mobilization and Implementation Plan.
- b. The Contractor's plan for the deployment and use of management, supervisory or other key personnel during the mobilization and implementation period. The Mobilization and Implementation Plan should show all management, supervisory and key personnel who will be assigned to manage, supervise and monitor the Contractor’s mobilization and implementation of the contract within the period of no more than sixty (60) calendar days from the contract award.
- c. The successful Contractor must determine the appropriate snacks, beverages and/or any other vending products required for the GSA sites covered by the contract. This condition will require close coordination with BEP management in order to insure access

can be granted to as many vending facilities as needed. A successful Contractor's Mobilization and Implementation Plan will detail how this activity is to be accomplished.

NOTE: An incomplete or inadequate Mobilization and Implementation Plan will cause a Bidder's submitted bid to be considered non-responsive and will be grounds for rejection of the bid. The Mobilization and Implementation Plan, when approved by the Commonwealth, will be incorporated into the awarded contract.

Other:

Following the award of this contract, BBVS/BEP will notify the GSA locations listed on ATTACHMENT C that a new contract has been awarded and will identify the awarded Contractor. Upon the expiration of the contract, the current Contractor will be notified that it will have thirty (30) to sixty (60) days to remove all of its vending equipment from all of the contracted vending locations, then vacate the premises. Through this transition period, BEP will contact the new Contractor and arrange for services to begin as soon as the previous Contractor vacates the premises. BEP will coordinate the transition with the goal of minimizing downtime and insuring as little interruption of vending services as possible.

BEP will ensure that the Federal GSA property furnishes all necessary water lines, plumbing, electric and electrical service connections for operation of the vending machines. The final connections of water, electric, etc., as referenced, will be made by the vending machine Contractor.

The Contractor shall provide BEP with a log-in or user account for real time access to vending machine sales information from the installed compatible web-based data format tracking system.

The Contractor shall submit quarterly commission checks with a detailed report, suitable to BBVS/BEP. The report should include monthly gross sales and commissions per location per machine per month. The report shall be received by BEP no later than the 15th of the month following the end of the quarter.

ATTACHMENT B

Contractual Requirements

A. General Requirements:

1. Contractor shall provide automatic coin-operated vending machines for the PA Office of Vocational Rehabilitation/Bureau of Blindness and Visual Services (Issuing Office), in accordance with the provisions of this Invitation for Bid (IFB) and with such contract(s) as may result from this IFB.
2. Contractor shall provide vending machine services for the United States Department of General Services (GSA) property locations as shown on ATTACHMENT C to this IFB and as may be added at later dates throughout the course of the vending machine services contract. Issuing Office reserves the right to add/remove GSA locations to/from ATTACHMENT C.
3. For purposes of this IFB vending machine services shall include furnishing, installing, stocking, maintaining, servicing, repairing and/or replacing vending machines at the identified GSA locations.
4. Contractor shall perform all services to the sole satisfaction of the Issuing Office.
5. All vending machines shall remain the property of the Contractor. Contractor must remove all vending machines upon expiration/termination/cancellation of the contract.

B. Vending Machine Specifications:

1. Within sixty (60) days following issuance of the Notice of Award, Contractor must install and have operational the quantity and types of vending machines as specified in this IFB. If, in the opinion of the Issuing Office, circumstances warrant changes to the quantity, types and/or specifications of vending machines, Contractor shall make the changes as required by the Issuing Office, including removal of, addition of, or other changes to vending machines. Contractor shall make such changes only upon receipt of written approval to do so from the Issuing Office.
2. Contractor shall install attractive new vending machines or vending machines refurbished to "like new" condition. The position of the Issuing Office as to the

acceptability of refurbished vending machines shall be final and binding on all parties.

3. All vending machines shall harmonize with the décor of the area in which it is located, if applicable.
4. All vending machines provided under the contract(s) resulting from the IFB must be of a styling that does not detract from the décor of the location(s) in which they are installed. The opinion of the Issuing Office as to the acceptability of the style of vending machines shall be final and binding on all parties.
5. Contractor shall remove and/or replace any vending machines which, in the opinion of the Issuing Office, have deteriorated to the extent that the machine(s) are not mechanically able to provide reliable service, or the exterior of which has aesthetically deteriorated to the degree that it detracts for the décor of the site in which it is located.
6. Contractor must equip all vending machines with transaction counters that cannot be reset. The transaction counters must maintain a cumulative reading of all transactions for each vending machine in which all products are sold at the same price. For vending machines in which products are sold at different prices, the transaction counters must maintain a cumulative reading of all money accepted, less change returned. Transaction counters must be sealed and incapable of being reset without physical removal from the vending machine(s) and disassembly of the counter.
7. Title to the vending equipment required by the contract resulting from this IFB shall be held by and vested in the Contractor or Contractor's subcontractor(s). The Commonwealth of Pennsylvania shall not be liable in the event of loss, incident, destruction, theft, damage, etc. arising out of the ownership, selection, possession, operation, control, use, maintenance, delivery, return, and/or installation of the equipment provided by the Contractor. It is the Contractor's sole responsibility to obtain insurance coverage for such loss in an amount Contractor deems appropriate.

C. Product Specifications:

1. Contractor must, at all times, maintain ample stock of all products dispensed and sold in the vending machines.
2. The Issuing Office shall have the exclusive right to select the kinds of products to be vended.

3. Contractor assures that the majority of products vended under the contract resulting from this IFB are nationally advertised name brands of first quality.
4. If directed to do so in writing by the Issuing Office, Contractor shall remove products which do not, in the opinion of the Issuing Office, meet standards as referenced.
5. If directed to do so in writing by the Issuing Office, Contractor shall furnish additional products in contract-covered vending machines as customer demands change and new products become available.
6. Contractor must mark all perishable food products with a clearly visible expiration date, and must immediately replace all products that have expired.
7. Contractor shall furnish all supplies necessary for the customer using contract-covered vending machines including, but not limited to:
 - a. Condiments: Salt and pepper packets, mustard packets, ketchup packets, etc.
 - b. Paper Products: Napkins, beverage cup lids, straws, etc.
 - c. Utensils: Plastic knives, forks, spoons, soup spoons, etc.

D. Specific Personnel and Service Requirements:

1. Contractor shall provide names and telephone numbers of service personnel to vending location managers or others who oversee operation of the vending site(s) in order that machine malfunctions or problems may be reported immediately.
2. Contractor shall provide names and telephone numbers of service personnel to the Issuing Office contact person, or to other Issuing Office staff as may be designated in the contract resulting from this IFB.
3. Contractor shall provide a trained, experienced route service/sales person for the vending machine services covered by this IFB. That person must have relevant knowledge, skills and abilities to provide effective and efficient vending machine support and service.
4. Contractor agrees that each time vending machines are restocked, serviced, or otherwise attended by the Contractor, the Issuing Office representative, or designee, may conduct a vending count to record the number of products in the vending machines prior to and following any restocking/servicing.

5. Contractor is responsible for customer refunds. A uniform system of refunding money, acceptable to the Issuing Office, must be in operation at all times, including, but not limited to the visible posting of easily understood refund instructions for the customers, envelopes and/or other supplies as may be needed to facilitate the customers' request for refund and prompt remittance of customers' refunds.
6. Contractor shall visibly post instructions for customers to report vending machine malfunctions.
7. Contractor's service employees shall wear distinguishable uniforms/attire, including clearly visible name badges, while working at the contract-covered vending machine locations.

Contractor will provide service employees with company identification cards. Service employees shall present their company identification card to the GSA location manager upon request.

8. Contractor's service employees shall comply with requirements of vending site location management regarding the stocking/servicing of the vending machines.
9. Contractor shall be responsible for obtaining security background checks for all personnel engaged in the servicing of, or support for, covered vending machines. Contractor is responsible for all costs associated with the security background checks.
10. Contractor must dispose of waste and maintain vending machines in compliance with standards of health and sanitation required by federal, state and local law or regulation.
11. Contractor will ensure that the area around the vending machines is clean and maintained in an orderly fashion to include, but not be limited to, the removal of trash, garbage and debris. The Contractor will provide trash cans and liners.

Contractor agrees to move vending machines every six (6) months for ventilation and floor cleaning. The Contractor and the Federal GSA site management will coordinate that activity.

A record reflecting performance of the prescribed maintenance/cleaning activities will be maintained by the Contractor and provided to BEP as part of the next Quarterly Contract Report due following the activity.

Any failure on the part of the Contractor to immediately advise BEP of its inability to satisfy the referenced maintenance services or accomplish these services in the required time allotted will constitute a breach of contract enforceable through cancellation of the contract.

12. Within twenty (20) days of notification of award, Contractor shall submit to the Issuing Office the name, title, address and telephone number of one individual within its organization as the Contractor's designated representative.

Unless otherwise directed by the Contractor, that designee will be the person to whom the Issuing Office will direct all correspondences, official notifications, requests and miscellaneous communication related to the Contractor's performance under the vending machine services contract. Contractor may change or substitute the designated representative as determined necessary, providing the Issuing Office prompt notification of such change.

E. Accounting Requirements:

1. On a quarterly basis, commencing ninety (90) days after the valid date of the vending machine services contract, Contractor shall return to the Issuing Office a percentage commission of the total gross sales, minus sales tax, from all contract-covered vending machines.

Total gross sales is defined as the total invoice value of vending machine sales **before** deducting customer discounts, returns, allowances or other expenses.

Commissions stipulated in the contract resulting from this IFB shall be calculated monthly, with the cumulative three-month total commissions submitted to the Issuing Office. Said commissions shall be accompanied by a detailed fiscal report reflecting each individual month's vending machine gross receipts upon which the Contractor's quarterly commission payment is calculated.

Quarterly reports shall include an accurate Profit and Loss Statement reflecting the period covered by the report.

Commissions and corresponding fiscal reports shall be presented to BEP on a quarterly schedule commencing, as noted, ninety (90) days after the valid date of the contract. Simultaneously, a copy of the Contractor's quarterly fiscal report, presented on an Excel spreadsheet(s), shall be transmitted to BEP via e-mail.

2. Contractor's quarterly report shall include each machine's identification number, product, and the beginning and ending readings on the machine's transaction counter(s).
3. Contractor's quarterly reports shall be accompanied by the accurate commission payment that corresponds to the reported quarter.
4. Contractor shall submit required quarterly commission payments in the form of a certified check, cashier's check, or money order.

Commission payment checks/money orders will be made payable to the Commonwealth of Pennsylvania – BBVS Business Enterprise Program. Commission payment checks will be annotated showing the vending machine contract number and the beginning and ending dates of the reported quarter's commission.

5. Contractor shall be responsible for sales tax and shall not deduct such tax from the commissions paid to the Issuing Office.
6. Contractor shall use generally accepted accounting principles (GAAP) as promulgated by the American Institute of Certified Public Accountants in maintaining its fiscal records as related to the vending machine services contract awarded through this IFB.

F. Liquidated Damages:

1. Contractor agrees and understands that the provision of vending machine services in accordance with the requirements and delivery date(s) stated in this IFB and in the resulting vending machine services contract is considered critical to the efficient operation of the Issuing Office.

Accordingly, should the Contractor fail to comply with the requirements and delivery date(s) stipulated in this IFB, and its resulting vending machine service contract, Contractor shall pay for liquidated damages, as identified below:

- a. In the event the Issuing Office does not receive the correct commission payment within fifteen (15) calendar days following the end of the reporting quarter, Contractor shall be assessed liquidated damages in the amount of one-half percent (1/2%) of the total commission payment due for each day that the commission payment is late.
- b. Contractor agrees and understands that such liquidated damages shall be paid by the Contractor as a direct payment to BEP in the form of certified check, cashier's check or money order.

The payment instrument used to make payment for liquidated damages shall be annotated with the number of the vending machine services contract and the reference, "Payment for Liquidated Damages".

- c. Contractor agrees and understands that all assessments of liquidated damages shall be within the discretion of the Issuing Office and shall be in addition to, not in lieu of, the rights of the Commonwealth of Pennsylvania to pursue other appropriate remedies.
2. Contractor shall not charge more than the prices listed on Exhibit I for each respective product, unless such increases are approved, in writing by the Issuing Office, prior to the increase and on a product-specific basis.
 3. If requested by the Issuing Office, Contractor shall appear at a specified location and open any or all vending machines and permit the Issuing Office and/or its designee to count and determine the amount of money in any and/or all vending machines at that location. Issuing Office shall give a minimum four (4) hour notice of each such inspection.
 4. Contractor agrees that the Issuing Office and/or its designee may audit, examine, and/or copy any and all books, records and information relating to the operation of vending machines covered by the vending machine service contract.
 5. Contractor shall retain and maintain all records for a minimum of five (5) years or until audited by the Issuing Office, whichever occurs first.
 6. Any breach of contract duties or failure by the Contractor to perform contract duties as set forth in the vending machine services contract shall entitle the Issuing Office to perform either or both of the following as determined to be in the best interests of the Commonwealth of Pennsylvania:

- a. Issuing Office shall cancel the contract by providing the Contractor with written notice of such cancellation. If appropriate, and at the sole discretion of the Issuing Office, Contractor may be provided one opportunity to correct the breach within a reasonable period of time as determined by the Issuing Office.

Should the Issuing Office exercise its right to cancel the contract, such cancellation shall become effective on the date as specified in the written notice of cancellation sent to the Contractor.

- b. Issuing Office shall recover from Contractor a commission payment equal to the agreed-upon percentage of gross sales from all covered vending machines during the contractual quarter in which Contractor breach/failure occurred. Said commission payment, and any other outstanding payments due BEP at the time of breach/failure, shall be remitted in full no later than fifteen (15) calendar days following discontinuance of Contractor vending machine services.

In the event the Issuing Office does not receive the correct payment within fifteen (15) calendar days following discontinuance of Contractor vending machine services, Contractor shall be assessed liquidated damages in the amount of one-half percent (1/2%) of the total payment due for each day that the payment is late.

A final report, including a complete financial accounting of Contractor's vending machine services activities shall be sent to BEP, with a simultaneous Excel spreadsheet copy transmitted via e-mail, no later than thirty (30) days following discontinuance of Contractor vending machine services.

7. Contractor must have and maintain a "Dishonesty Bond" in the minimum amount of \$25,000.
8. The dishonesty bond shall cover any loss caused to the Issuing Office and/or GSA through any fraudulent or dishonest act or acts committed by the Contractor or any of the Contractor's employees or subcontractors, acting alone or in collusion with others.
9. The dishonesty bond shall cover the Commonwealth of Pennsylvania and the U.S. General Services Administration as additional insured parties.
10. No later than twenty (20) calendar days after notification of award of contract, Contractor shall submit the dishonesty bond or proof of such coverage to the Issuing Office.

11. If, throughout the life of the contract, the Contractor commits no dishonest acts in the execution of said contract, then the Issuing Office will return the dishonesty bond to the Contractor.

G. Other Contractual Requirements:

1. The contract expresses the complete agreement of the parties and shall be governed solely by the specifications and requirements contained in that document.
2. Contract Amendment - Any change to the contract, whether by modification and/or supplementation, must be accomplished by a formal contract amendment signed and approved by and between the duly authorized representatives of the Issuing Office and the Contractor prior to the effective date of such modification. Contractor expressly and explicitly understands that no other method and/or no other document, including acts or oral communications by or from any person, shall be used or construed as an amendment or modification to the contract.
3. Contract Period – The original contract period shall be as stated on page one of the IFB. The contract shall not bind, nor suggest to bind, the Commonwealth of Pennsylvania or the Contractor for any contractual commitment in excess of the original contract period. Issuing Office has the right, at its sole option, to renew the contract for two additional one-year periods, or any portion thereof.

Should the Issuing Office exercise that right all terms and conditions, requirement and specifications of the original contract shall remain the same and apply during the renewal period.

4. Renewal Periods – Should the Issuing Office exercise the right of contract renewal, Contractor agrees that the rate of percentage commission shall be the same as shown in the original contract.
5. Transition – Upon expiration, termination or cancellation of the contract, Contractor shall assist the Issuing Office to insure an orderly transfer of responsibility and/or the continuity of those services required under the terms of the contract to a successor organization designated by the Issuing Office. Contractor shall provide and/or perform responsibilities as follows:
 - a. Continue to deliver any part or all of the vending machine services in accordance with the terms and conditions, requirement and specifications of the contract for a period not to exceed sixty (60) calendar days after the expiration, termination or

cancellation date of the contract for the percentage commission set forth in the contract.

- b. If Contractor assistance in the transition of vending machine services is not requested, Contractor shall discontinue providing vending machine orders or accepting new assignments under the terms of the contract on the date specified by the Issuing Office in order to insure the completion of such service prior to the expiration of the contract. Contractor will have a thirty (30) to sixty (60) day period to remove all of its vending equipment from all of the contract-covered vending machine locations then vacate those premises.
6. Insurance – Contractor must acquire and maintain adequate liability insurance in form(s) and amount(s) sufficient to protect the Commonwealth of Pennsylvania, its agencies, its employees, its customers and the general public against such loss, damage and/or expense related to the Contractor's performance under the contract. Such insurance shall include the Commonwealth of Pennsylvania and GSA as additional insured parties.
7. Authorized Personnel – Contractor shall employ or subcontract with personnel authorized to work in the United States in accordance with all applicable federal and state law.

If the Contractor is found to be in violation of this requirement or of applicable state, federal, and local laws or regulations, and if the Issuing Office has reasonable cause to believe that the Contractor has knowingly employed or subcontracted with persons who are not eligible to work in the United States, the Issuing Office shall have the right to cancel the contract immediately without advance notice and without incurring penalty or recourse.

Contractor agrees to fully cooperate with any audit or investigation by federal, state or local law enforcement agencies related to this requirement.

8. Contractor Status – Contractor shall represent himself/herself to the general public as an independent contractor offering vending machine services through a contract with the Commonwealth of Pennsylvania and shall not represent himself/herself, or his/her employees, to be an employee of the Commonwealth of Pennsylvania or of GSA.

Contractor shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, workers compensation, employee insurance, minimum wage requirements, overtime, etc. and agrees to indemnify, save, and hold the

Commonwealth of Pennsylvania, its agents and employees harmless from and against any and all loss; cost (including attorney fees); and damage of any kind related to such matters.

9. Property of State – All documents, data, reports, supplies, equipment and accomplishments prepared, furnished or completed by the Contractor pursuant to the terms of the vending machine services contract shall become the property of the Issuing Office. Upon expiration, termination or cancellation of the contract such items shall remain the property of the Issuing Office.
10. Confidentiality – Contractor understands that all discussions with the Contractor and all information gained by the Contractor resulting from the Contractor's performance under the Contract shall be confidential.

No reports, documentation or material prepared as required by the vending machine services contract shall be released to the public without prior written consent of the Issuing Office.

11. Contractor Equipment Use – Title to any equipment required by the vending machine services contract shall be held by and vested in the Contractor.

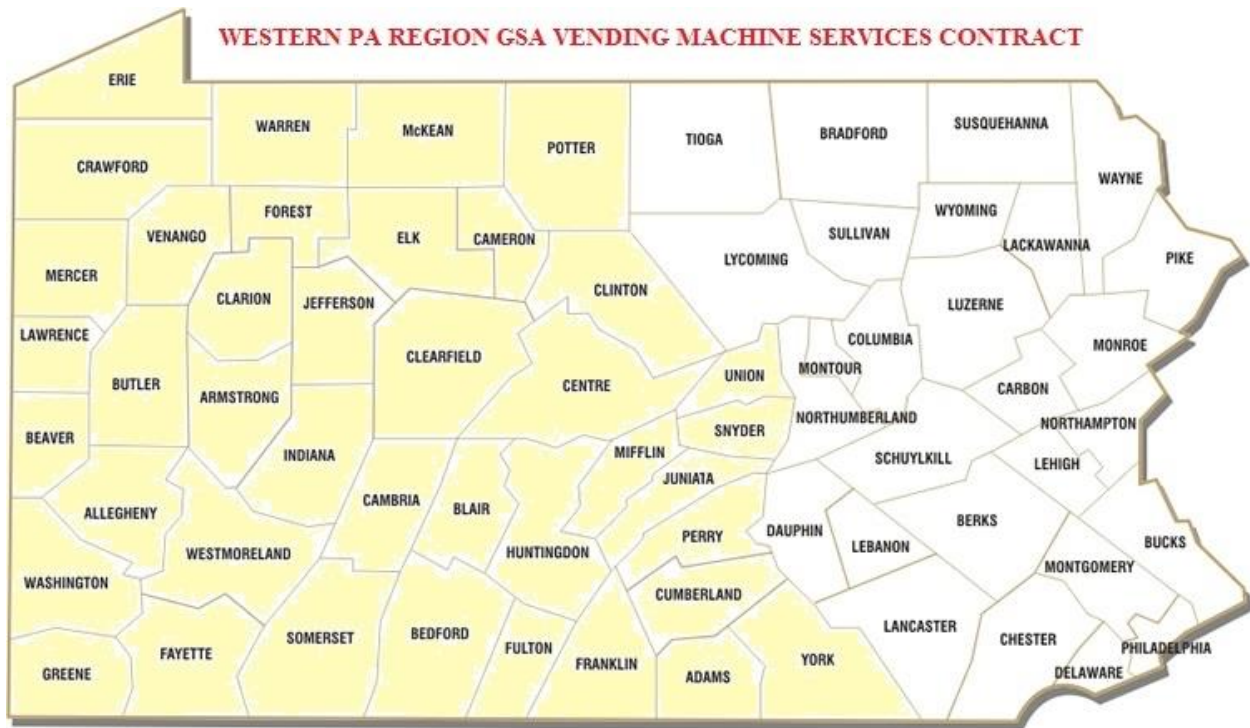
The Commonwealth of Pennsylvania shall not be liable in the event of loss, incident, destruction, theft, damage, etc. for Contractor's equipment including, but not limited to, devices, wiring, software, etc.

It is the Contractor's sole responsibility to obtain insurance coverage for such loss in an amount the Contractor deems appropriate.

The Commonwealth of Pennsylvania is not responsible for any liability incurred by the Contractor, the Contractor's employees or subcontractors arising out of the ownership, selection, possession, leasing, rental, operation, control, use, maintenance, delivery, return, and/or installation of equipment provided by the Contractor.

ATTACHMENT C

Western Pennsylvania GSA Vending Machine Sites



	Location Name	Address	Agencies at Site	Employees	Contact Person	Snack Machine	Beverage Machine	Other
1	Social Security Admin. (SSA) Bldg.	6117 Penn Circle North, Pittsburgh PA 15206 (Allegheny County)	SSA					
2	Federal Courthouse	700 Grant Street, Pittsburgh PA 15219 (Allegheny County)			Jeff Kuti (412) 395-4540	2	2	
3	National Firearms	320 E. Chestnut Ave., Altoona,	Home Land Security		Elaine Isahak			

	Tactical Training Unit (NFTTU)	PA 16601 (Blair County)			(814) 946-9981 Ext. 4112			
	Location Name	Address	Agencies at Site	Employees	Contact Person	Snack Machine	Beverage Machine	Other
4	The Baker Building	18 E. 7 th Street, Erie, PA 16501 (Erie County)						
5	Federal Building & Courthouse	617 State St., Erie PA 16501 (Erie County)		20	Mike Robie (814) 464-9701	1	2	
6	Federal Building & Courthouse Annex	27 South Park Row, Erie PA 16501 (Erie County)		30	Mike Robie (814) 464-9701			
7	Federal Building & Courthouse Annex	17 South Park Row, Erie PA 16501 (Erie County)		20	Mike Robie (814) 464-9701			
8	Federal Building & Courthouse Annex	7 th & State St., Erie PA 16501 (Erie County)			Mike Robie (814) 464-9701			
9	Social Security Admin. Bldg.	122 W. Third St., Greensburg PA 15601 (Westmoreland County)	SSA					
10	Social Security Admin. Trust Fund Bldg.	50 N. Third St., Chambersburg PA 17201 (Franklin County)	SSA					

ATTACHMENT D

Calendar of Events

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit Questions via email to _____ RA-li-OIT-BAS-Procure@state.pa.us . Please have subject read: Western Region GSA Bid Question	Contractor	10/03/2013
Submit Bidder questions by posting an FAQ to the IFB. Pertinent or material changes will be posted on the solicitation of the Pa supplier portal, (http://www.pasupplierportal.state.pa.us), no later than this date.	Issuing Office	10/08/2013
Bidder will monitor PA Supplier Portal http://www.pasupplierportal.state.pa.us website for all communications regarding the IFB.	Contractor	ongoing
Bidder will submit Electronic Bid Proposal to the Issuing Office online at: PA Supplier Portal http://www.pasupplierportal@state.pa.us	Contractor	10/10/2013 10:00 AM
Projected Contract effective date will depend on final Commonwealth Approval. Bid Tab and Award will be posted to: www.emarketplace.state.pa.us	Contractor	12/01/2014

Exhibit I

PRODUCT PRICE LIST

<u>Product</u>	<u>Price</u>
Soda (12 oz. Can)	\$1.00
Soda (20 oz. Bottle)	\$1.75
Juice/bottled (12 oz. to 20 oz.)	\$1.75
Bottled Water (16 oz. to 20 oz.)	\$1.50
Hot Drinks (8 oz.)	\$.75
Hot Drinks (12 oz.)	\$1.00
Vitamin Water	\$2.00
Gatorade/Powerade	\$1.75
Energy Drinks	\$2.25
<u>Snack products:</u>	
Chips, Pretzels, RSS (RSS to 1 oz.)	\$.75
Party Mix, Popcorn, Chex Mix, Doritos, Fritos, Cheetos (LSS over 1oz.)	\$1.00
Beef Jerky	\$1.75
6-pk Crackers/Cheez-its, Cookies, Peanuts (1oz)	\$.75
Peanuts (over 1oz), Nuts (cashews, pistachios, etc. Over 1oz), Combos	\$1.25
Granola/Fruit Bars	\$1.00
Candy, Chocolate Bars (RSC)	\$1.25
Candy King Size or larger	\$2.00
Cakes/Pastries/Pop Tarts	\$1.25
Cereal Snack Pouches	\$1.00
Gum	\$.75
Gum, Large Size	\$1.50
Life Savers / Breath Mints	\$.75
Mints (Tic Tac, etc.), Large Size	\$1.50
Halls	\$1.25
Protein Bars	\$3.25

NOTE: Bidder will provide separate price lists reflecting the healthy choice, nutritional foods; hot foods; cold foods; and ice cream it will offer in covered vending machines.

BEP will determine the acceptability of those proposed prices. If approved by BEP, the Bidder's proposed prices for healthy choice, nutritional food, hot foods, cold foods, and ice cream selections will be subject to all of the terms and conditions applicable to other vended products covered by the Vending Machines Services Contract.